

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan 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 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>			
A	This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____	
B	This return/report is:	☒ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	If the plan is a collectively-bargained plan, check here. ☒		
D	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☒ special extension (enter description) <u>HURRICANE HARVEY RELIEF</u>	

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>NMC RETIREMENT PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>003</u>
		1c	Effective date of plan <u>01/31/2016</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>BHP BILLITON NEW MEXICO COAL INC.</u> <u>1360 POST OAK BLVD., SUITE 150</u> <u>HOUSTON, TX 77056-3020</u>	2b	Employer Identification Number (EIN) <u>45-2485938</u>
		2c	Plan Sponsor's telephone number <u>713-961-8500</u>
		2d	Business code (see instructions) <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.

SIGN HERE	Filed with authorized/valid electronic signature.	01/31/2018	ANDREA GLASOFER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	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)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN
	3c Administrator's telephone number
4 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: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 178
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 151
a(2) Total number of active participants at the end of the plan year	6a(2) 0
b Retired or separated participants receiving benefits.....	6b 36
c Other retired or separated participants entitled to future benefits	6c 147
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 183
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 0
f Total. Add lines 6d and 6e	6f 183
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
 1B 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	(1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules	b General Schedules
(1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ 0 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department 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 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **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.

A Name of plan <u>NMC RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>BHP BILLITON NEW MEXICO COAL INC.</u>	D Employer Identification Number (EIN) <u>45-2485938</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>	
2 Assets:	
a Market value	2a <u>25103925</u>
b Actuarial value	2b <u>25103925</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>0</u> (2) Vested Funding Target <u>0</u> (3) Total Funding Target <u>0</u>
b For terminated vested participants	<u>27</u> <u>1384375</u> <u>1384375</u>
c For active participants	<u>151</u> <u>17968366</u> <u>18440623</u>
d Total	<u>178</u> <u>19352741</u> <u>19824998</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
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	4b
5 Effective interest rate	5 <u>6.06 %</u>
6 Target normal cost	6 <u>378348</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.

SIGN HERE		<u>10/13/2017</u>
	Signature of actuary	Date
<u>KEVIN BILLS</u>	Type or print name of actuary	<u>17-07029</u>
		Most recent enrollment number
<u>MERCER</u>	Firm name	<u>713-276-2100</u>
<u>500 DALLAS STREET, SUITE 1400</u> <u>HOUSTON, TX 77002</u>	Address of the firm	Telephone number (including area code)

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, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

Part II Beginning of Year Carryover and Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>-2.55%</u>	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.26%</u>		0
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	148503	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	125.87%
15	Adjusted funding target attainment percentage	15	126.62%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	142.32%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
11/25/2016	6305000	0			
Totals ►			18(b)	6305000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 5980212
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
c 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		
21 Discount rate:			
a Segment rates:		1st segment: 4.43%	2nd segment: 5.91%
		3rd segment: 6.65%	☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			
Part VI	Miscellaneous Items		
24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No			
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No			
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No			
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.			27
Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years		
28 Unpaid minimum required contributions for all prior years			28 0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)			29 0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)			30 0
Part VIII	Minimum Required Contribution For Current Year		
31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)			31a 378348
b Excess assets, if applicable, but not greater than line 31a			31b 378348
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
b Waiver amortization installment		0	0
33 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			33
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)			34 0
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0
36 Additional cash requirement (line 34 minus line 35)			36 0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)			37 5980212
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)			38a 5980212
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances			38b 0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)			39 0
40 Unpaid minimum required contributions for all years			40 0
Part IX	Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)		
41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected ☐ 2 plus 7 years ☐ 15 years			
b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011			
42 Amount of acceleration adjustment			42
43 Excess installment acceleration amount to be carried over to future plan years			43

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection.
For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
A Name of plan NMC RETIREMENT PLAN	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 BHP BILLITON NEW MEXICO COAL INC.	D Employer Identification Number (EIN) 45-2485938	

Part I	Service Provider Information (see instructions)
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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

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)

PACIFIC INVESTMENT MGMT COMPANY

33-0629048

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) 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) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	27041	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

AON HEWITT INVESTMENT CONSULTING

36-3109431

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) 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) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	22289	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

NORTHERN TRUST COMPANY

36-1561860

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) 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) Did the service provider give you a formula instead of an amount or estimated amount?
21 50 62	NONE	7362	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) 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) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

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 (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 (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 (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)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2016</div> This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>NMC RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>BHP BILLITON NEW MEXICO COAL INC.</u>	D Employer Identification Number (EIN) <u>45-2485938</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: COLTV SHORT TERM INVESTMENT FUND

b Name of sponsor of entity listed in (a): NORTHERN TRUST INVESTMENTS, NA

c EIN-PN <u>45-6138589-084</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>3183615</u>
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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)
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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)
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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)
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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)
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For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

