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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2012</b><br><br><b>This Form is Open to Public Inspection</b> |
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| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                           |
| For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u> |                                                                                                                                                                                                                                           |
| A This return/report is for:                                                                             | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____                         |
| B This return/report is:                                                                                 | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months). |
| C If the plan is a collectively-bargained plan, check here. . . . .                                      | <input checked="" type="checkbox"/>                                                                                                                                                                                                       |
| D Check box if filing under:                                                                             | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                 |

|                                                                                                                                                                                                                            |                                                                     |                                                             |                                                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|
| <b>Part II</b>                                                                                                                                                                                                             | <b>Basic Plan Information</b> —enter all requested information      |                                                             |                                                             |
| <b>1a</b> Name of plan<br>NAVAJO MINE RETIREMENT PLAN                                                                                                                                                                      | <b>1b</b> Three-digit plan number (PN) ▶ <u>002</u>                 | <b>1c</b> Effective date of plan<br><u>06/01/1964</u>       |                                                             |
| <b>2a</b> Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)<br><br>BHP BILLITON NEW MEXICO COAL INC.<br><br>1360 POST OAK BLVD., SUITE 150<br>HOUSTON, TX 77056-3020 | <b>2b</b> Employer Identification Number (EIN)<br><u>94-3144067</u> | <b>2c</b> Sponsor's telephone number<br><u>713-961-8500</u> | <b>2d</b> Business code (see instructions)<br><u>212110</u> |

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|                                                                                                            |                                                   |            |                                                              |
|------------------------------------------------------------------------------------------------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b>                                                                                           | Filed with authorized/valid electronic signature. | 10/15/2013 | DEAN WOOLDRIDGE                                              |
|                                                                                                            | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b>                                                                                           | Filed with authorized/valid electronic signature. | 10/15/2013 | DEAN WOOLDRIDGE                                              |
|                                                                                                            | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b>                                                                                           |                                                   |            |                                                              |
|                                                                                                            | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |
| Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional) |                                                   |            | Preparer's telephone number (optional)                       |

|                                                                                                                                                                                                                                                                                                                                                                                                                               |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor Name <input type="checkbox"/> Same as Plan Sponsor Address                                                                                                                                                                                                                                                           |           | <b>3b</b> Administrator's EIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                               |           | <b>3c</b> Administrator's telephone number                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                               |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:<br><b>a</b> Sponsor's name                                                                                                                                                                                                             |           | <b>4b</b> EIN<br><br><b>4c</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                       |           | <b>5</b> 1177                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                                                                        |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>a</b> Active participants.....                                                                                                                                                                                                                                                                                                                                                                                             | <b>6a</b> | 434                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                                                                                                                                                                                                                                                                                            | <b>6b</b> | 338                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                                                                                                                                                                                                                                                                                             | <b>6c</b> | 300                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                                                                                                                                                                      | <b>6d</b> | 1072                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....                                                                                                                                                                                                                                                                                                                     | <b>6e</b> | 93                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                                                                                                                                                                                                                                       | <b>6f</b> | 1165                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....                                                                                                                                                                                                                                                                                | <b>6g</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....                                                                                                                                                                                                                                                                                    | <b>6h</b> | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....                                                                                                                                                                                                                                                                                          |           | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>1B 1G 3H                                                                                                                                                                                                                                                      |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                   |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                 |           | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                             |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br>(3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |           | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |

|                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
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| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2012</b><br><br><b>This Form is Open to Public Inspection</b> |
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>NAVAJO MINE RETIREMENT PLAN</u>                                                                               | <b>B</b> Three-digit plan number (PN) ▶ <u>002</u>                                                                                                      |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><u>BHP BILLITON NEW MEXICO COAL INC.</u>                      | <b>D</b> Employer Identification Number (EIN)<br><u>94-3144067</u>                                                                                      |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |

|                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                           |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
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| <b>Part I</b>                                                                                                                                                                                                   | <b>Basic Information</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                           |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>1</b>                                                                                                                                                                                                        | Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2012</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                           |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>2</b>                                                                                                                                                                                                        | Assets:<br><table><tr><td><b>a</b> Market value .....</td><td><b>2a</b></td><td><u>99745371</u></td></tr><tr><td><b>b</b> Actuarial value .....</td><td><b>2b</b></td><td><u>99745371</u></td></tr></table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>a</b> Market value .....                                               | <b>2a</b>                         | <u>99745371</u>           | <b>b</b> Actuarial value .....                                                                                                                                                                                  | <b>2b</b> | <u>99745371</u>               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>a</b> Market value .....                                                                                                                                                                                     | <b>2a</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <u>99745371</u>                                                           |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>b</b> Actuarial value .....                                                                                                                                                                                  | <b>2b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <u>99745371</u>                                                           |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>3</b>                                                                                                                                                                                                        | Funding target/participant count breakdown:<br><table><tr><td></td><td><b>(1) Number of participants</b></td><td><b>(2) Funding Target</b></td></tr><tr><td><b>a</b> For retired participants and beneficiaries receiving payment.....</td><td><b>3a</b></td><td><u>427</u><br/><u>39669135</u></td></tr><tr><td><b>b</b> For terminated vested participants.....</td><td><b>3b</b></td><td><u>298</u><br/><u>11062610</u></td></tr><tr><td><b>c</b> For active participants:</td><td></td><td></td></tr><tr><td>    <b>(1)</b> Non-vested benefits.....</td><td><b>3c(1)</b></td><td><u>1450181</u></td></tr><tr><td>    <b>(2)</b> Vested benefits.....</td><td><b>3c(2)</b></td><td><u>40961493</u></td></tr><tr><td>    <b>(3)</b> Total active .....</td><td><b>3c(3)</b></td><td><u>464</u><br/><u>42411674</u></td></tr><tr><td><b>d</b> Total .....</td><td><b>3d</b></td><td><u>1189</u><br/><u>93143419</u></td></tr></table> |                                                                           | <b>(1) Number of participants</b> | <b>(2) Funding Target</b> | <b>a</b> For retired participants and beneficiaries receiving payment.....                                                                                                                                      | <b>3a</b> | <u>427</u><br><u>39669135</u> | <b>b</b> For terminated vested participants..... | <b>3b</b> | <u>298</u><br><u>11062610</u> | <b>c</b> For active participants: |  |  | <b>(1)</b> Non-vested benefits..... | <b>3c(1)</b> | <u>1450181</u> | <b>(2)</b> Vested benefits..... | <b>3c(2)</b> | <u>40961493</u> | <b>(3)</b> Total active ..... | <b>3c(3)</b> | <u>464</u><br><u>42411674</u> | <b>d</b> Total ..... | <b>3d</b> | <u>1189</u><br><u>93143419</u> |
|                                                                                                                                                                                                                 | <b>(1) Number of participants</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>(2) Funding Target</b>                                                 |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>a</b> For retired participants and beneficiaries receiving payment.....                                                                                                                                      | <b>3a</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <u>427</u><br><u>39669135</u>                                             |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>b</b> For terminated vested participants.....                                                                                                                                                                | <b>3b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <u>298</u><br><u>11062610</u>                                             |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>c</b> For active participants:                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                           |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>(1)</b> Non-vested benefits.....                                                                                                                                                                             | <b>3c(1)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <u>1450181</u>                                                            |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>(2)</b> Vested benefits.....                                                                                                                                                                                 | <b>3c(2)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <u>40961493</u>                                                           |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>(3)</b> Total active .....                                                                                                                                                                                   | <b>3c(3)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <u>464</u><br><u>42411674</u>                                             |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>d</b> Total .....                                                                                                                                                                                            | <b>3d</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <u>1189</u><br><u>93143419</u>                                            |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>4</b>                                                                                                                                                                                                        | If the plan is in at-risk status, check the box and complete lines (a) and (b) ..... <input type="checkbox"/><br><table><tr><td><b>a</b> Funding target disregarding prescribed at-risk assumptions .....</td><td><b>4a</b></td><td></td></tr><tr><td><b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor .....</td><td><b>4b</b></td><td></td></tr></table>                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>a</b> Funding target disregarding prescribed at-risk assumptions ..... | <b>4a</b>                         |                           | <b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor ..... | <b>4b</b> |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                       | <b>4a</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                           |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor ..... | <b>4b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                           |                                   |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>5</b>                                                                                                                                                                                                        | Effective interest rate .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>5</b>                                                                  | <u>5.49 %</u>                     |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |
| <b>6</b>                                                                                                                                                                                                        | Target normal cost.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>6</b>                                                                  | <u>1207531</u>                    |                           |                                                                                                                                                                                                                 |           |                               |                                                  |           |                               |                                   |  |  |                                     |              |                |                                 |              |                 |                               |              |                               |                      |           |                                |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                                                                 |                               |                                        |
|-----------------------------------------------------------------|-------------------------------|----------------------------------------|
| <b>SIGN HERE</b>                                                |                               | <u>10/11/2013</u>                      |
|                                                                 | Signature of actuary          | Date                                   |
| <u>KEVIN BILLS, FSA, EA, MAAA</u>                               |                               | <u>11-07029</u>                        |
|                                                                 | Type or print name of actuary | Most recent enrollment number          |
| <u>MERCER</u>                                                   |                               | <u>713-276-2100</u>                    |
|                                                                 | Firm name                     | Telephone number (including area code) |
| <u>1000 MAIN STREET, SUITE 2900</u><br><u>HOUSTON, TX 77002</u> |                               |                                        |
|                                                                 | Address of the firm           |                                        |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

**For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.**

**Schedule SB (Form 5500) 2012**  
**v. 120126**

| <b>Part II Beginning of Year Carryover Prefunding Balances</b>                                                                             |                       |                        |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
|                                                                                                                                            | (a) Carryover balance | (b) Prefunding balance |
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                   | 246061                | 0                      |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                | 0                     | 0                      |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                      | 246061                | 0                      |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>8.88</u> % .....                                                       | 21850                 |                        |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                             |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                            |                       | 4153461                |
| <b>b</b> Interest on (a) using prior year's effective interest rate of <u>6.27</u> % except as otherwise provided (see instructions) ..... |                       | 260422                 |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                              |                       | 4413883                |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                            |                       |                        |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                          |                       |                        |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                               | 267911                | 0                      |

| <b>Part III Funding Percentages</b>                                                                                                                                        |           |          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 106.80 % |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 107.08 % |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 109.45 % |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....                                        | <b>17</b> | %        |

| <b>Part IV Contributions and Liquidity Shortfalls</b>                                    |                                   |                                 |                          |                                   |                                 |
|------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| <b>18</b> Contributions made to the plan for the plan year by employer(s) and employees: |                                   |                                 |                          |                                   |                                 |
| (a) Date<br>(MM-DD-YYYY)                                                                 | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
| 11/14/2012                                                                               | 3996000                           |                                 |                          |                                   |                                 |
| 11/21/2012                                                                               | 999000                            |                                 |                          |                                   |                                 |
| 12/12/2012                                                                               | 999000                            |                                 |                          |                                   |                                 |
| 01/16/2013                                                                               | 999000                            |                                 |                          |                                   |                                 |
| 02/13/2013                                                                               | 999000                            |                                 |                          |                                   |                                 |
|                                                                                          |                                   |                                 | <b>Totals ►</b>          | <b>18(b)</b>                      | 7992000                         |
|                                                                                          |                                   |                                 |                          | <b>18(c)</b>                      | 0                               |

|                                                                                                                                                                                  |            |         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------|
| <b>19</b> Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:                                             |            |         |
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years. ....                                                                             | <b>19a</b> | 0       |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                                                                               | <b>19b</b> | 0       |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....                                                          | <b>19c</b> | 7603153 |
| <b>20</b> Quarterly contributions and liquidity shortfalls:                                                                                                                      |            |         |
| <b>a</b> Did the plan have a "funding shortfall" for the prior year? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                                   |            |         |
| <b>b</b> If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No |            |         |
| <b>c</b> If line 20a is "Yes," see instructions and complete the following table as applicable:                                                                                  |            |         |

| Liquidity shortfall as of end of quarter of this plan year |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| (1) 1st                                                    | (2) 2nd | (3) 3rd | (4) 4th |
|                                                            |         |         |         |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

|                                                                                                                                                                                              |                       |                       |                        |                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|------------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                       |                       |                        |                                                     |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>2.06% | 2nd segment:<br>5.25% | 3rd segment:<br>6.32 % | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code).....                                                                                                                                                  |                       |                       |                        | <b>21b</b> 4                                        |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                       |                       |                        | <b>22</b> 60                                        |
| <b>23</b> Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                       |                       |                        |                                                     |

