

BHP BILLITON LTD
Form 6-K
April 21, 2005

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Date of

13 April 2005

BHP Billiton Limited

ABN 49 004 028 077

180 Lonsdale Street

Melbourne Victoria 3000

Australia

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F	<input checked="" type="checkbox"/>		Form 40-F	<input type="checkbox"/>
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Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934

Yes	<input type="checkbox"/>		No	<input checked="" type="checkbox"/>
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If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

Date 13 April 2005
Number 15/05

BHP BILLITON SETTLES IRON ORE PRICES

BHP Billiton today announced it had reached agreement with a number of its steel customers on prices for contracted iron ore tonnage for the 2005 contract year.

The agreed prices are as follows:

- ◆ Mt Newman High Grade Fines 61.72 US cents per dry metric tonne unit; an increase of 71.5 per cent.
- ◆ Prices for Mt Newman High Grade Lump, Pisolite (Yandi), Marra Mamba (Area C MAC TM) and Brockman (Yarrie) ores will also increase by the same percentage.

BHP Billiton President Iron Ore Graeme Hunt said the price increases were a result of increasing global steel demand.

"The growing demand for steel is causing a significant increase in demand for our products. Higher iron ore prices reflect the additional costs we are incurring to meet our customers needs now and in the future through new investment," he said.

Mr Hunt said that while BHP Billiton was not successful this year gaining recognition of the freight cost advantages to north Asian steel makers in sourcing Australian iron ore, the issue was still relevant. "We will continue to discuss this issue with our customers in the year ahead," he said.

Notes:

- Iron ore prices are denominated in US cents per dry metric tonne unit, which reflects a common base per unit of iron ore content.
- To determine the USD price per tonne, the following conversion formula must be used:
 - US cents per dry metric tonne unit multiplied by iron content;
 - The iron content for Mt Newman lump ores is about 65 per cent.
- In FY2004, BHP Billiton's Western Australian iron ore operations shipped a record 88.3 wet million tonnes (100% basis) of ore.
- Japan continues to be BHP Billiton Iron Ore's biggest customer, buying 41 per cent of its products, followed by China (23%), Korea (17%) Australia (9%) and Taiwan (7%).
- In 2004, the price of Mt Newman High Grade Lump was 45.93 US cents per dry metric tonne unit; an increase of 18.62 per cent. Mt Newman High Grade Fines was 35.99 US cents per dry metric tonne; an increase of 18.62 per cent.

Further information on BHP Billiton can be found on our Internet site: <http://www.bhpbilliton.com>

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BHP Billiton Limited ABN 49 004 028 077

Registered in Australia
Registered Office: Level 27, 180 Lonsdale Street Melbourne Victoria
3000
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BHP Billiton Plc Registration number 3196209

Registered in England and Wales
Registered Office: Neathouse Place London SW1V 1BH United
Kingdom
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The BHP Billiton Group is headquartered in Australia

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BHP BILLITON LIMITED
/s/ KAREN WOOD

Karen Wood
Title: Company Secretary
Date: 13 April 2005