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

SCHEDULE H (Form 5500) <small>Internal Revenue Service</small> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information 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). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>		
A Name of plan <u>NMC RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BHP BILLITON NEW MEXICO COAL INC.</u>	D Employer Identification Number (EIN) <u>45-2485938</u>	

Part I	Asset and Liability Statement
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1 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. **Round off amounts to the nearest dollar.** 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.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	0	38729
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	0	0
(2) U.S. Government securities	1c(2)	0	5377983
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property).....	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans.....	1c(8)	0	0
(9) Value of interest in common/collective trusts	1c(9)	0	3183615
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	0	24960591
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	0	33560918

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	169224
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	169224

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	0	33391694
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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
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	6305000	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		6305000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	136646	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		136646
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1262499	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1262499
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	10145247	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		10145247
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		6236
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		195429
c Other income.....	2c		-9849708
d Total income. Add all income amounts in column (b) and enter total.....	2d		8201349

Expenses**e** Benefit payment and payments to provide benefits:

(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	82763	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		82763
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)	29651	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	27041	
(4) Other	2i(4)	11392	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		68084
j Total expenses. Add all expense amounts in column (b) and enter total	2j		150847

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		8050502
l Transfers of assets:			
(1) To this plan.....	2l(1)		25341192
(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
c 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.)	4c		X	
d 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.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g 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?	4g		X	
h 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?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j 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.)	4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n 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.	4n			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4014561. (See instructions.)

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>NMC RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BHP BILLITON NEW MEXICO COAL INC.</u>	D Employer Identification Number (EIN) <u>45-2485938</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 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): EIN(s): <u>36-3046063</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	<u>0</u>

Part II	Funding Information (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.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 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 _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c 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)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 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?	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 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.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (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.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
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.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

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:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
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:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	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	16b	
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
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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: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%	
	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): _____	

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	

NMC RETIREMENT PLAN

**FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
WITH INDEPENDENT AUDITOR'S REPORT**

**as of December 31, 2016 and for the period from Inception,
February 1, 2016, to December 31, 2016**

NMC RETIREMENT PLAN

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* Other schedules required by 29 CFR 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.

INDEPENDENT AUDITOR'S REPORT

To the Participants and Plan Administrator of the
NMC Retirement Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the NMC Retirement Plan (the Plan), which comprise the Statement of Net Assets Available for Benefits as of December 31, 2016, and the related Statement of Changes in Net Assets Available for Benefits for the period from Inception, February 1, 2016, to December 31, 2016, 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 Note 4, which was certified by Northern Trust Company, the trustee of the Plan, except for comparing the 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, 2016, and for the period from Inception, February 1, 2016, to December 31, 2016, 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.

INDEPENDENT AUDITOR'S REPORT, continued

Other Matter

The supplemental schedules, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2016, and Schedule H, Line 4j – Schedule of Reportable Transactions for the period from Inception, February 1, 2016, to December 31, 2016 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are 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 schedules.

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 schedules, other than that derived from the information certified by the trustee, has 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.

Ham, Langston & Brezina, L.L.P.

Houston, Texas
January 29, 2018

NMC RETIREMENT PLAN
Statement of Net Assets Available for Benefits
December 31, 2016

Assets:

Investments, at fair value (See Notes 2 and 3):

Collective investment funds	\$ 3,183,615
Government securities	5,377,983
Private investment portfolios	<u>24,960,591</u>

Total investments at fair value	33,522,189
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Accrued income receivable	<u>38,729</u>
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Total additions	<u>33,560,918</u>
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Liabilities:

Liability for pending trades	<u>169,224</u>
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Total liabilities	<u>169,224</u>
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Net assets available for benefits	<u>\$ 33,391,694</u>
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NMC RETIREMENT PLAN**Statement of Changes in Net Assets Available for Benefits****For the Period from Inception, February 1, 2016, to December 31, 2016**

Additions to net assets attributed to:

Investment income:

Interest and dividends \$ 1,405,381

Net appreciation in fair value of investments
less certain investment expenses 440,829

Total investment income 1,846,210

Company contributions 6,305,000Total additions 8,151,210

Deductions from net assets attributed to:

Benefit payments 82,763

Administrative expenses 17,945Total deductions 100,708

Net increase in net assets available for benefits

before transfers from Navajo Mine Retirement Plan 8,050,502

Transfer from Navajo Mine Retirement Plan 25,341,192

Net increase in net assets available for benefits 33,391,694

Net assets available for benefits, beginning of period -Net assets available for benefits, end of period \$ 33,391,694