**Part VI Miscellaneous Items**

|                                                                                                                                                                        |                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ....                                      | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....                             | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....                                    | <b>27</b>                                                           |

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

|                                                                                                                                     |           |   |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contributions for all prior years .....                                                           | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....                                   | <b>30</b> | 0 |

**Part VIII Minimum Required Contribution For Current Year**

|                                                                                                                                                                                      |                     |                    |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|---------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |                     |                    |               |
| <b>a</b> Target normal cost (line 6) .....                                                                                                                                           | <b>31a</b>          | 1207531            |               |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           | <b>31b</b>          | 1207531            |               |
| <b>32</b> Amortization installments:                                                                                                                                                 |                     |                    |               |
| <b>a</b> Net shortfall amortization installment .....                                                                                                                                | Outstanding Balance | Installment        |               |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       |                     |                    |               |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount ..... | <b>33</b>           |                    |               |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...                                                            | <b>34</b>           | 0                  |               |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance | Total balance |
| <b>35</b> Balances elected for use to offset funding requirement.....                                                                                                                |                     |                    | 0             |
| <b>36</b> Additional cash requirement (line 34 minus line 35) .....                                                                                                                  | <b>36</b>           | 0                  |               |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....                                                  | <b>37</b>           | 7603153            |               |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |                     |                    |               |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       | <b>38a</b>          | 7603153            |               |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                | <b>38b</b>          | 0                  |               |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                      | <b>39</b>           | 0                  |               |
| <b>40</b> Unpaid minimum required contributions for all years.....                                                                                                                   | <b>40</b>           | 0                  |               |

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

|                                                                                                |                                                                                                                         |  |  |
|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--|--|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:                |                                                                                                                         |  |  |
| <b>a</b> Schedule elected .....                                                                | <input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years                                               |  |  |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made .....               | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011 |  |  |
| <b>42</b> Amount of acceleration adjustment .....                                              | <b>42</b>                                                                                                               |  |  |
| <b>43</b> Excess installment acceleration amount to be carried over to future plan years ..... | <b>43</b>                                                                                                               |  |  |

|                                                                                                                                                                                                               |                                                                                                                                                                                                                |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE C</b><br><b>(Form 5500)</b><br>Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                               |                                                                                                                                                                                                                | <b>2012</b>                                    |
|                                                                                                                                                                                                               |                                                                                                                                                                                                                | <b>This Form is Open to Public Inspection.</b> |

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

|                                                                                                           |                                                                    |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>NAVAJO MINE RETIREMENT PLAN</u>                                               | <b>B</b> Three-digit plan number (PN) ▶ <u>002</u>                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>BHP BILLITON NEW MEXICO COAL INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>94-3144067</u> |

**Part I Service Provider Information (see instructions)**

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

**1 Information on Persons Receiving Only Eligible Indirect Compensation**

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

NORTHERN TRUST COMPANY

36-1561860

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 21 50 62               | NONE                                                                                              | 43193                                                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                          |

**(a)** Enter name and EIN or address (see instructions)

HAM, LANGSTON & BREZINA, LLP

76-0448495

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 10 50                  | NONE                                                                                              | 11083                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**(a)** Enter name and EIN or address (see instructions)

GEORGE P LAKE, CPA

45-9980663

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 10 50                  | NONE                                                                                              | 3330                                                                   | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**Part I Service Provider Information (continued)**

**3** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

  

| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

  

| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

**Part II Service Providers Who Fail or Refuse to Provide Information**

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|--------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------|
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |

**Part III** **Termination Information on Accountants and Enrolled Actuaries (see instructions)**  
(complete as many entries as needed)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                              |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------|--|
| <div>SCHEDULE D</div> <div>(Form 5500)</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>Employee Benefits Security Administration</div> |  | <div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> |  | <div>OMB No. 1210-0110</div> <div>2012</div> <div>This Form is Open to Public Inspection.</div>        |  |
| For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| A Name of plan<br>NAVAJO MINE RETIREMENT PLAN                                                                                                                                                |  |                                                                                                                                                                                                                                   |  | B Three-digit plan number (PN) ▶ 002                                                                   |  |
| C Plan or DFE sponsor's name as shown on line 2a of Form 5500<br>BHP BILLITON NEW MEXICO COAL INC.                                                                                           |  |                                                                                                                                                                                                                                   |  | D Employer Identification Number (EIN)<br>94-3144067                                                   |  |
| Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)<br>(Complete as many entries as needed to report all interests in DFEs)             |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE: BHP USA MASTER RETIREMENT TRUST                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a): BHP HOLDINGS INTERNATIONAL INC.                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN 94-3094724-001                                                                                                                                                                      |  | d Entity code M                                                                                                                                                                                                                   |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 112652587 |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)           |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                        |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or                                                       |  |

**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)

**Part II Information on Participating Plans (to be completed by DFEs)**

(Complete as many entries as needed to report all participating plans)

**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500.</b> | <small>OMB No. 1210-0110</small><br><br><b>2012</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2012 or fiscal plan year beginning <b>01/01/2012</b> and ending <b>12/31/2012</b>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                                          |
| <b>A</b> Name of plan<br><b>NAVAJO MINE RETIREMENT PLAN</b>                                                                                                                                                                                                              | <b>B</b> Three-digit plan number (PN) <b>►</b>                                                                                                                                                                                                                               | <b>002</b>                                                                                               |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>BHP BILLITON NEW MEXICO COAL INC.</b>                                                                                                                                                                | <b>D</b> Employer Identification Number (EIN)<br><br><b>94-3144067</b>                                                                                                                                                                                                       |                                                                                                          |

| <b>Part I</b> | <b>Asset and Liability Statement</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 | (a) Beginning of Year | (b) End of Year |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>1</b>      | Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. <b>Round off amounts to the nearest dollar.</b> MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions. |                 |                       |                 |
|               | <b>Assets</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |                       |                 |
| <b>a</b>      | Total noninterest-bearing cash .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1a</b>       |                       |                 |
| <b>b</b>      | Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                       |                 |
|               | <b>(1)</b> Employer contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1b(1)</b>    | 3479000               | 1998000         |
|               | <b>(2)</b> Participant contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1b(2)</b>    |                       |                 |
|               | <b>(3)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>1b(3)</b>    |                       |                 |
| <b>c</b>      | General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
|               | <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1c(1)</b>    |                       |                 |
|               | <b>(2)</b> U.S. Government securities.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(2)</b>    |                       |                 |
|               | <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                 |                       |                 |
|               | <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(3)(A)</b> |                       |                 |
|               | <b>(B)</b> All other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1c(3)(B)</b> |                       |                 |
|               | <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |                       |                 |
|               | <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(4)(A)</b> |                       |                 |
|               | <b>(B)</b> Common .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(4)(B)</b> |                       |                 |
|               | <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1c(5)</b>    |                       |                 |
|               | <b>(6)</b> Real estate (other than employer real property) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1c(6)</b>    |                       |                 |
|               | <b>(7)</b> Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>1c(7)</b>    |                       |                 |
|               | <b>(8)</b> Participant loans .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>1c(8)</b>    |                       |                 |
|               | <b>(9)</b> Value of interest in common/collective trusts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1c(9)</b>    |                       |                 |
|               | <b>(10)</b> Value of interest in pooled separate accounts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(10)</b>   |                       |                 |
|               | <b>(11)</b> Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(11)</b>   | 96332303              | 112652587       |
|               | <b>(12)</b> Value of interest in 103-12 investment entities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(12)</b>   |                       |                 |
|               | <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(13)</b>   |                       |                 |
|               | <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(14)</b>   |                       |                 |
|               | <b>(15)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(15)</b>   |                       |                 |

| <b>1d</b> Employer-related investments:                              |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 99811303              | 114650587       |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |   |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |   |   |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |          |           |
|-----------------------------------------------------------|-----------|----------|-----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 99811303 | 114650587 |
|-----------------------------------------------------------|-----------|----------|-----------|

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

**Income**

|                                                                                                            |                 | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>a Contributions:</b>                                                                                    |                 |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 7992000    |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> |            |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> |            |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 7992000   |
| <b>b Earnings on investments:</b>                                                                          |                 |            |           |
| (1) Interest:                                                                                              |                 |            |           |
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....       | <b>2b(1)(A)</b> |            |           |
| <b>(B)</b> U.S. Government securities .....                                                                | <b>2b(1)(B)</b> |            |           |
| <b>(C)</b> Corporate debt instruments .....                                                                | <b>2b(1)(C)</b> |            |           |
| <b>(D)</b> Loans (other than to participants) .....                                                        | <b>2b(1)(D)</b> |            |           |
| <b>(E)</b> Participant loans .....                                                                         | <b>2b(1)(E)</b> |            |           |
| <b>(F)</b> Other .....                                                                                     | <b>2b(1)(F)</b> |            |           |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                              | <b>2b(1)(G)</b> |            | 0         |
| (2) Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> |            |           |
| <b>(B)</b> Common stock .....                                                                              | <b>2b(2)(B)</b> |            |           |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                                  | <b>2b(2)(C)</b> |            |           |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                  | <b>2b(2)(D)</b> |            | 0         |
| (3) Rents .....                                                                                            | <b>2b(3)</b>    |            |           |
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |            |           |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                                              | <b>2b(4)(B)</b> |            |           |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....                  | <b>2b(4)(C)</b> |            | 0         |
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |            |           |
| <b>(B)</b> Other .....                                                                                     | <b>2b(5)(B)</b> |            |           |
| <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....         | <b>2b(5)(C)</b> |            | 0         |

|                                                                                                |        | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                             | 2b(6)  |            |           |
| (7) Net investment gain (loss) from pooled separate accounts .....                             | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                     | 2b(8)  |            | 10615873  |
| (9) Net investment gain (loss) from 103-12 investment entities .....                           | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)..... | 2b(10) |            |           |
| c Other income.....                                                                            | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 18607873  |

**Expenses**

|                                                                                     |       |         |         |
|-------------------------------------------------------------------------------------|-------|---------|---------|
| e Benefit payment and payments to provide benefits:                                 |       |         |         |
| (1) Directly to participants or beneficiaries, including direct rollovers .....     | 2e(1) | 3669964 |         |
| (2) To insurance carriers for the provision of benefits .....                       | 2e(2) |         |         |
| (3) Other .....                                                                     | 2e(3) |         |         |
| (4) Total benefit payments. Add lines 2e(1) through (3).....                        | 2e(4) |         | 3669964 |
| f Corrective distributions (see instructions) .....                                 | 2f    |         |         |
| g Certain deemed distributions of participant loans (see instructions).....         | 2g    |         |         |
| h Interest expense.....                                                             | 2h    |         |         |
| i Administrative expenses: (1) Professional fees .....                              | 2i(1) | 57605   |         |
| (2) Contract administrator fees .....                                               | 2i(2) |         |         |
| (3) Investment advisory and management fees .....                                   | 2i(3) |         |         |
| (4) Other .....                                                                     | 2i(4) | 41020   |         |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                 | 2i(5) |         | 98625   |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | 2j    |         | 3768589 |

**Net Income and Reconciliation**

|                                                         |       |  |          |
|---------------------------------------------------------|-------|--|----------|
| k Net income (loss). Subtract line 2j from line 2d..... | 2k    |  | 14839284 |
| l Transfers of assets:                                  |       |  |          |
| (1) To this plan.....                                   | 2l(1) |  |          |
| (2) From this plan .....                                | 2l(2) |  |          |

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **HAM, LANGSTON, & BREZINA, LLP**

(2) EIN: **76-0448495**

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

**a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

**b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

|    | Yes | No | Amount |
|----|-----|----|--------|
| 4a |     | X  |        |
| 4b |     | X  |        |

|                                                                                                                                                                                                                              | Yes | No | Amount   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|----------|
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                         |     | X  |          |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....                               |     | X  |          |
| <b>e</b> Was this plan covered by a fidelity bond?.....                                                                                                                                                                      | X   |    | 10000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                      |     | X  |          |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                   |     | X  |          |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                         |     | X  |          |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....                                                                |     | X  |          |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)..... |     | X  |          |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....                                                           |     | X  |          |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                           |     | X  |          |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....                                                                                                  |     |    |          |
| <b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....                                     |     |    |          |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?  
 If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

**5b(1)** Name of plan(s)

| 5b(2) EIN(s) | 5b(3) PN(s) |
|--------------|-------------|
|              |             |
|              |             |
|              |             |
|              |             |
|              |             |