NMC RETIREMENT PLAN
Notes to Financial Statements
December 31, 2016

1. Description of Plan

The following description of the NMC 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 is sponsored by BHP Billiton New Mexico Coal, Inc. (the Company), and was established effective February 1, 2016 as a result of a spin-off from the Navajo Mine Retirement Plan (NMRP), a plan previously sponsored by the Company. The Plan was established pursuant to an agreement with the International Union of Operating Engineers, Local No. 953 (the Union), as a defined benefit pension plan covering certain employees of the Company, BHP Billiton Limited (Parent), and any subsidiaries of the Company or Parent (collectively, the Affiliated Group), who are employed at the Navajo Mine and were actively accruing a benefit in the NMRP at February 1, 2016, 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) employees who are among the 25 most highly compensated employees; 2) a key employee, as defined in Section 416(i) of the Internal Revenue Code (IRC); and 3) leased employees.

The Plan is frozen as to eligibility and no new members are eligible to participate in the Plan.

Effective December 31, 2016, the BHP Billiton Mine Management Company was sold to the Navajo Transitional Energy Company, LLC, and the Plan was amended to remove the BHP Billiton Mine Management Company, LLC, from the Affiliated Group. As a result of the transaction, (1) the Plan experienced a partial termination and accordingly, the Plan was amended to fully vest any impacted participants, and (2) the Plan has no active participants as of December 31, 2016.

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. Northern Trust Company (the Trustee) is the Plan's trustee. Aon Hewitt serves as the Plan's third-party administrator. Mercer serves as the Plan's actuary and Mercer's U.S. Valuations Group provides pension valuation services. 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), as 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 subject to the limitations of maximum tax deductible contributions and minimum required contributions determined by the actuary and the funding policy adopted by the Company. The Company was not required to make any minimum funding contributions to the Plan for the period from February 1, 2016 to December 31, 2016. However, the Company chose to accelerate the funding of the Plan beyond the required amount and the Company contributed \$6,305,000 for the period from February 1, 2016 to December 31, 2016.

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 non-vested benefits, serve to reduce future contributions that would otherwise be required to provide the defined level of benefits under the Plan.

NMC RETIREMENT PLAN
Notes to Financial Statements
December 31, 2016

1. Description of Plan, continued

Investments

During the period from Inception, February 1, 2016, to December 31, 2016, the Plan's investments were held in a separate account within the BHP USA Master Retirement Trust, and accordingly, this separate account holds only investments specific to the Plan. This segregation of assets was implemented to more effectively manage the cash needs of the Plan and to match the maturities of the investments to the needs of the Plan.

Pension Benefits and Vesting Provisions

A participant who retires after attainment of 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

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements.

During 2016, Pension Benefit Guaranty Corporation (PBGC) premiums, investment management fees, and other similar direct charges were paid by the Plan.

NMC RETIREMENT PLAN
Notes to Financial Statements
December 31, 2016

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 (U.S. GAAP).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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.

Risks and Uncertainties

The Plan's investments consist of collective investment funds, fixed income securities, and private investment portfolios. Investment securities, in general, are exposed to various risks, such as interest rate, market, and credit risks. Due to 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 Statement of Net Assets Available for Benefits and the Statement of Changes in 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.

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. See Note 3 for discussion of fair value of investments.

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. The Plan includes in the Statement of Changes in Net Assets Available for Benefits the net appreciation in the fair value of investments, which consists of realized gains (losses) on the disposition of investments and appreciation (depreciation) of investments held at the end of the period, less certain investment expenses.

NMC RETIREMENT PLAN
Notes to Financial Statements
December 31, 2016

2. Summary of Significant Accounting Policies, continued

Recent Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-07, Fair Value Measurement (Topic 820): *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. ASU No. 2015-07 applies to reporting entities that elect to measure the fair value of an investment using the net asset value (NAV) per share (or its equivalent) as a practical expedient. Under the amendments in this update, investments for which fair value is measured using NAV per share (or its equivalent) as the practical expedient should not be categorized in the fair value hierarchy. Removing those investments from the fair value hierarchy not only eliminates the diversity in practice resulting from the way in which investments measured at NAV per share (or its equivalent) with future redemption dates are classified, but also ensures that all investments categorized in the fair value hierarchy are classified using a consistent approach. Investments that calculate NAV per share (or its equivalent), but for which the practical expedient is not applied, will continue to be included in the fair value hierarchy. A reporting entity should continue to disclose information on investments for which fair value is measured at NAV (or its equivalent) as a practical expedient to help users understand the nature and risks of the investments and whether the investments, if sold, are probable of being sold at amounts different from NAV. ASU No. 2015-07 is effective for fiscal years beginning on or after December 15, 2016 on a retrospective basis. Early adoption is permitted and accordingly, Plan management elected to early adopt ASU No. 2015-07 during the 2016 Plan year. The adoption of ASU 2015-07 in 2016 impacted disclosures only by removing those investments measured at fair value using NAV as a practical expedient from classification in the fair value hierarchy in Note 3.

In July 2015, the FASB issued ASU No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965) – (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient*, to reduce the complexity in employee benefit plan accounting.

Part I - Fully Benefit-Responsive Investment Contracts: Eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Further, *Part I* clarifies the definition of fully benefit-responsive investment contracts to only include direct contracts between the Plan and the issuer of the contract. Indirect investments in fully benefit-responsive investment contracts (such as through stable value common or collective trusts) should no longer be reflected as fully benefit-responsive investment contracts.

Part II - Plan Investment Disclosures: Eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. *Part II* also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset.

Part III - Measurement Date Practical Expedient: Reduces complexity in employee benefit plan accounting by providing a practical expedient that permits plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end, when the fiscal period does not coincide with month-end.

NMC RETIREMENT PLAN
Notes to Financial Statements
December 31, 2016

2. Summary of Significant Accounting Policies, continued

Recent Accounting Pronouncements, continued

ASU No. 2015-12 is effective for fiscal years beginning on or after December 15, 2015. *Parts I* and *II* are effective on a retrospective basis, and *Part III* is effective on a prospective basis. Plan management elected to adopt *Part II* during the 2016 Plan year. *Parts I* and *III* are not applicable to the Plan. The adoption of ASU 2015-12 did not have a significant impact on the Plan's financial statements and related footnotes.

3. Fair Value Measurements

The FASB Accounting Standards Codification 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.

In determining fair value, the Plan uses two different approaches (the market approach and the income 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.

NMC RETIREMENT PLAN
Notes to Financial Statements
December 31, 2016

3. Fair Value Measurements, continued

Following is a description of the valuation methodologies used for investment assets and liabilities measured at fair value as of December 31, 2016.

Fixed income securities: Includes U.S. treasury bonds, which have been valued based upon quoted prices from actively traded markets, and mortgage 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)

Private investment portfolios: Valued at the NAV of units of a private investment portfolio. 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 portfolio less its liabilities. This practical expedient is not used when it is determined to be probable that the portfolio will sell the investment for an amount different than the reported NAV. Were the Plan to initiate a full redemption of the private investment portfolio, the investment advisor reserves the right to temporarily delay withdrawals from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner. (Market approach and income approach)

Collective investment funds: Valued at the NAV of units of a collective fund. 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. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Were the Plan to initiate a full redemption of the collective fund, the investment advisor reserves the right to temporarily delay withdrawals from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner. (Market approach and income 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 management believes 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.

The following table set forth by level, within the fair value hierarchy, the Plan's investment assets and liabilities measured at fair value on a recurring basis as of December 31, 2016:

Investment Assets at Fair Value as of December 31, 2016				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Fixed income securities	\$ -	\$ 5,377,982	\$ -	\$ 5,377,983
Investments measured at NAV ^(a)				<u>28,144,206</u>
Total investment assets at fair value				<u>\$ 33,522,189</u>

NMC RETIREMENT PLAN
Notes to Financial Statements
December 31, 2016

3. Fair Value Measurements, continued

Investment Liabilities at Fair Value as of December 31, 2016				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Pending trade purchases	\$ -	\$ 168,811	\$ -	\$ 168,811
Investment liabilities measured at NAV ^(a)				<u>413</u>
Total investment assets at fair value				<u>\$ 169,224</u>

(a) In accordance with ASU 2015-07, investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Fair Value of Investments in Entities that use NAV

The following table summarizes the investments measured at fair value based on NAV per share as a practical expedient at December 31, 2016:

<u>Investment</u>	<u>Fair Value December 31, 2016</u>	<u>Unfunded Commitment</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Northern Trust Collective Short Term Investment Fund	\$ 3,183,615	N/A	Daily	30 days
PIMCO Long Duration Corporate Bond Portfolio	\$ 24,556,362	N/A	Daily	30 days
PIMCO Short Term Floating NAV Portfolio	\$ 404,230	N/A	Daily	30 days

4. 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 Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, certain information related to investments disclosed in the financial statements and supplemental schedules, including investments held at December 31, 2016 and net appreciation in fair value of investments and interest and dividends for the period from Inception, February 1, 2016, to December 31, 2016 was obtained from information supplied to the Plan administrator and certified as complete and accurate by the Trustee.