## Part V Trust Information (optional)

**6a** Name of trust

**6b** Trust's EIN

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2012</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

|                                                                                                           |                                                                    |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>NAVAJO MINE RETIREMENT PLAN</u>                                               | <b>B</b> Three-digit plan number (PN) ▶<br><u>002</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>BHP BILLITON NEW MEXICO COAL INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>94-3144067</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

All references to distributions relate only to payments of benefits during the plan year.

|                                                                                                                                                                                                                                                                    |          |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                              | <b>1</b> | <u>0</u> |
| <b>2</b> Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):<br><br>EIN(s): <u>36-3046063</u> |          |          |
| Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.                                                                                                                                                                                                   |          |          |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                    | <b>3</b> | <u>0</u> |

|                |                                                                                                                                                                              |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part) |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                             |                              |                                        |                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------------------------------|-----------------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....                                                                                                                                                                                                                                         | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | <input type="checkbox"/> N/A            |
| If the plan is a defined benefit plan, go to line 8.                                                                                                                                                                                                                                                                                                        |                              |                                        |                                         |
| <b>5</b> If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____<br>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule. |                              |                                        |                                         |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....                                                                                                                                                                                                              | <b>6a</b>                    |                                        |                                         |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                                                                                                                                  | <b>6b</b>                    |                                        |                                         |
| <b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....                                                                                                                                                                                                             | <b>6c</b>                    |                                        |                                         |
| If you completed line 6c, skip lines 8 and 9.                                                                                                                                                                                                                                                                                                               |                              |                                        |                                         |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                                                                                                                          | <input type="checkbox"/> Yes | <input type="checkbox"/> No            | <input type="checkbox"/> N/A            |
| <b>8</b> If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....                                                                                  | <input type="checkbox"/> Yes | <input type="checkbox"/> No            | <input checked="" type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                            |                                   |                                   |                               |                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|----------------------------------------|
| <b>9</b> If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input checked="" type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|----------------------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                             |                              |                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</b> If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                              | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</b> If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers ..... | <b>16b</b> |  |

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 15% Investment-Grade Debt: 84% High-Yield Debt: \_\_\_\_\_% Real Estate: \_\_\_\_\_% Other: 1%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☒ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): \_\_\_\_\_

# **NAVAJO MINE RETIREMENT PLAN**

**FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE  
WITH REPORTS OF INDEPENDENT ACCOUNTANTS**

**as of and for the years ended December 31, 2012 and 2011**

# NAVAJO MINE RETIREMENT PLAN

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\* Other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



**HAM, LANGSTON & BREZINA, L.L.P.**  
*Certified Public Accountants*

11550 FUQUA, SUITE 475  
HOUSTON, TEXAS 77034  
PHONE (281) 481-1040  
FAX (281) 481-8485  
[www.hlb-cpa.com](http://www.hlb-cpa.com)

## **REPORT OF INDEPENDENT ACCOUNTANTS**

To the Participants and Plan Administrator of the  
Navajo Mine Retirement Plan

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Navajo Mine Retirement Plan (the Plan), which comprise the Statements of Net Assets Available for Benefits as of December 31, 2012 and 2011, and the related Statements of Changes in Net Assets Available for Benefits for the years then ended, and the Statements of Accumulated Plan Benefits as of December 31, 2011 and 2010, and the related Statements of Changes in Accumulated Plan Benefits for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 3 and 4, which was certified by Northern Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee, as of December 31, 2012 and 2011, and for the years then ended, that the information provided to the Plan administrator by the trustee is complete and accurate.

### ***Disclaimer of Opinion***

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

**REPORT OF INDEPENDENT ACCOUNTANTS, continued**

***Other Matter***

The supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2012, is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

**Report on Form and Content in Compliance with DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, is presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

*Nam, Langston & Brejine, L.L.P.*

Houston, Texas  
October 11, 2013

# NAVAJO MINE RETIREMENT PLAN

## Statements of Net Assets Available for Benefits December 31, 2012 and 2011

---

|                                                  | <u>2012</u>           | <u>2011</u>          |
|--------------------------------------------------|-----------------------|----------------------|
| Assets:                                          |                       |                      |
| Investments, at fair value:                      |                       |                      |
| Plan interest in BHP USA Master Retirement Trust | \$ 112,652,587        | \$ 96,332,303        |
| Company contribution receivable                  | <u>1,998,000</u>      | <u>3,479,000</u>     |
| Net assets available for benefits                | <u>\$ 114,650,587</u> | <u>\$ 99,811,303</u> |

## NAVAJO MINE RETIREMENT PLAN

### Statements of Changes in Net Assets Available for Benefits For The Years Ended December 31, 2012 and 2011

---

|                                                      | <u>2012</u>           | <u>2011</u>          |
|------------------------------------------------------|-----------------------|----------------------|
| Additions to net assets attributable to:             |                       |                      |
| Plan interest in net investment income of BHP USA    |                       |                      |
| Master Retirement Trust less investment expenses     | \$ 10,610,890         | \$ 7,738,361         |
| Company contributions                                | <u>7,992,000</u>      | <u>4,473,000</u>     |
| Total additions                                      | <u>18,602,890</u>     | <u>12,211,361</u>    |
| Deductions from net assets attributed to:            |                       |                      |
| Benefit payments                                     | 3,669,964             | 3,329,567            |
| Administrative expenses                              | <u>93,642</u>         | <u>91,934</u>        |
| Total deductions                                     | <u>3,763,606</u>      | <u>3,421,501</u>     |
| Net increase in net assets available for benefits    | 14,839,284            | 8,789,860            |
| Net assets available for benefits, beginning of year | <u>99,811,303</u>     | <u>91,021,443</u>    |
| Net assets available for benefits, end of year       | <u>\$ 114,650,587</u> | <u>\$ 99,811,303</u> |

## NAVAJO MINE RETIREMENT PLAN

### Statements of Accumulated Plan Benefits December 31, 2011 and 2010\*

---

|                                                             | <u>2011</u>           | <u>2010</u>          |
|-------------------------------------------------------------|-----------------------|----------------------|
| Actuarial present value of vested benefits:                 |                       |                      |
| Participants and beneficiaries currently receiving payments | \$ 42,806,249         | \$ 36,000,669        |
| Other participants                                          | <u>64,595,053</u>     | <u>56,602,314</u>    |
| Total vested benefits                                       | 107,401,302           | 92,602,983           |
| Non-vested benefits                                         | <u>1,503,125</u>      | <u>1,641,811</u>     |
| Total actuarial present value of accumulated benefits       | <u>\$ 108,904,427</u> | <u>\$ 94,244,794</u> |

\* The Plan presents changes in accumulated benefits using beginning of year actuarial data.

## NAVAJO MINE RETIREMENT PLAN

### Statements of Changes in Accumulated Plan Benefits For the Years Ended December 31, 2011 and 2010\*

---

|                                                                 | <u>2011</u>           | <u>2010</u>          |
|-----------------------------------------------------------------|-----------------------|----------------------|
| Actuarial present value of vested benefits at beginning of year | <u>\$ 94,244,794</u>  | <u>\$ 82,281,248</u> |
| Increase (decrease) during the period attributed to:            |                       |                      |
| Benefit payments                                                | (3,329,567)           | (3,078,488)          |
| Increase in interest due to decrease in discount period         | 4,714,505             | 4,836,824            |
| Benefits accumulated and Plan experience                        | 646,258               | 710,274              |
| Change in actuarial assumptions                                 | <u>12,628,437</u>     | <u>9,494,936</u>     |
| Net increase                                                    | <u>14,659,633</u>     | <u>11,963,546</u>    |
| Actuarial present value of accumulated benefits at end of year  | <u>\$ 108,904,427</u> | <u>\$ 94,244,794</u> |

\* The Plan presents changes in accumulated benefits using beginning of year actuarial data.

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

---

**1. Description of Plan**

The following description of the Navajo Mine Retirement Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

**General**

The Plan, established effective June 1, 1964 pursuant to an agreement with the International Union of Operating Engineers, Local No. 953 (the Union), is a defined benefit pension plan covering certain employees of Broken Hill Proprietary (USA) Inc. who are employed at the Navajo Mine and are a member of the collective bargaining unit represented by the Union. Employees who are eligible to participate in the Plan do not include the following: 1) leased employees; 2) employees whose initial date of employment in the surface operations was after June 30, 2004; 3) employees whose initial date of employment in the underground operations was after April 30, 2006; 4) employees who are employed in underground operations and elected to begin receiving contributions to the employer funded account under the BHP New Mexico Coal 401(k) Personal Savings Plan in lieu of continued accrual of benefits in the Plan. Effective April 30, 2006, the Plan was frozen as to eligibility and no new members could become eligible to participate in the Plan. The Plan has been amended and restated from time to time, most recently effective January 1, 2008, to incorporate all previous amendments and comply with the latest tax laws and regulations. In connection with an internal reorganization of BHP Billiton Limited's energy coal business, effective July 1, 2012, the Plan is sponsored by BHP Billiton New Mexico Coal Inc. (the Company). The Plan sponsor for the period from January 1, 2011 through June 30, 2012 was Broken Hill Proprietary (USA) Inc. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

**Administration**

The Company is the Plan's sponsor and administrator of the Plan. Northern Trust Company (the Trustee) is the Plan's trustee. Mercer serves as the Plan's actuary. Certain duties and responsibilities to assist in the administration of the Plan are carried out on the Company's behalf by the BHP USA Retirement Advisory Committee (RAC) appointed by the Board of Directors of the Company.

**Funding Policy**

The Company contributes such amounts as are necessary, based on actuarial calculations, to provide the Plan with assets sufficient to meet the benefits to be paid to Plan participants and their beneficiaries. The contributions to the Plan are based on the minimum required contributions determined by the actuary and the accelerated funding policy adopted by the RAC, in order to fully fund the Plan by 2012. The yield (interest, dividends, and net realized and unrealized gains and losses) on Plan investments in excess of amounts established in the actuarial assumptions, plus any gains resulting from forfeiture of nonvested benefits, serve to reduce future contributions that would otherwise be required to provide the defined level of benefits under the Plan. The Company's contributions for 2012 and 2011 met the minimum funding requirements of ERISA.

**Investments**

The Plan's investments are held at Northern Trust Company in the BHP USA Master Retirement Trust (the Master Trust) for the investment of Plan assets and two other BHP-sponsored defined benefit retirement plans. Each participating retirement plan has an interest in the net assets of the Master Trust.

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

---

**1. Description of Plan, continued**

**Pension Benefits and Vesting Provisions**

A participant who retires on or after February 1, 2002 and has attained age 65 is entitled to receive a monthly benefit (Normal Retirement Benefit) equal to \$40 multiplied by the participant's years of credited service prior to February 1, 2002, plus \$36 multiplied by the participant's years of service on or after February 1, 2002. Effective February 1, 2004, the past service multiplier for eligible participants employed in surface operations increased from \$40 to \$42 for periods of service prior to February 1, 2002 and effective February 1, 2007, the past service multiplier increased to \$44. One year of credited service is earned for each year in which at least 1,600 hours are worked. Partial years of credited service can also be earned for less than 1,600 hours.

An eligible participant who retires on or after he or she attains age 55 and completes five years of service is entitled to receive a monthly benefit (Early Retirement Benefit) equal to the participant's Normal Retirement Benefit, reduced by 0.5% for each month the participant is younger than age 60 on the date the Early Retirement Benefit is to commence. An early retirement supplement is available for participants who retire after attaining age 55 when their age plus years of service total at least 85. The early retirement supplement is \$300 per month payable until age 62 or death, if earlier.

The surviving spouse of a participant entitled to a benefit that has not commenced at the date of the participant's death is entitled to a survivor benefit. The amount of the survivor benefit is the 50% portion of the joint benefit, and the 50% survivor benefit is payable at the earliest time permitted under the Plan. Additional death benefits are available in the case of deaths resulting from mine accidents.

**Disability Benefits**

Certain disability benefits, as defined in the Plan, are available for eligible participants.

**Payment of Benefits**

If a participant is married when benefits commence, the participant's benefits will be paid in the form of an individual life and 50% spouse's benefit, as defined in the Plan. If a participant is not married on the annuity starting date, the participant's benefits will be paid in the form of a five year certain and life benefit, as defined in the Plan.

**Administrative Expenses**

Expenses related to the administration of the Plan may be paid by the Company or by the Plan.