The Plan's independent auditors did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedules.

NMC RETIREMENT PLAN
Notes to Financial Statements
December 31, 2016

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.

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 Plan is a newly formed plan, effective February 1, 2016, due to the spin-off from the NMRP. (See footnote 1.) Accordingly, the actuarial present value of accumulated plan benefits was calculated as of January 1, 2016, the census date, and adjusted forward to January 31, 2016.

The actuarially computed present value of accumulated plan benefits is as follows:

	<u>Inception Date February 1, 2016</u>
Vested benefits:	
Participants and beneficiaries currently receiving payments	\$ 26,373,744
Other participants	<u>2,076,455</u>
Total vested benefits	28,450,199
Nonvested benefits	<u>575,527</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 29,025,726</u>

Changes in the actuarial present value of accumulated plan benefits is not presented since 2016 is the initial plan year.

The significant actuarial assumptions underlying the actuarial valuation as of February 1, 2016 are as follows:

Assumed rate of return on investments:	3.60% compounded annually
Mortality basis:	
Healthy participants	MRP-2007 mortality separately for employees and retirees and for males and females with blue collar adjustment and MSS-2007 generational mortality improvement scale
Disabled participants	RP-2000 disabled mortality (sex distinct)

NMC RETIREMENT PLAN
Notes to Financial Statements
December 31, 2016

5. Actuarial Present Value of Accumulated Plan Benefits, continued

Retirement Rates:

Participants are assumed to retire according to the following retirement rates:

<u>Age</u>	<u>Withdrawal Rates</u>
55 – 60	5%
61 – 63	15%
64	25%
65 – 66	35%
67+	100%

No retirements are assumed to occur before age 55. Participants over age 67 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:

Healthy Participants

Participants are assumed to withdraw according to 50% of the Society of Actuary's 2003 study age only table based on employment.

<u>Attained Age</u>	<u>Withdrawal Rates</u>
20 years	8.73%
25	9.26%
30	6.10%
35	4.39%
40	3.50%
45	3.11%
50	2.82%
55	1.46%
60	1.10%

Disabled Participants

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

<u>Attained Age</u>	<u>Disability Rates</u>	
	<u>Male</u>	<u>Female</u>
20 years	0.145%	0.085%
25	0.209%	0.145%
30	0.300%	0.245%
35	0.417%	0.375%
40	0.568%	0.521%
45	0.711%	0.722%
50	1.110%	1.088%
55	1.876%	1.738%
60	2.816%	2.025%

NMC RETIREMENT PLAN
Notes to Financial Statements
December 31, 2016

6. Actuarial Present Value of Accumulated Plan Benefits, continued

Percentage Married:	Male – 80%; Female – 80%.
Age Difference:	Husbands are assumed to be three years older than their wives.
Form of Payment:	80% of males and 80% of females elect 50% joint and survivor with the spouse as the contingent annuitant. 20% of males and 20% 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.

7. Income Tax Status

The Plan is in the process of applying for its determination letter from the Internal Revenue Service stating that the Plan is 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 is included in the Plan's financial statements.

8. 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.

9. Related-Party Transactions

Certain investments are shares of collective investment funds, 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.

NMC RETIREMENT PLAN
Notes to Financial Statements
December 31, 2016

9. Related-Party Transactions, continued

The Company provided administrative services and incurred costs on behalf of the Plan, related to 2016, but has not received any related compensation or reimbursement from the Plan. The Company also paid certain fees on behalf of the Plan during 2016.

10. Form 5500 Reconciliation

For the period from Inception, February 1, 2016, to December 31, 2016, 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 Forms 5500 are attributed to classification differences.

11. Subsequent Events

Plan management has evaluated subsequent events through January 29, 2018, which is the date the financial statements were issued, and has concluded that there are no significant events to report.

Schedule SB, line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25											
25–29											
30–34											
35–39											
40–44						2					2
45–49		1		1	2	5	6				15
50–54			3	3	3	11	10	8			38
55–59				3	4	7	10	12	11	1	48
60–64				1	4	4	5	7	14	5	40
65–69					1		1	2	1	3	8
70 & up											
Total		1	3	8	14	29	32	29	26	9	151

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

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		
	<u>Stabilized</u>	<u>Nonstabilized</u>	
• First 5 years	4.43%	1.34%	
• Next 15 years	5.91%	4.03%	
• Over 20 years	6.65%	5.06%	

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	Not applicable
• Expected investment return	Not applicable
• 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.