During 2012 and 2011, Pension Benefit Guaranty Corporation (PBGC) premiums, audit fees, actuarial fees, and other similar direct charges were paid by the Plan. Costs incidental to the administration of the Plan by Company personnel or others were paid by the Company.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

---

**2. Summary of Significant Accounting Policies, continued**

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

**Recent Accounting Pronouncements**

In May 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2011-04, *Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*. This ASU requires for Level 3 fair value measurements, to disclose quantitative information about unobservable inputs used, a description of the valuation processes used, and a qualitative discussion about the sensitivities of the measurements. The guidance is effective for interim and annual periods beginning after December 15, 2011. The adoption of ASU 2011-04 did not have a material impact on the Plan's financial statements.

**Risks and Uncertainties**

At December 31, 2012 and 2011, Northern Trust Company holds 100% of the Plan's investments in common collective trusts, fixed income securities, and interest-bearing cash. Northern Trust Company is highly regarded by various investor services. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Because of the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made, and the actuarial present value of accumulated plan benefits are reported, based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Because of uncertainties inherent in the estimation and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

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**2. Summary of Significant Accounting Policies, continued**

**Benefit Payments**

Benefits are recorded when paid.

**Investment Valuation and Income Recognition**

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's investment in the Master Trust is carried at fair value, with such value based upon the fair values of underlying investments held by the Master Trust. See Note 4.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Income from investments, realized gains (losses) on the disposition of assets, appreciation (depreciation) of investments resulting from fluctuations in fair value, less certain expenses (collectively, the net investment income) related to the Master Trust are allocated monthly to the individual plans based upon respective balances invested by the plans at the end of each month.

**3. Information Certified by the Plan's Trustee (Unaudited)**

The Plan Administrator has elected the method of annual reporting and compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Plan's Trustee has certified that the information included in Note 4 and the accompanying financial statements and supplemental schedule is complete and accurate. The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in Note 4 and the financial statements and supplemental schedule.

**4. Plan Interests in BHP Master Trust (Unaudited)**

As of December 31, 2012 and 2011, the Plan held interests of approximately 19.27% and 18.08%, respectively, in the Master Trust. The value of the Plan's interest in the Master Trust is based on the beginning of year value of the Plan's interest in the Master Trust plus actual contributions and allocated investment income less actual distributions and allocated administrative expenses. Investment income and administrative expenses related to the Master Trust are allocated to the individual plans based upon average monthly balances invested by each plan. The Plan's interest in the Master Trust as of and for the years ended December 31, 2012 and 2011 is as follows:

|                                                           | <u><b>2012</b></u>    | <u><b>2011</b></u>   |
|-----------------------------------------------------------|-----------------------|----------------------|
| Plan interest in Master Trust                             | <u>\$ 112,652,587</u> | <u>\$ 96,332,303</u> |
| Plan interest in net investment income of<br>Master Trust | <u>\$ 10,610,890</u>  | <u>\$ 7,738,361</u>  |

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

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**4. Plan Interests in BHP Master Trust (Unaudited), continued**

The following table presents the net assets available for benefits, including investments, of the Master Trust, which was certified by the Trustee, as of December 31, 2012 and 2011:

|                                                         | <u><b>2012</b></u>          | <u><b>2011</b></u>          |
|---------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                                           |                             |                             |
| Investments, at fair value:                             |                             |                             |
| Common collective trust                                 | \$ 31,828,826               | \$ 46,000,100               |
| Fixed income securities                                 | 517,404,524                 | 492,698,578                 |
| Interest-bearing cash                                   | 16,401,719                  | 2,837,237                   |
| Other                                                   | <u>458,660</u>              | <u>-</u>                    |
| Total investments                                       | <u>566,093,729</u>          | <u>541,535,915</u>          |
| Receivables:                                            |                             |                             |
| Accrued income receivable                               | 5,945,708                   | 6,227,075                   |
| Receivable for securities sold                          | <u>12,700,166</u>           | <u>1,546,670</u>            |
| Total receivables                                       | <u>18,645,874</u>           | <u>7,773,745</u>            |
| Total assets                                            | 584,739,603                 | 549,309,660                 |
| <b>Liabilities</b>                                      |                             |                             |
| Payables for securities purchased and other liabilities | <u>(67,592)</u>             | <u>(16,465,605)</u>         |
| Net assets available for benefits                       | <u><u>\$584,672,011</u></u> | <u><u>\$532,844,055</u></u> |

Investment income of the Master Trust, as certified by the Trustee, for the years ended December 31, 2012 and 2011 is as follows:

|                                                               | <u><b>2012</b></u>          | <u><b>2011</b></u>          |
|---------------------------------------------------------------|-----------------------------|-----------------------------|
| Net appreciation (depreciation) in fair value of investments: |                             |                             |
| Common collective trusts                                      | \$ 5,879,082                | \$ (1,798,265)              |
| Fixed income securities                                       | 31,684,548                  | 30,312,756                  |
| Other                                                         | <u>1,461,276</u>            | <u>597,870</u>              |
| Total appreciation                                            | 39,024,906                  | 29,112,361                  |
| Interest and dividend income                                  | <u>22,698,690</u>           | <u>21,712,678</u>           |
| Total investment income                                       | 61,723,596                  | 50,825,039                  |
| Investment expenses                                           | <u>(1,748,759)</u>          | <u>(1,361,263)</u>          |
| Net investment income                                         | <u><u>\$ 59,974,837</u></u> | <u><u>\$ 49,463,776</u></u> |

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

---

**4. Plan Interests in BHP Master Trust (Unaudited), continued**

The fair value of individual investments that represent 5% or more of the Master Trust's net assets at December 31, 2012 and 2011, is as follows:

|                                           | <u>2012</u>           | <u>2011</u>           |
|-------------------------------------------|-----------------------|-----------------------|
| MFB NT Collective Russell 3000 Index Fund | \$ *                  | \$ 32,571,410         |
| U.S. Treasury Bonds                       | *                     | 35,495,000            |
| Investments less than 5% of net assets    | <u>566,093,729</u>    | <u>473,469,505</u>    |
| Total investments                         | <u>\$ 566,093,729</u> | <u>\$ 541,535,915</u> |

\* Not applicable in the period indicated

**Fair Value Measurements**

FASB Accounting Standards Codification (ASC) Topic 820 (ASC 820), *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

---

**4. Plan Interests in BHP Master Trust (Unaudited), continued**

**Fair Value Measurements, continued**

In determining fair value, the Plan uses three different approaches (the market approach, the income approach and the cost approach) depending on the nature of the assets and liabilities. The market approach uses prices and other relevant data based on market transactions involving identical or comparable assets and liabilities. The income approach uses valuation techniques to convert future amounts such as cash flows or earnings to a single present amount, with the measurement based on the value indicated by current market expectations about those future amounts. The cost approach is the amount that would be currently required to replace an asset and indicates the cost to the Plan to acquire a substitute asset.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2012 and 2011.

*Common collective trust:* Valued at the net asset value (NAV) of units of a collective trust. The NAV as provided by the Trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. (Market approach)

*Fixed income securities:* Includes corporate and governmental bonds, which have been valued based upon quoted prices from actively traded markets, and of various asset backed securities which have been valued using discounted cash flow and other similar models using information and assumptions about interest rates, prepayment rates, collateral values and creditworthiness of the issuers. (Market approach and income approach)

*Interest-bearing cash:* Valued at cost plus accrued interest, which approximates fair value. (Cost approach)

The methods described above may produce fair value calculations that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan's administrators believe its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

**4. Plan Interests in BHP Master Trust (Unaudited), continued**

**Fair Value Measurements, continued**

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2012 and 2011:

| <b>Assets at Fair Value as of December 31, 2012</b>     |                       |                       |                       |                       |
|---------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                         | <b><u>Level 1</u></b> | <b><u>Level 2</u></b> | <b><u>Level 3</u></b> | <b><u>Total</u></b>   |
| Common collective trust                                 | \$ -                  | \$ 31,828,826         | \$ -                  | \$ 31,828,826         |
| Fixed income securities:                                |                       |                       |                       |                       |
| Corporate bonds                                         | -                     | 327,294,732           | -                     | 327,294,732           |
| Municipal/provincial bonds                              | -                     | 61,420,112            | -                     | 61,420,112            |
| Government agency obligations                           | -                     | 60,954,262            | -                     | 60,954,262            |
| Government bonds                                        | -                     | 50,352,219            | -                     | 50,352,219            |
| Government mortgage-backed securities                   | -                     | 13,175,725            | -                     | 13,175,725            |
| Non-government mortgage-backed securities               | -                     | 1,811,850             | -                     | 1,811,850             |
| Asset-backed securities                                 | -                     | 1,174,290             | -                     | 1,174,290             |
| Index-linked government bonds                           | -                     | 784,849               | -                     | 784,849               |
| Government-issued commercial mortgage-backed securities | -                     | 436,485               | -                     | 436,485               |
| Total fixed income securities                           | -                     | 517,404,524           | -                     | 517,404,524           |
| Interest-bearing cash                                   | 16,401,719            | -                     | -                     | 16,401,719            |
| Other                                                   | -                     | 458,660               | -                     | 458,660               |
| Total investments at fair value                         | <u>\$ 16,401,719</u>  | <u>\$ 549,692,010</u> | <u>\$ -</u>           | <u>\$ 566,093,729</u> |

The table above excludes receivables and payables of \$18,645,874 and \$67,592 respectively, which are part of the Master Trust at December 31, 2012.

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

**4. Plan Interests in BHP Master Trust (Unaudited), continued**

**Fair Value Measurements, continued**

| <b>Assets at Fair Value as of December 31, 2011</b>     |                       |                       |                       |                       |
|---------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                         | <u><b>Level 1</b></u> | <u><b>Level 2</b></u> | <u><b>Level 3</b></u> | <u><b>Total</b></u>   |
| Common collective trust                                 | \$ -                  | \$ 46,000,100         | \$ -                  | \$ 46,000,100         |
| Fixed income securities:                                |                       |                       |                       |                       |
| Corporate bonds                                         | -                     | 303,715,991           | -                     | 303,715,991           |
| Municipal/provincial bonds                              | -                     | 36,143,445            | -                     | 36,143,445            |
| Government agency obligations                           | -                     | 58,405,385            | -                     | 58,405,385            |
| Government bonds                                        | -                     | 77,680,249            | -                     | 77,680,249            |
| Government mortgage-backed securities                   | -                     | 8,013,326             | -                     | 8,013,326             |
| Non-government mortgage-backed securities               | -                     | 2,316,703             | -                     | 2,316,703             |
| Asset-backed securities                                 | -                     | 1,404,419             | -                     | 1,404,419             |
| Index-linked government bonds                           | -                     | 4,497,124             | -                     | 4,497,124             |
| Government-issued commercial mortgage-backed securities | -                     | 521,936               | -                     | 521,936               |
| Total fixed income securities                           | -                     | 492,698,578           | -                     | 492,698,578           |
| Interest-bearing cash                                   | 2,837,237             | -                     | -                     | 2,837,237             |
| Total investments at fair value                         | <u>\$ 2,837,237</u>   | <u>\$ 538,698,678</u> | <u>\$ -</u>           | <u>\$ 541,535,915</u> |

The table above excludes receivables and payables of \$7,773,745 and \$16,465,605, respectively, which are part of the Master Trust at December 31, 2011.

During the year ended December 31, 2012, Plan management determined, through additional analysis of the inputs related to the fair value measurements of fixed income securities that were shown as Level 1 investments for the year ended December 31, 2011, that these fixed income securities' quoted prices were not consistently observable in active markets. As a result of this additional analysis, these fixed income securities have been reflected as Level 2 investments for the years ended December 31, 2012 and 2011.

**5. Actuarial Present Value of Accumulated Plan Benefits**

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. The accumulated plan benefits for active employees are based on their past and current earnings.