Rationale for Significant Economic Assumptions

- Discount rates – These are the IRS prescribed rates. The plan sponsor elected this methodology from alternative IRS prescribed options.
- Expenses – Based on actual experience.

Demographic assumptions

• Withdrawal	50% of 2003 SOA study age only 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.

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

• Retirement age	Attained age	Percentage	
	55 – 60	5%	
	61 – 63	15%	
	64	25%	
	65 – 66	35%	
	67+	100%	
• Benefit commencement age for			
– Future vested deferred	60		
– Current vested deferred	60		
• Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>	
– Percentage married	80%	80%	
– Spouse age difference	3 years younger	3 years older	
Form of payment	<u>50% J&S</u>	<u>LA w/5</u>	<u>LA</u>
• Active retirements	80%	20%	0%
• Future vested deferred	80%	20%	0%
• Future disabilities	80%	20%	0%
• Future deaths	0%	0%	100%
• Current vested deferred	80%	20%	0%
Unpredictable contingent event assumptions	Not applicable		

Table of Sample Rates

Attained age	Percentage		
	Withdrawal	Disability	
	All	Male	Female
20	8.73%	.145%	.085%
25	9.26	.209	.145
30	6.10	.300	.245
35	4.39	.417	.375
40	3.50	.568	.521
45	3.11	.771	.722
50	2.82	1.110	1.088
55	1.46	1.876	1.738
60	1.10	2.816	2.025

Rationale for Significant Demographic Assumptions

- Mortality – Prescribed by the IRS and based on the plan sponsor's election.
- Withdrawal, retirement age, benefit commencement age, spouse assumptions, form of payment – Based on an experience study undertaken by Mercer in 2015 using experience from January 1, 2009 through December 31, 2013. The resulting assumptions balance the plan's historical experience with future expectations based on input and concurrence from the plan sponsor.

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

The asset valuation method is the fair market value.

Participant Methods

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

- **Participants included:** 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

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.
- 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.

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

Method Changes Since Prior Valuation

Funding

No method changes have occurred since the January 1, 2015 valuation.

NMC RETIREMENT PLAN
Schedule H, Line 4j - Schedule of Reportable Transactions
For the Period from Inception, February 1, 2016, to December 31, 2016

EIN: 94-3144067
PN: 002

(a) Identity of Party Involved	(b) Description of Asset	# of transactions	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
Northern Trust	Collective Fund - Short Term Investment Fund	50	\$ 15,257,889	\$ -	\$ 15,257,889	\$ 15,257,889	\$ -
Northern Trust	Collective Fund - Short Term Investment Fund	55	\$ -	\$ 12,074,274	\$ 12,074,274	\$ -	\$ -
PIMCO	Mutual Fund - Long Duration Corporate Bond Fund	10	\$ 5,949,903	\$ -	\$ 5,949,903	\$ 5,949,903	\$ -
PIMCO	Mutual Fund - Long Duration Corporate Bond Fund	1	\$ -	\$ 288,634	\$ 263,922	\$ -	\$ 24,712
PIMCO	Mutual Fund - Short Term Floating NAV Portfolio	19	\$ 4,204,100	\$ -	\$ 4,204,100	\$ 4,204,100	\$ -
PIMCO	Mutual Fund - Short Term Floating NAV Portfolio	3	\$ -	\$ 3,800,000	\$ 3,799,876	\$ -	\$ 124
United States Treasury	United States Treasury Bonds, bearing interest at 2.50%, due May 15, 2046	9	\$ 3,801,061	\$ -	\$ 3,801,061	\$ 3,801,061	\$ -
United States Treasury	United States Treasury Bonds, bearing interest at 2.50%, due May 15, 2046	11	\$ -	\$ 1,422,489	\$ 1,504,325	\$ -	\$ (81,836)
United States Treasury	United States Treasury Bonds, bearing interest at 3.00%, due November 15, 2045	1	\$ 159,586	\$ -	\$ 159,586	\$ 159,586	\$ -
United States Treasury	United States Treasury Bonds, bearing interest at 3.00%, due November 15, 2045	19	\$ -	\$ 5,022,480	\$ 4,662,387	\$ -	\$ 360,093
United States Treasury	United States Treasury Bonds, bearing interest at 2.50%, due February 15, 2046	18	\$ 4,463,615	\$ -	\$ 4,463,615	\$ 4,463,615	\$ -
United States Treasury	United States Treasury Bonds, bearing interest at 2.50%, due February 15, 2046	9	\$ -	\$ 3,700,279	\$ 3,467,473	\$ -	\$ 232,806
United States Treasury	United States Treasury Bonds, bearing interest at 2.25%, due August 15, 2046	13	\$ 1,607,781	\$ -	\$ 1,607,781	\$ 1,607,781	\$ -
United States Treasury	United States Treasury Bonds, bearing interest at 2.875%, due November 15, 2046	4	\$ 1,049,163	\$ -	\$ 1,049,163	\$ 1,049,163	\$ -

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

► **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.