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

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**5. Actuarial Present Value of Accumulated Plan Benefits, continued**

Benefits payable, under all circumstances (retirement, death, disability, and termination of employment), are included to the extent that they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary, and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The actuarial present value of accumulated plan benefits was calculated as of January 1, 2012 and 2011 and accordingly, the Plan presents the statements of accumulated plan benefits and the statements of changes in accumulated plan benefits using beginning of year actuarial data. Had the actuarial valuations been performed as of December 31, 2011 and 2010, there would be no material differences. The significant actuarial assumptions underlying the actuarial valuation as of January 1, 2012 and 2011 are as follows:

|                                        |             |                           |
|----------------------------------------|-------------|---------------------------|
| Assumed rate of return on investments: | <b>2012</b> | 4.10% compounded annually |
|                                        | <b>2011</b> | 5.10% compounded annually |

|                      |                                                                                                                                                                                                     |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mortality basis:     |                                                                                                                                                                                                     |
| Healthy participants | RP-2000 mortality tables (separate tables for static generational annuitants and non-annuitants), projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA. |

|                   |                                                                                 |
|-------------------|---------------------------------------------------------------------------------|
| Retirement Rates: | Participants are assumed to retire according to the following retirement rates: |
|-------------------|---------------------------------------------------------------------------------|

| <u>Age</u> | <u>Retirement Rates</u> |
|------------|-------------------------|
| 55 – 59    | 10%                     |
| 60 – 62    | 30%                     |
| 63 – 64    | 20%                     |
| 65         | 100%                    |

No retirements are assumed to occur before age 55. Participants over age 65 at the valuation date are assumed to retire immediately.

Participants who have transferred to non-covered employment, and participants who have terminated with vested deferred benefits, are assumed to retire at age 60.

|                   |                                                                                                                               |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------|
| Withdrawal Rates: | Participants who are assumed to withdraw according to the Society of Actuary's 2003 turnover study table based on employment. |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------|

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

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**5. Actuarial Present Value of Accumulated Plan Benefits, continued**

Withdrawal Rates, continued:

Sample assumed rates are shown below:

| <u>Attained Service</u> | <u>Withdrawal Rates</u> |
|-------------------------|-------------------------|
| 0 years                 | 17.13%                  |
| 2                       | 15.63%                  |
| 5                       | 8.34%                   |
| 7                       | 6.46%                   |
| 10                      | 4.91%                   |
| 15                      | 3.66%                   |
| 20                      | 2.81%                   |
| 25                      | 2.12%                   |
| 30                      | 1.52%                   |

Disability Rates:

82% of the 1985 Disability Study Class 4 rates for males and females:

| <u>Age</u> | <u>Disability Rates</u> |               |
|------------|-------------------------|---------------|
|            | <u>Male</u>             | <u>Female</u> |
| 20         | .145%                   | .085%         |
| 25         | .209%                   | .145%         |
| 30         | .300%                   | .245%         |
| 35         | .417%                   | .375%         |
| 40         | .568%                   | .521%         |
| 45         | .771%                   | .722%         |
| 50         | 1.110%                  | 1.088%        |
| 55         | 1.876%                  | 1.738%        |
| 60         | 2.816%                  | 2.025%        |

Percentage Married:

Male – 85%; Female – 70%.

Age Difference:

Husbands are assumed to be three years older than their wives.

Form of Payment:

85% of males and 70% of females elect 50% joint and survivor with the spouse as the contingent annuitant. 15% of males and 30% of females elect life annuity with 5 years of certain.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

**6. Income Tax Status**

The Plan obtained its latest determination letter on March 13, 2010, in which the Internal Revenue Service stated that the Plan was in compliance with applicable requirements of the Internal Revenue Code (IRC). The Plan Administrator and the Plan's tax counsel believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

**NAVAJO MINE RETIREMENT PLAN**  
**Notes to Financial Statements**  
**December 31, 2012 and 2011**

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**7. Plan Termination**

Although it has not expressed any intent to do so, the Company has the right to discontinue contributions at any time and terminate the Plan, subject to the provisions of ERISA and the provisions of the Plan. In the event of Plan termination, any non-vested participants would become 100% vested in their pension benefits and the assets of the Plan will be allocated in the manner and order of priority prescribed by ERISA to provide the benefits accrued under the Plan, as of the date of termination, to retired, terminated vested, and active participants and their beneficiaries and surviving spouses. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all. Any assets remaining after all Plan expenses have been paid and all accrued liabilities have been provided for by the purchase of annuities or otherwise will revert to the Company.

**8. Related-Party Transactions**

Certain Master Trust investments are shares of common collective trusts, which are managed by an affiliate of the Trustee. These transactions qualify as party-in-interest transactions, as defined by ERISA. However, such transactions are permitted under the provisions of the Plan and are exempt from the prohibition of party-in-interest transactions under ERISA.

The Company provided administrative services and incurred costs on behalf of the Plan, related to 2012 and 2011, but has not received any related compensation or reimbursement from the Plan. The Company also paid certain fees on behalf of the Plan during 2012 and 2011.

**9. Form 5500 Reconciliation**

For the 2012 and 2011 Plan years, total net assets available for benefits and the net increase in net assets available for benefits per the financial statements agree to the amounts per the Forms 5500. Differences between the individual line items on the Statement of Changes in Net Assets and the Form 5500 are attributed to classification differences.

**10. Subsequent Events**

Plan management has evaluated subsequent events through October 11, 2013, which is the date the financial statements were issued, and has concluded that there are no significant events to report.

## **SUPPLEMENTAL SCHEDULE**

**NAVAJO MINE RETIREMENT PLAN**  
**SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**December 31, 2012**

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EIN: 94-3144067  
 PN: 002

| <b>(a)</b> | <b>(b) Identity of Issue,<br/>Borrower, Lessor or<br/>Similar Party</b> | <b>(c) Description of Investment, Including<br/>Maturity Date, Rate of Interest, Collateral,<br/>Par or Maturity Value</b> | <b>(d) Cost</b>      | <b>(e) Current<br/>Market<br/>Value***</b> |
|------------|-------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------------------------------|
| *          | BHP Master Trust                                                        | 19.27 % interest in the BHP Master Trust                                                                                   | <u>\$ 99,218,427</u> | <u>\$ 112,652,587</u>                      |
|            |                                                                         | Total                                                                                                                      | <u>\$ 99,218,427</u> | <u>\$ 112,652,587</u>                      |

\* Represents a party-in-interest.

**Schedule SB, line 22 — Description of Weighted Average Retirement Age**

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 60.

| (A)<br>Retirement<br>age | (B)<br>Retirement<br>Percent | (C)<br>Lx | (D)<br>Number of<br>employees<br>expected to retire<br>(B) x (C) | (E)<br>(A) x (D) |
|--------------------------|------------------------------|-----------|------------------------------------------------------------------|------------------|
| 55                       | 10.0%                        | 10,000    | 1,000.00                                                         | 55,000           |
| 56                       | 10.0%                        | 9,000     | 900.00                                                           | 50,400           |
| 57                       | 10.0%                        | 8,100     | 810.00                                                           | 46,170           |
| 58                       | 10.0%                        | 7,290     | 729.00                                                           | 42,282           |
| 59                       | 10.0%                        | 6,561     | 656.00                                                           | 38,710           |
| 60                       | 30.0%                        | 5,905     | 1,771.47                                                         | 106,288          |
| 61                       | 30.0%                        | 4,133     | 1,240.03                                                         | 75,642           |
| 62                       | 30.0%                        | 2,893     | 868.02                                                           | 53,817           |
| 63                       | 20.0%                        | 2,025     | 405.08                                                           | 25,520           |
| 64                       | 20.0%                        | 1,620     | 324.06                                                           | 20,740           |
| 65                       | 100.0%                       | 1,296     | 1,296.24                                                         | 84,256           |
| Total                    |                              |           | 10,000.00                                                        | 598,825          |
| Average                  |                              |           |                                                                  | 59.88            |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods****Actuarial Assumptions****Discount rate sponsor elections**

|                                     |         |
|-------------------------------------|---------|
| • Segment rates or full yield curve | Segment |
| • Look-back months                  | 4       |
| • First 5 years                     | 2.06%   |
| • Next 15 years                     | 5.25%   |
| • Over 20 years                     | 6.32%   |

**Mortality sponsor elections**

|                         |                                                                                                                                                                                                                                                    |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Healthy participants  | Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA. |
| • Disabled participants | Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits. All other disabled participants use the healthy mortality table.                                               |

**Other economic assumptions**

|                                 |                                                                                                                                                                                                                                                             |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Salary increases              | Not applicable                                                                                                                                                                                                                                              |
| • Flat-dollar benefit increases | Not applicable                                                                                                                                                                                                                                              |
| • Social Security wage base     | Not applicable                                                                                                                                                                                                                                              |
| • Inflation                     | 3.00% per year                                                                                                                                                                                                                                              |
| • Expected investment return    | 4.10% per year for years 2010 through 2012                                                                                                                                                                                                                  |
| • Expenses                      | Expected administrative expenses (assumed to equal prior year administrative expenses but adjusted for PBGC premiums with current year PBGC premiums replacing prior year) discounted to beginning of year are included in normal cost (equal to \$98,917). |

**Demographic assumptions**

|                                |                                                                                                  |                              |
|--------------------------------|--------------------------------------------------------------------------------------------------|------------------------------|
| • Withdrawal                   | 2003 SOA study basic service table. See table of sample rates.                                   |                              |
| • Disability incidence         | 82% of the 1985 Disability Study Class 4 rates for males and females. See table of sample rates. |                              |
| • Retirement age               | <b>Attained age</b>                                                                              | <b>Percentage Retirement</b> |
|                                | 55 – 59                                                                                          | 10%                          |
|                                | 60 – 62                                                                                          | 30                           |
|                                | 63 – 64                                                                                          | 20                           |
|                                | 65                                                                                               | 100                          |
| • Benefit commencement age for |                                                                                                  |                              |
| — Future vested deferred       | 60                                                                                               |                              |
| — Current vested deferred      | 60                                                                                               |                              |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

|                                                   | <u>Male participants</u>  | <u>Female participants</u> |                  |
|---------------------------------------------------|---------------------------|----------------------------|------------------|
| • Spouse assumptions                              |                           |                            |                  |
| — Percentage married                              | 85%                       | 70%                        |                  |
| — Spouse age difference                           | 3 years younger           | 3 years older              |                  |
| <b>Form of payment – Males</b>                    | <b><u>50% J&amp;S</u></b> | <b><u>LA w/5</u></b>       | <b><u>LA</u></b> |
| • Active retirements                              | 85%                       | 15%                        | 0%               |
| • Future vested deferred                          | 85%                       | 15%                        | 0%               |
| • Future disabilities                             | 85%                       | 15%                        | 0%               |
| • Future deaths                                   | 0%                        | 0%                         | 100%             |
| • Current vested deferred                         | 85%                       | 15%                        | 0%               |
| <b>Form of payment – Females</b>                  | <b><u>50% J&amp;S</u></b> | <b><u>LA w/5</u></b>       | <b><u>LA</u></b> |
| • Active retirements                              | 70%                       | 30%                        | 0%               |
| • Future vested deferred                          | 70%                       | 30%                        | 0%               |
| • Future disabilities                             | 70%                       | 30%                        | 0%               |
| • Future deaths                                   | 0%                        | 0%                         | 100%             |
| • Current vested deferred                         | 70%                       | 30%                        | 0%               |
| <b>Unpredictable contingent event assumptions</b> | Not applicable            |                            |                  |

**Table of Sample Rates**

| Attained age | Percentage Disability |        |
|--------------|-----------------------|--------|
|              | Male                  | Female |
| 20           | .145%                 | .085%  |
| 25           | .209                  | .145   |
| 30           | .300                  | .245   |
| 35           | .417                  | .375   |
| 40           | .568                  | .521   |
| 45           | .771                  | .722   |
| 50           | 1.110                 | 1.088  |
| 55           | 1.876                 | 1.738  |
| 60           | 2.816                 | 2.025  |

| Attained service | Percentage Withdrawal |
|------------------|-----------------------|
| 0 yrs            | 17.13%                |
| 2                | 15.63                 |
| 5                | 8.34                  |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

|    |      |
|----|------|
| 7  | 6.46 |
| 10 | 4.91 |
| 15 | 3.66 |
| 20 | 2.81 |
| 25 | 2.12 |
| 30 | 1.52 |

**Actuarial Methods*****Asset Methods – Effective January 1, 2008***

We used unaudited financial data submitted by Northern Trust as of January 1 without further audit. Customarily, this information would not be verified by a plan's actuary. We have reviewed the information for internal consistency and we have no reason to doubt its substantial accuracy. Receivable contributions are required to be discounted to the valuation date using the prior year's effective interest rate (EIR) of 6.27% as described in Section 430(g)(4) of the Internal Revenue Code.

The asset valuation method is the fair market value.

***Participant Methods – Effective January 1, 2008***

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.

***Minimum Funding Methods – Effective January 1, 2010***

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

- This plan provides benefits that are not a function of a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the ratio of the participant's service at the beginning of the plan year to their service at each decrement age and is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.
- This plan provides disability/death benefits that are only partially based on a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the accrued benefit on the valuation date plus a portion of the excess of the benefit over the accrued benefit multiplied by the ratio of the participant's service at the beginning of the plan year to their service at each decrement age. This benefit is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

**Method Changes Since Prior Valuation**

No method changes have occurred since the January 1, 2011 valuation.

**Schedule SB, Part V — Summary of Plan Provisions****Summary of Major Plan Provisions**

|                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Effective date and plan year                                                                 | Original plan: June 1, 1964<br>Restated plan: January 1, 2008<br>Plan year: January 1 through December 31                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Status of the plan                                                                           | The plan has ongoing benefit accruals. New employees are not eligible to participate in the plan effective April 30, 2006.                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Significant events that occurred during the year                                             | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Definitions</b>                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| • Covered employees                                                                          | Any BHP employee at Navajo Mine (including company mines in the Navajo Indian Reservation and throughout San Juan County, New Mexico) who is covered by the collective bargaining agreement between BHP and the International Union of Operating Engineers, Local No. 953. Employees hired in surface operations after June 30, 2004, and employees hired in underground operations after April 30, 2006 are not eligible for the Plan.                                                                                                        |
| • Participation                                                                              | Covered employees become participants upon employment. Effective April 30, 2006, the Plan was closed to new entrants.                                                                                                                                                                                                                                                                                                                                                                                                                          |
| • Vesting service                                                                            | A year of service for vesting and eligibility purposes is earned for each calendar year in which a covered employee works at least 1,000 hours; for years in which an employee works at least 400 but less than 1,000 hours, a partial year of service is earned, equal to the number of hours worked, divided by 1,000.<br><br>Under certain conditions, vesting and eligibility service may include periods of temporary disability, approved leaves of absence, military leave, and prior employment.                                       |
| • Credited service                                                                           | A year of service for benefit accrual purposes is earned for each calendar year in which a covered employee works at least 1,600 hours; for years in which an employee works at least 400 but less than 1,600 hours, a partial year is earned, equal to the number of hours worked, divided by 1,600.<br><br>Credited service does not include periods of employment on and after January 1, 2007 after a participant has elected to receive contributions from the Employer Funded Account under the BHP New Mexico Coal 401(k) Savings Plan. |
| • Benefit formula – Underground employee terminations on or after February 1, 2002 (monthly) | \$40 x years of credited service before February 1, 2002,<br>plus<br>\$36 x years of credited service after February 1, 2002.                                                                                                                                                                                                                                                                                                                                                                                                                  |
| • Benefit formula – Surface employee terminations on or after February 1, 2002 (monthly)     | \$44 (\$42 if terminated between 2/1/2002 and 1/31/2007) x years of credited service before February 1, 2002,<br>plus<br>\$36 x years of credited service after February 1, 2002.                                                                                                                                                                                                                                                                                                                                                              |
| • Benefit formula – termination before February 1, 2002 (monthly)                            | Years of credited service x multiplier in effect at termination.                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Normal retirement</b>                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| • Eligibility                                                                                | Retirement on or after age 65.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

**Schedule SB, Part V — Summary of Plan Provisions**

|                                           |                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Benefit                                 | Monthly benefit determined under the applicable benefit formula.                                                                                                                                                                                                                                                                                                                              |
| <b>Early retirement</b>                   |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Retirement before age 65 after both attaining age 55 and completing 5 years of vesting service.                                                                                                                                                                                                                                                                                               |
| • Benefit                                 | Benefits for any participants who elect to commence their benefits prior to normal retirement are reduced by ½% for each of the first 60 months commencement precedes age 60. No reduction applies for benefits commenced after age 60.                                                                                                                                                       |
| <b>Supplemental early retirement</b>      |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Retirement before age 65 after the participant attains age 55 and the sum of age plus years of service equals or exceeds 85 and employed at Navajo immediately prior to retirement.                                                                                                                                                                                                           |
| • Benefit                                 | \$300 per month, payable from early retirement to age 62 or dies.                                                                                                                                                                                                                                                                                                                             |
| <b>Deferred vested</b>                    |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Termination for reasons other than death, disability, or retirement after becoming fully vested in the Plan benefit. Eligible for commencement on the first of any month following age 55. Participants are vested in their plan benefit after 5 years of vesting service.                                                                                                                    |
| • Benefit                                 | Equal to the early retirement benefit.                                                                                                                                                                                                                                                                                                                                                        |
| <b>Disability</b>                         |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Termination upon becoming totally and permanently disabled (defined by the plan administrator). Must be eligible for Social Security disability payments.                                                                                                                                                                                                                                     |
| • Benefit                                 | Equal to the normal retirement benefit determined using a minimum of 10 years of credited service, unreduced for early commencement, payable from date of disability to age 65.                                                                                                                                                                                                               |
| <b>Occupational disability transition</b> |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Termination upon becoming seriously disabled (defined by plan administrator) after completing 10 years of vesting service with at least 6 years of credited service and after attaining age 55, if the participant was employed by Navajo immediately prior to disability. Participant must release the Company of all liability, and cannot be eligible for a disability retirement benefit. |
| • Benefit                                 | Annual payment of \$1,200, plus \$1,200 for each year of credited service in excess of 6 years (maximum \$12,000 annual payment.) Payable from the date of disability until the participant receives 5 annual installments or becomes eligible for Social Security pension payments, whichever is earlier. A portion of this benefit may be payable as a lump sum.                            |
| <b>Pre-retirement survivor</b>            |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Death of a vested participant after being married for at least one year. Eligible for commencement not earlier than on the first of the month following the date on which the participant would have attained age 55.                                                                                                                                                                         |

**Schedule SB, Part V — Summary of Plan Provisions**

|                                                                                              |                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Survivor benefits – married participants</li> </ul>   | <p>Equal to 50% of the benefit the deceased participant would have received had he elected to commence on the date the survivor payments begin.</p> <p>The benefit is paid as a monthly annuity for the survivor's lifetime.</p>                         |
| <b>Pre-retirement death</b>                                                                  |                                                                                                                                                                                                                                                          |
| <ul style="list-style-type: none"> <li>Eligibility</li> </ul>                                | <p>Death of an unmarried vested participant or a participant who has been married less than one year who is at least age 55. Payments begin on the first of the month following the date of the participant's death.</p>                                 |
| <ul style="list-style-type: none"> <li>Survivor benefits – unmarried participants</li> </ul> | <p>60 monthly payments in the amount the deceased participant would have received had he elected to commence on the first of the month following his death.</p>                                                                                          |
| <b>Mine accident death</b>                                                                   |                                                                                                                                                                                                                                                          |
| <ul style="list-style-type: none"> <li>Eligibility</li> </ul>                                | <p>Death of a married participant in a Company mine accident. Payments begin on the first of the month following the date of the participant's death and end at the earlier of the survivor's death or remarriage.</p>                                   |
| <ul style="list-style-type: none"> <li>Benefit</li> </ul>                                    | <p>Equal to the excess of the normal retirement benefit (determined using a minimum of 10 years of credited service) over the survivor benefits generally payable under the plan. This benefit is paid in addition to the general survivor benefits.</p> |
| <b>Benefit offsets</b>                                                                       | <p>The plan benefits for certain participants are offset by benefits earned under prior plans.</p>                                                                                                                                                       |
| <b>Form of benefits</b>                                                                      |                                                                                                                                                                                                                                                          |
| <ul style="list-style-type: none"> <li>Automatic form for unmarried participants</li> </ul>  | <p>The normal form of payment for monthly pension benefits is a life annuity with 60 payments guaranteed if the member has no spouse as of the date payments begin.</p>                                                                                  |
| <ul style="list-style-type: none"> <li>Automatic form for married participants</li> </ul>    | <p>50% joint and survivor annuity with no reduction if the member is married at the date payments begin.</p>                                                                                                                                             |
| <ul style="list-style-type: none"> <li>Optional forms</li> </ul>                             | <p>No optional forms of payment are available from the plan.</p>                                                                                                                                                                                         |
| <b>Miscellaneous</b>                                                                         |                                                                                                                                                                                                                                                          |
| <ul style="list-style-type: none"> <li>Voluntary early retirement</li> </ul>                 | <p>There are special provisions which applied to voluntary early retirement program which applied in 1995, 1997, 1999 and 2002.</p>                                                                                                                      |
| <ul style="list-style-type: none"> <li>Maximum benefits</li> </ul>                           | <p>Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2012 the limit is \$200,000.</p>                                                                                                                    |

**Benefits Included or Excluded**

Unless noted below, all benefits provided by the plan, as restated effective January 1, 2008 and amended through Amendment #4, are included in this valuation.

- Most recent plan amendments included:** Amendment #4
- Plan amendments excluded:** None.
- Late retirement increases:**
  - Active participants:* The plan provides actuarial increases to benefits of participants who work beyond normal retirement. We have reflected these increases for

**Schedule SB, Part V — Summary of Plan Provisions**

- participants who were over age 65 at the valuation date. The Plan distributes benefits to active participants who work beyond age 70½
- *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
  - **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) has been incorporated into our calculations.
  - **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

**Additional Benefits Included or Excluded**

- **IRC Section 436 benefit restrictions:**
  - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
  - *Plan amendments:* See above.
  - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
  - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Scheduled benefit increases:** Scheduled benefit increases effective after the end of the current plan year are excluded from minimum funding requirements.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.
- **Occupational Disability Transition Benefit and Mine Accident Death Benefit:** We have assumed that all participants who become disabled or die while active receive benefits under the normal disability and death provisions of the Plan rather than under the Occupational Disability Transition Benefit or Mine Accident Death Benefit.

**Plan Provision Changes Since Prior Valuation**

Maximum benefit amounts under IRS rules were updated from 2011 to 2012.

**Schedule SB, line 24 — Change in Actuarial Assumptions**

- Interest discount and mortality rates were updated from 2011 to 2012 in accordance with PPA.
- The expense component of normal cost decreased from \$122,369 to \$98,917 to reflect our expectations for the current plan year.
- The expected investment return was changed from 5.10% to 4.10% to reflect current expectations.

**Schedule SB, line 26 — Schedule of Active Participant Data**

| Attained age | Years of credited service |     |     |       |       |       |       |       |       |      |       |
|--------------|---------------------------|-----|-----|-------|-------|-------|-------|-------|-------|------|-------|
|              | Under                     | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40 & | Total |
| Under 25     |                           |     |     |       |       |       |       |       |       |      |       |
| 25-29        |                           |     | 4   |       |       |       |       |       |       |      | 4     |
| 30-34        |                           | 4   | 14  | 2     |       |       |       |       |       |      | 20    |
| 35-39        |                           | 11  | 12  | 11    | 2     |       |       |       |       |      | 36    |
| 40-44        |                           | 7   | 15  | 15    | 11    | 6     |       |       |       |      | 54    |
| 45-49        |                           | 10  | 13  | 16    | 13    | 12    | 9     |       |       |      | 73    |
| 50-54        |                           | 4   | 8   | 14    | 18    | 14    | 18    | 17    |       |      | 93    |
| 55-59        |                           | 1   | 7   | 7     | 12    | 15    | 17    | 27    | 26    |      | 112   |
| 60-64        |                           |     | 2   | 2     | 5     | 6     | 14    | 14    | 22    | 1    | 66    |
| 65-69        |                           |     |     |       |       | 1     | 1     | 1     | 2     |      | 5     |
| 70 & up      |                           |     |     |       | 1     |       |       |       |       |      | 1     |
| Total        |                           | 37  | 75  | 67    | 62    | 54    | 59    | 59    | 50    | 1    | 464   |

In each cell, the number is the count of active participants for each age/service combination.