A Name of plan NMC Retirement Plan	B Three-digit plan number (PN) ► <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF BHP Billiton New Mexico Coal Inc.	D Employer Identification Number (EIN) 45-2485938
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information				
1 Enter the valuation date: Month <u> </u> Day <u> </u> Year <u> </u>				
2 Assets:				
a Market value.....	2a	25,103,925		
b Actuarial value.....	2b	25,103,925		
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target	
a For retired participants and beneficiaries receiving payment	0		0	
b For terminated vested participants	27	1,384,375	1,384,375	
c For active participants	151	17,968,366	18,440,623	
d Total	178	19,352,741	19,824,998	
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐				
a Funding target disregarding prescribed at-risk assumptions.....	4a			
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.....	4b			
5 Effective interest rate	5	6.06%		
6 Target normal cost	6	378,348		

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.

SIGN HERE	<div style="font-size: 2em; font-family: cursive;">KB</div> Signature of actuary KEVIN BILLS, FSA, EA, MAAA Type or print name of actuary MERCER Firm name 500 DALLAS STREET, SUITE 1400 HOUSTON TX 77002 Address of the firm	<div style="font-size: 1.2em; font-family: cursive;">10/13/2017</div> Date 1707029 Most recent enrollment number 713-276-2100 Telephone number (including area code)
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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, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	
9 Amount remaining (line 7 minus line 8).....	0	0
10 Interest on line 9 using prior year's actual return of <u>-2.55%</u>	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.26%</u>		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance.....		
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	148,503	0

Part III Funding Percentages		
14 Funding target attainment percentage	14	125.87%
15 Adjusted funding target attainment percentage	15	126.62%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	142.32%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
11/25/2016	6,305,000	0			
Totals ►			18(b)	6,305,000	18(c)
					0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:			
a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0	
b Contributions made to avoid restrictions adjusted to valuation date	19b		
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	5,980,212	
20 Quarterly contributions and liquidity shortfalls:			
a Did the plan have a "funding shortfall" for the prior year?..... ☐ Yes ☒ No			
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?..... ☐ Yes ☐ No			
c 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

21 Discount rate:				
a Segment rates:	1st segment: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions)	☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):												
a Target normal cost (line 6)	31a	378,348										
b Excess assets, if applicable, but not greater than line 31a	31b	378,348										
32 Amortization installments:	<table border="1"> <thead> <tr> <th></th> <th>Outstanding Balance</th> <th>Installment</th> </tr> </thead> <tbody> <tr> <td>a Net shortfall amortization installment.....</td> <td>0</td> <td></td> </tr> <tr> <td>b Waiver amortization installment</td> <td>0</td> <td>0</td> </tr> </tbody> </table>				Outstanding Balance	Installment	a Net shortfall amortization installment.....	0		b Waiver amortization installment	0	0
	Outstanding Balance	Installment										
a Net shortfall amortization installment.....	0											
b Waiver amortization installment	0	0										
33 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	33											
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....	34	0										
		Carryover balance	Prefunding balance									
35 Balances elected for use to offset funding requirement.....			0									
36 Additional cash requirement (line 34 minus line 35)	36	0										
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	5,980,212										
38 Present value of excess contributions for current year (see instructions)												
a Total (excess, if any, of line 37 over line 36)	38a	5,980,212										
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0										
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....	39	0										
40 Unpaid minimum required contributions for all years	40	0										

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

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

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 62.

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	5.0%	10,000	500	27,500
56	5.0%	9,500	475	26,600
57	5.0%	9,025	451	25,721
58	5.0%	8,574	429	24,864
59	5.0%	8,145	407	24,028
60	5.0%	7,738	387	23,213
61	15.0%	7,351	1,103	67,261
62	15.0%	6,248	937	58,109
63	15.0%	5,311	797	50,189
64	25.0%	4,514	1,129	72,230
65	35.0%	3,386	1,185	77,027
66	35.0%	2,201	770	50,838
67	100.0%	1,430	1,430	95,843
Total			10,000	623,423
Average				62.34

Schedule SB, line 13 — Explanation of Credit Balance Discrepancy

The NMC Retirement Plan was a spin-off from the Navajo Mine Retirement Plan effective January 31, 2016. The January 1, 2016 carryover balance shown on line 13 of the Schedule SB is the amount allocated to the NMC Retirement Plan as of January 1, 2016. We have not included information for lines 7 – 12.