**SCHEDULE SB  
(Form 5500)**Department of the Treasury  
Internal Revenue ServiceDepartment of Labor  
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan  
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

► **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2012****This Form is Open to Public  
Inspection**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

► **Round off amounts to nearest dollar.**► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                           |  |                                                                                                                                                         |     |
|-------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| <b>A</b> Name of plan                                                                                                                     |  | <b>B</b> Three-digit plan number (PN) ►                                                                                                                 | 002 |
| NAVAJO MINE RETIREMENT PLAN                                                                                                               |  |                                                                                                                                                         |     |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF                                                                  |  | <b>D</b> Employer Identification Number (EIN)                                                                                                           |     |
| BHP Billiton New Mexico Coal Inc.                                                                                                         |  | 94-3144067                                                                                                                                              |     |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B |  | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |     |

**Part I Basic Information**

|                                                                                                                                                                                                                |  |                            |                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------|--------------------|
| <b>1</b> Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2012</u>                                                                                                                                |  |                            |                    |
| <b>2</b> Assets:                                                                                                                                                                                               |  |                            |                    |
| <b>a</b> Market value .....                                                                                                                                                                                    |  | <b>2a</b>                  | 99,745,371         |
| <b>b</b> Actuarial value .....                                                                                                                                                                                 |  | <b>2b</b>                  | 99,745,371         |
| <b>3</b> Funding target/participant count breakdown:                                                                                                                                                           |  |                            |                    |
|                                                                                                                                                                                                                |  | (1) Number of participants | (2) Funding Target |
| <b>a</b> For retired participants and beneficiaries receiving payment .....                                                                                                                                    |  | <b>3a</b>                  | 427                |
| <b>b</b> For terminated vested participants .....                                                                                                                                                              |  | <b>3b</b>                  | 298                |
| <b>c</b> For active participants:                                                                                                                                                                              |  |                            |                    |
| (1) Non-vested benefits .....                                                                                                                                                                                  |  | <b>3c(1)</b>               | 1,450,181          |
| (2) Vested benefits .....                                                                                                                                                                                      |  | <b>3c(2)</b>               | 40,961,493         |
| (3) Total active .....                                                                                                                                                                                         |  | <b>3c(3)</b>               | 464                |
| <b>d</b> Total .....                                                                                                                                                                                           |  | <b>3d</b>                  | 1,189              |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>                                                                                          |  |                            |                    |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                      |  | <b>4a</b>                  |                    |
| <b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor..... |  | <b>4b</b>                  |                    |
| <b>5</b> Effective interest rate .....                                                                                                                                                                         |  | <b>5</b>                   | 5.49 %             |
| <b>6</b> Target normal cost .....                                                                                                                                                                              |  | <b>6</b>                   | 1,207,531          |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                               |           |                                        |
|-------------------------------|-----------|----------------------------------------|
| <b>SIGN<br/>HERE</b>          | <u>KB</u> | <u>10/11/2013</u>                      |
| Signature of actuary          |           | Date                                   |
| KEVIN BILLS, FSA, EA, MAAA    |           | 11-07029                               |
| Type or print name of actuary |           | Most recent enrollment number          |
| MERCER                        |           | (713) 276-2100                         |
| Firm name                     |           | Telephone number (including area code) |
| 1000 MAIN STREET, SUITE 2900  |           |                                        |
| HOUSTON TX 77002              |           |                                        |
| Address of the firm           |           |                                        |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2012  
v. 120126

| Liquidity shortfall as of end of quarter of this plan year |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| (1) 1st                                                    | (2) 2nd | (3) 3rd | (4) 4th |
|                                                            |         |         |         |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

|                                                 |                                                |                                                           |                                                     |
|-------------------------------------------------|------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                        |                                                |                                                           |                                                     |
| <b>a</b> Segment rates:                         | 1st segment:<br>2.06 %                         | 2nd segment:<br>5.25 %                                    | 3rd segment:<br>6.32 %                              |
|                                                 |                                                |                                                           | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code):         |                                                |                                                           | <b>21b</b> 4                                        |
| <b>22</b> Weighted average retirement age       |                                                |                                                           | <b>22</b> 60                                        |
| <b>23</b> Mortality table(s) (see instructions) | <input type="checkbox"/> Prescribed - combined | <input checked="" type="checkbox"/> Prescribed - separate | <input type="checkbox"/> Substitute                 |

**Part VI Miscellaneous Items**

|                                                                                                                                                                   |                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.                                      | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.                            | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.                                   | <b>27</b>                                                           |

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

|                                                                                                                                 |           |   |
|---------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contributions for all prior years                                                             | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a). | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29)                                     | <b>30</b> | 0 |

**Part VIII Minimum Required Contribution For Current Year**

| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                             |                                                                                                                                                                                                                                                                             |                   |                    |  |                     |             |                                                 |  |  |                                          |  |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|--|---------------------|-------------|-------------------------------------------------|--|--|------------------------------------------|--|--|
| <b>a</b> Target normal cost (line 6)                                                                                                                                           | <b>31a</b>                                                                                                                                                                                                                                                                  | 1,207,531         |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a                                                                                                           | <b>31b</b>                                                                                                                                                                                                                                                                  | 1,207,531         |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>32</b> Amortization installments:                                                                                                                                           | <table border="1"> <tr> <th></th> <th>Outstanding Balance</th> <th>Installment</th> </tr> <tr> <td><b>a</b> Net shortfall amortization installment</td> <td></td> <td></td> </tr> <tr> <td><b>b</b> Waiver amortization installment</td> <td></td> <td></td> </tr> </table> |                   |                    |  | Outstanding Balance | Installment | <b>a</b> Net shortfall amortization installment |  |  | <b>b</b> Waiver amortization installment |  |  |
|                                                                                                                                                                                | Outstanding Balance                                                                                                                                                                                                                                                         | Installment       |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>a</b> Net shortfall amortization installment                                                                                                                                |                                                                                                                                                                                                                                                                             |                   |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>b</b> Waiver amortization installment                                                                                                                                       |                                                                                                                                                                                                                                                                             |                   |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount | <b>33</b>                                                                                                                                                                                                                                                                   |                   |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)                                                         | <b>34</b>                                                                                                                                                                                                                                                                   | 0                 |                    |  |                     |             |                                                 |  |  |                                          |  |  |
|                                                                                                                                                                                |                                                                                                                                                                                                                                                                             | Carryover balance | Prefunding balance |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>35</b> Balances elected for use to offset funding requirement                                                                                                               |                                                                                                                                                                                                                                                                             |                   |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>36</b> Additional cash requirement (line 34 minus line 35)                                                                                                                  | <b>36</b>                                                                                                                                                                                                                                                                   | 0                 |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)                                                  | <b>37</b>                                                                                                                                                                                                                                                                   | 7,603,153         |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                            |                                                                                                                                                                                                                                                                             |                   |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>a</b> Total (excess, if any, of line 37 over line 36)                                                                                                                       | <b>38a</b>                                                                                                                                                                                                                                                                  | 7,603,153         |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances                                                                | <b>38b</b>                                                                                                                                                                                                                                                                  | 0                 |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)                                                                      | <b>39</b>                                                                                                                                                                                                                                                                   | 0                 |                    |  |                     |             |                                                 |  |  |                                          |  |  |
| <b>40</b> Unpaid minimum required contributions for all years                                                                                                                  | <b>40</b>                                                                                                                                                                                                                                                                   | 0                 |                    |  |                     |             |                                                 |  |  |                                          |  |  |

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

|                                                                                          |                                                                                                                         |  |  |
|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--|--|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:          |                                                                                                                         |  |  |
| <b>a</b> Schedule elected                                                                | <input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years                                               |  |  |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made               | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011 |  |  |
| <b>42</b> Amount of acceleration adjustment                                              | <b>42</b>                                                                                                               |  |  |
| <b>43</b> Excess installment acceleration amount to be carried over to future plan years | <b>43</b>                                                                                                               |  |  |

**Schedule SB, line 22 — Description of Weighted Average Retirement Age**

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 60.

| (A)<br>Retirement<br>age | (B)<br>Retirement<br>Percent | (C)<br>Lx | (D)<br>Number of<br>employees<br>expected to retire<br>(B) x (C) | (E)<br>(A) x (D) |
|--------------------------|------------------------------|-----------|------------------------------------------------------------------|------------------|
| 55                       | 10.0%                        | 10,000    | 1,000.00                                                         | 55,000           |
| 56                       | 10.0%                        | 9,000     | 900.00                                                           | 50,400           |
| 57                       | 10.0%                        | 8,100     | 810.00                                                           | 46,170           |
| 58                       | 10.0%                        | 7,290     | 729.00                                                           | 42,282           |
| 59                       | 10.0%                        | 6,561     | 656.00                                                           | 38,710           |
| 60                       | 30.0%                        | 5,905     | 1,771.47                                                         | 106,288          |
| 61                       | 30.0%                        | 4,133     | 1,240.03                                                         | 75,642           |
| 62                       | 30.0%                        | 2,893     | 868.02                                                           | 53,817           |
| 63                       | 20.0%                        | 2,025     | 405.08                                                           | 25,520           |
| 64                       | 20.0%                        | 1,620     | 324.06                                                           | 20,740           |
| 65                       | 100.0%                       | 1,296     | 1,296.24                                                         | 84,256           |
| Total                    |                              |           | 10,000.00                                                        | 598,825          |
| Average                  |                              |           |                                                                  | 59.88            |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods****Actuarial Assumptions****Discount rate sponsor elections**

|                                     |         |
|-------------------------------------|---------|
| • Segment rates or full yield curve | Segment |
| • Look-back months                  | 4       |
| • First 5 years                     | 2.06%   |
| • Next 15 years                     | 5.25%   |
| • Over 20 years                     | 6.32%   |

**Mortality sponsor elections**

|                         |                                                                                                                                                                                                                                                    |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Healthy participants  | Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA. |
| • Disabled participants | Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits. All other disabled participants use the healthy mortality table.                                               |

**Other economic assumptions**

|                                 |                                                                                                                                                                                                                                                             |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Salary increases              | Not applicable                                                                                                                                                                                                                                              |
| • Flat-dollar benefit increases | Not applicable                                                                                                                                                                                                                                              |
| • Social Security wage base     | Not applicable                                                                                                                                                                                                                                              |
| • Inflation                     | 3.00% per year                                                                                                                                                                                                                                              |
| • Expected investment return    | 4.10% per year for years 2010 through 2012                                                                                                                                                                                                                  |
| • Expenses                      | Expected administrative expenses (assumed to equal prior year administrative expenses but adjusted for PBGC premiums with current year PBGC premiums replacing prior year) discounted to beginning of year are included in normal cost (equal to \$98,917). |

**Demographic assumptions**

|                                |                                                                                                  |                              |
|--------------------------------|--------------------------------------------------------------------------------------------------|------------------------------|
| • Withdrawal                   | 2003 SOA study basic service table. See table of sample rates.                                   |                              |
| • Disability incidence         | 82% of the 1985 Disability Study Class 4 rates for males and females. See table of sample rates. |                              |
| • Retirement age               | <b>Attained age</b>                                                                              | <b>Percentage Retirement</b> |
|                                | 55 – 59                                                                                          | 10%                          |
|                                | 60 – 62                                                                                          | 30                           |
|                                | 63 – 64                                                                                          | 20                           |
|                                | 65                                                                                               | 100                          |
| • Benefit commencement age for |                                                                                                  |                              |
| – Future vested deferred       | 60                                                                                               |                              |
| – Current vested deferred      | 60                                                                                               |                              |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

|                                                   | <u>Male participants</u>  | <u>Female participants</u> |                  |
|---------------------------------------------------|---------------------------|----------------------------|------------------|
| • Spouse assumptions                              |                           |                            |                  |
| — Percentage married                              | 85%                       | 70%                        |                  |
| — Spouse age difference                           | 3 years younger           | 3 years older              |                  |
| <b>Form of payment – Males</b>                    | <b><u>50% J&amp;S</u></b> | <b><u>LA w/5</u></b>       | <b><u>LA</u></b> |
| • Active retirements                              | 85%                       | 15%                        | 0%               |
| • Future vested deferred                          | 85%                       | 15%                        | 0%               |
| • Future disabilities                             | 85%                       | 15%                        | 0%               |
| • Future deaths                                   | 0%                        | 0%                         | 100%             |
| • Current vested deferred                         | 85%                       | 15%                        | 0%               |
| <b>Form of payment – Females</b>                  | <b><u>50% J&amp;S</u></b> | <b><u>LA w/5</u></b>       | <b><u>LA</u></b> |
| • Active retirements                              | 70%                       | 30%                        | 0%               |
| • Future vested deferred                          | 70%                       | 30%                        | 0%               |
| • Future disabilities                             | 70%                       | 30%                        | 0%               |
| • Future deaths                                   | 0%                        | 0%                         | 100%             |
| • Current vested deferred                         | 70%                       | 30%                        | 0%               |
| <b>Unpredictable contingent event assumptions</b> | Not applicable            |                            |                  |

**Table of Sample Rates**

| Attained age | Percentage Disability |        |
|--------------|-----------------------|--------|
|              | Male                  | Female |
| 20           | .145%                 | .085%  |
| 25           | .209                  | .145   |
| 30           | .300                  | .245   |
| 35           | .417                  | .375   |
| 40           | .568                  | .521   |
| 45           | .771                  | .722   |
| 50           | 1.110                 | 1.088  |
| 55           | 1.876                 | 1.738  |
| 60           | 2.816                 | 2.025  |

| Attained service | Percentage Withdrawal |
|------------------|-----------------------|
| 0 yrs            | 17.13%                |
| 2                | 15.63                 |
| 5                | 8.34                  |

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

|    |      |
|----|------|
| 7  | 6.46 |
| 10 | 4.91 |
| 15 | 3.66 |
| 20 | 2.81 |
| 25 | 2.12 |
| 30 | 1.52 |

**Actuarial Methods*****Asset Methods – Effective January 1, 2008***

We used unaudited financial data submitted by Northern Trust as of January 1 without further audit. Customarily, this information would not be verified by a plan's actuary. We have reviewed the information for internal consistency and we have not reason to doubt its substantial accuracy. Receivable contributions are required to be discounted to the valuation date using the prior year's effective interest rate (EIR) of 6.27% as described in Section 430(g)(4) of the Internal Revenue Code.

The asset valuation method is the fair market value.

***Participant Methods – Effective January 1, 2008***

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.

***Minimum Funding Methods – Effective January 1, 2010***

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.

**Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**

- This plan provides benefits that are not a function of a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the ratio of the participant's service at the beginning of the plan year to their service at each decrement age and is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.
- This plan provides disability/death benefits that are only partially based on a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the accrued benefit on the valuation date plus a portion of the excess of the benefit over the accrued benefit multiplied by the ratio of the participant's service at the beginning of the plan year to their service at each decrement age. This benefit is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

**Method Changes Since Prior Valuation**

No method changes have occurred since the January 1, 2011 valuation.

**Schedule SB, Part V — Summary of Plan Provisions****Summary of Major Plan Provisions**

|                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Effective date and plan year                                                                 | Original plan: June 1, 1964<br>Restated plan: January 1, 2008<br>Plan year: January 1 through December 31                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Status of the plan                                                                           | The plan has ongoing benefit accruals. New employees are not eligible to participate in the plan effective April 30, 2006.                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Significant events that occurred during the year                                             | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Definitions</b>                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| • Covered employees                                                                          | Any BHP employee at Navajo Mine (including company mines in the Navajo Indian Reservation and throughout San Juan County, New Mexico) who is covered by the collective bargaining agreement between BHP and the International Union of Operating Engineers, Local No. 953. Employees hired in surface operations after June 30, 2004, and employees hired in underground operations after April 30, 2006 are not eligible for the Plan.                                                                                                        |
| • Participation                                                                              | Covered employees become participants upon employment. Effective April 30, 2006, the Plan was closed to new entrants.                                                                                                                                                                                                                                                                                                                                                                                                                          |
| • Vesting service                                                                            | A year of service for vesting and eligibility purposes is earned for each calendar year in which a covered employee works at least 1,000 hours; for years in which an employee works at least 400 but less than 1,000 hours, a partial year of service is earned, equal to the number of hours worked, divided by 1,000.<br><br>Under certain conditions, vesting and eligibility service may include periods of temporary disability, approved leaves of absence, military leave, and prior employment.                                       |
| • Credited service                                                                           | A year of service for benefit accrual purposes is earned for each calendar year in which a covered employee works at least 1,600 hours; for years in which an employee works at least 400 but less than 1,600 hours, a partial year is earned, equal to the number of hours worked, divided by 1,600.<br><br>Credited service does not include periods of employment on and after January 1, 2007 after a participant has elected to receive contributions from the Employer Funded Account under the BHP New Mexico Coal 401(k) Savings Plan. |
| • Benefit formula – Underground employee terminations on or after February 1, 2002 (monthly) | $\$40 \times \text{years of credited service before February 1, 2002,}$<br>plus<br>$\$36 \times \text{years of credited service after February 1, 2002.}$                                                                                                                                                                                                                                                                                                                                                                                      |
| • Benefit formula – Surface employee terminations on or after February 1, 2002 (monthly)     | $\$44 (\$42 \text{ if terminated between } 2/1/2002 \text{ and } 1/31/2007) \times \text{years of credited service before February 1, 2002,}$<br>plus<br>$\$36 \times \text{years of credited service after February 1, 2002.}$                                                                                                                                                                                                                                                                                                                |
| • Benefit formula – termination before February 1, 2002 (monthly)                            | Years of credited service x multiplier in effect at termination.                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Normal retirement</b>                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| • Eligibility                                                                                | Retirement on or after age 65.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

**Schedule SB, Part V — Summary of Plan Provisions**

|                                           |                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Benefit                                 | Monthly benefit determined under the applicable benefit formula.                                                                                                                                                                                                                                                                                                                              |
| <b>Early retirement</b>                   |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Retirement before age 65 after both attaining age 55 and completing 5 years of vesting service.                                                                                                                                                                                                                                                                                               |
| • Benefit                                 | Benefits for any participants who elect to commence their benefits prior to normal retirement are reduced by ½% for each of the first 60 months commencement precedes age 60. No reduction applies for benefits commenced after age 60.                                                                                                                                                       |
| <b>Supplemental early retirement</b>      |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Retirement before age 65 after the participant attains age 55 and the sum of age plus years of service equals or exceeds 85 and employed at Navajo immediately prior to retirement.                                                                                                                                                                                                           |
| • Benefit                                 | \$300 per month, payable from early retirement to age 62 or dies.                                                                                                                                                                                                                                                                                                                             |
| <b>Deferred vested</b>                    |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Termination for reasons other than death, disability, or retirement after becoming fully vested in the Plan benefit. Eligible for commencement on the first of any month following age 55. Participants are vested in their plan benefit after 5 years of vesting service.                                                                                                                    |
| • Benefit                                 | Equal to the early retirement benefit.                                                                                                                                                                                                                                                                                                                                                        |
| <b>Disability</b>                         |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Termination upon becoming totally and permanently disabled (defined by the plan administrator). Must be eligible for Social Security disability payments.                                                                                                                                                                                                                                     |
| • Benefit                                 | Equal to the normal retirement benefit determined using a minimum of 10 years of credited service, unreduced for early commencement, payable from date of disability to age 65.                                                                                                                                                                                                               |
| <b>Occupational disability transition</b> |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Termination upon becoming seriously disabled (defined by plan administrator) after completing 10 years of vesting service with at least 6 years of credited service and after attaining age 55, if the participant was employed by Navajo immediately prior to disability. Participant must release the Company of all liability, and cannot be eligible for a disability retirement benefit. |
| • Benefit                                 | Annual payment of \$1,200, plus \$1,200 for each year of credited service in excess of 6 years (maximum \$12,000 annual payment.) Payable from the date of disability until the participant receives 5 annual installments or becomes eligible for Social Security pension payments, whichever is earlier. A portion of this benefit may be payable as a lump sum.                            |
| <b>Pre-retirement survivor</b>            |                                                                                                                                                                                                                                                                                                                                                                                               |
| • Eligibility                             | Death of a vested participant after being married for at least one year. Eligible for commencement not earlier than on the first of the month following the date on which the participant would have attained age 55.                                                                                                                                                                         |

**Schedule SB, Part V — Summary of Plan Provisions**

|                                              |                                                                                                                                                                                                                                                   |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| • Survivor benefits – married participants   | Equal to 50% of the benefit the deceased participant would have received had he elected to commence on the date the survivor payments begin.<br><br>The benefit is paid as a monthly annuity for the survivor's lifetime.                         |
| <b>Pre-retirement death</b>                  |                                                                                                                                                                                                                                                   |
| • Eligibility                                | Death of an unmarried vested participant or a participant who has been married less than one year who is at least age 55. Payments begin on the first of the month following the date of the participant's death.                                 |
| • Survivor benefits – unmarried participants | 60 monthly payments in the amount the deceased participant would have received had he elected to commence on the first of the month following his death.                                                                                          |
| <b>Mine accident death</b>                   |                                                                                                                                                                                                                                                   |
| • Eligibility                                | Death of a married participant in a Company mine accident. Payments begin on the first of the month following the date of the participant's death and end at the earlier of the survivor's death or remarriage.                                   |
| • Benefit                                    | Equal to the excess of the normal retirement benefit (determined using a minimum of 10 years of credited service) over the survivor benefits generally payable under the plan. This benefit is paid in addition to the general survivor benefits. |
| <b>Benefit offsets</b>                       | The plan benefits for certain participants are offset by benefits earned under prior plans.                                                                                                                                                       |
| <b>Form of benefits</b>                      |                                                                                                                                                                                                                                                   |
| • Automatic form for unmarried participants  | The normal form of payment for monthly pension benefits is a life annuity with 60 payments guaranteed if the member has no spouse as of the date payments begin.                                                                                  |
| • Automatic form for married participants    | 50% joint and survivor annuity with no reduction if the member is married at the date payments begin.                                                                                                                                             |
| • Optional forms                             | No optional forms of payment are available from the plan.                                                                                                                                                                                         |
| <b>Miscellaneous</b>                         |                                                                                                                                                                                                                                                   |
| • Voluntary early retirement                 | There are special provisions which applied to voluntary early retirement program which applied in 1995, 1997, 1999 and 2002.                                                                                                                      |
| • Maximum benefits                           | Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2012 the limit is \$200,000.                                                                                                                    |

**Benefits Included or Excluded**

Unless noted below, all benefits provided by the plan, as restated effective January 1, 2008 and amended through Amendment #4, are included in this valuation.

- **Most recent plan amendments included:** Amendment #4
- **Plan amendments excluded:** None.
- **Late retirement increases:**
  - *Active participants:* The plan provides actuarial increases to benefits of participants who work beyond normal retirement. We have reflected these increases for

**Schedule SB, Part V — Summary of Plan Provisions**

participants who were over age 65 at the valuation date. The Plan distributes benefits to active participants who work beyond age 70½

- *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) has been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

**Additional Benefits Included or Excluded**

- **IRC Section 436 benefit restrictions:**
  - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
  - *Plan amendments:* See above.
  - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
  - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Scheduled benefit increases:** Scheduled benefit increases effective after the end of the current plan year are excluded from minimum funding requirements.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.
- **Occupational Disability Transition Benefit and Mine Accident Death Benefit:** We have assumed that all participants who become disabled or die while active receive benefits under the normal disability and death provisions of the Plan rather than under the Occupational Disability Transition Benefit or Mine Accident Death Benefit.

**Plan Provision Changes Since Prior Valuation**

Maximum benefit amounts under IRS rules were updated from 2011 to 2012.

**Schedule SB, line 24 — Change in Actuarial Assumptions**

- Interest discount and mortality rates were updated from 2011 to 2012 in accordance with PPA.
  - The expense component of normal cost decreased from \$122,369 to \$98,917 to reflect our expectations for the current plan year.
  - The expected investment return was changed from 5.10% to 4.10% to reflect current expectations.
-

**Schedule SB, line 26 — Schedule of Active Participant Data**

| Attained age | Years of credited service |     |     |       |       |       |       |       |       |      | Total |
|--------------|---------------------------|-----|-----|-------|-------|-------|-------|-------|-------|------|-------|
|              | Under                     | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40 & |       |
| Under 25     |                           |     |     |       |       |       |       |       |       |      |       |
| 25-29        |                           |     | 4   |       |       |       |       |       |       |      | 4     |
| 30-34        |                           | 4   | 14  | 2     |       |       |       |       |       |      | 20    |
| 35-39        |                           | 11  | 12  | 11    | 2     |       |       |       |       |      | 36    |
| 40-44        |                           | 7   | 15  | 15    | 11    | 6     |       |       |       |      | 54    |
| 45-49        |                           | 10  | 13  | 16    | 13    | 12    | 9     |       |       |      | 73    |
| 50-54        |                           | 4   | 8   | 14    | 18    | 14    | 18    | 17    |       |      | 93    |
| 55-59        |                           | 1   | 7   | 7     | 12    | 15    | 17    | 27    | 26    |      | 112   |
| 60-64        |                           |     | 2   | 2     | 5     | 6     | 14    | 14    | 22    | 1    | 66    |
| 65-69        |                           |     |     |       |       | 1     | 1     | 1     | 2     |      | 5     |
| 70 & up      |                           |     |     |       | 1     |       |       |       |       |      | 1     |
| Total        |                           | 37  | 75  | 67    | 62    | 54    | 59    | 59    | 50    | 1    | 464   |

In each cell, the number is the count of active participants for each age/service combination.