The table below shows the carryover balance for lines 7 – 12 for the Navajo Mine Retirement Plan prior to the spin-off, and then the allocation as of January 1, 2016 for line 13. Note these plans do not have a prefunding balance, so those columns are not shown.

Schedule SB Item	NMC Retirement Plan (45-2485938/003)	Navajo Mine Retirement Plan (94-2557286/001)	Total
7			335,730
8			0
9			335,730
(actual return)			-2.55%
10			-8,561
11			
12			0
13	148,503	178,666	327,169

Schedule SB, Part V — Summary of Plan Provisions

Effective date and plan year	Effective date: January 31, 2016 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	Effective January 31, 2016, the Navajo Mine Retirement Plan (NMRP) was split into the following two plans: <ul style="list-style-type: none"> - NMRP – consisting of all San Juan Mine Employees and all inactive participants (except for 5 current BHP Billiton employees that had a terminated vested benefit in the NMRP which were spun into NMC) in NMRP - NMC Retirement Plan – consisting of employees in NMRP who are not San Juan Mine Employees <p>The provisions for both plans are identical, as described in this section.</p>
Definitions	
• 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. 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. 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, plus \$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, plus \$36 x years of credited service after February 1, 2002.

Schedule SB, Part V — Summary of Plan Provisions

• Benefit formula – termination before February 1, 2002 (monthly)	Years of credited service x multiplier in effect at termination.
Normal retirement	
• Eligibility	Retirement on or after age 65.
• Benefit	Monthly benefit determined under the applicable benefit formula.
Early retirement	
• 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.
Supplemental early retirement	
• 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 death, if earlier.
Deferred vested	
• 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.
Disability	
• 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.
Occupational disability transition	
• 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.

Schedule SB, Part V — Summary of Plan Provisions

Pre-retirement survivor	
• 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.
• 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. The benefit is paid as a monthly annuity for the survivor's lifetime.
Pre-retirement death	
• 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.
Mine accident death	
• 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.
Benefit offsets	The plan benefits for certain participants are offset by benefits earned under prior plans.
Form of benefits	
• 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.
Miscellaneous	
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2016, the limit is \$210,000.

Schedule SB, Part V — Summary of Plan Provisions***Benefits Included or Excluded***

Unless noted below, all benefits provided by the plan, effective January 31, 2016, are included in this valuation.

- **Most recent plan amendments included:** None.
- **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 participants who were over age 65. 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.

Schedule SB, Part V — Summary of Plan Provisions

Plan Provision Changes Since Prior Valuation

- Maximum benefit amounts under IRS rules were updated from 2015 to 2016.
- Effective January 31, 2016, the NMRP was split into the following two plans:
 - NMRP – consisting of all San Juan Mine Employees and all inactive participants (except for 5 current BHP Billiton employees that had a terminated vested benefit in the NMRP which were spun into NMC) in NMRP
 - NMC Retirement Plan - consisting of employees in NMRP who are not San Juan Mine Employees

NMC RETIREMENT PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2016

EIN: 94-3144067
PN: 002

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date Rate of Interest, Collateral Par or Maturity Value	(d) Cost	(e) Current Value
	PIMCO	Private Investment Portfolio - Long Duration Corporate Bond Portfolio	\$ 24,639,002	\$ 24,556,362
*	Northern Trust	Collective Fund - Short Term Investment Fund	3,183,615	3,183,615
	United States Treasury	Treasury Bond, bearing interest at 2.50%, \$2,197,000 face value, due May 15, 2046	2,296,735	1,952,412
	United States Treasury	Treasury Bond, bearing interest at 2.25%, \$1,732,000 face value, due August 15, 2046	1,607,781	1,456,300
	United States Treasury	Treasury Bond, bearing interest at 2.875%, \$1,100,000 face value, due November 15, 2046	1,049,163	1,062,016
	United States Treasury	Treasury Bond, bearing interest at 2.50%, \$1,021,000 face value, due February 15, 2046	996,142	907,254
	PIMCO	Private Investment Portfolio - Short Term Floating NAV Portfolio	404,225	404,230
			<u>\$ 34,176,664</u>	<u>\$ 33,522,189</u>

Schedule SB, line 24 — Change in Actuarial Assumptions

Actuarial Assumption Changes Since Prior Valuation

- Interest discounts and mortality rates were updated from 2015 to 2016 in accordance with PPA.
- The expense component of normal cost was updated to reflect our expectations for the current plan year.