

BHP BILLITON LTD
Form 6-K
February 17, 2009

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

Pursuant to Rule 13a-16 or 15d-16 of

the Securities Exchange Act of 1934

December 03, 2008

| <u>Commission File Number</u> | <u>Translation of registrant's name into English; Address of principal executive offices</u> |
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| | BHP Billiton Limited (ABN 49 004 028 077) 180 LONSDALE STREET, MELBOURNE, VICTORIA 3000 AUSTRALIA |
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| - | BHP Billiton Plc (REG. NO. 3196209) NEATHOUSE PLACE, VICTORIA, LONDON, UNITED KINGDOM |
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Indicate by check mark whether the registrant files or will

file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the

information contained in this form is also thereby furnishing the

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information to the Commission pursuant to Rule 12g3-2(b) under the
Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the
registrant in connection with Rule 12g3-2(b): 82-.

2 December 2008
Number 43/08

SAMANCOR MANGANESE PRODUCTION REDUCTION

BHP Billiton today announced that it is temporarily cutting manganese production at its 60 per cent owned Samancor (Pty) Limited operation due to weak market conditions. The cuts are expected to reduce ore production by 21 per cent and alloy production by 23 per cent for FY2009.

The reduction in manganese ore output is expected to be balanced between GEMCO (Australia) and Hotazel (South Africa). Resources at both these operations will shift to development and re-building product inventories, which are severely depleted. The reductions are expected to reduce ore production by 1.5 million tonnes in FY2009.

Samancor's current total output capacity is 7.0 million tonnes of ore per annum. In relation to alloy, furnace rebuilds will be brought forward at TEMCO (Australia) and Metalloys (South Africa). In addition, certain of these furnaces are not expected to restart until market conditions improve. We expect to reduce alloy production by 170,000 tonnes in FY2009, from a current output capacity of 725,000 tonnes per year.

BHP Billiton Chief Executive, Ferrous and Coal, Marcus Randolph, said: "We said on 22 November that global market conditions were proving challenging for the steel industry and its raw materials providers. Manganese ore and alloy are entirely dependent on the carbon steel industry and are therefore directly impacted by the current weak steel markets.

"We will continue to monitor the situation and when we see a recovery, given we are bringing forward essential major maintenance projects, we expect to be well placed to restart our full production alloy capacity. In ore, the development activities and rebuilding of depleted stocks will also allow us to react quickly to any recovery in the market."

BHP Billiton's 40 per cent partner in Samancor is Anglo American Corporation.

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

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BHP Billiton Limited ABN 49 004 028 077

Registered in Australia

Registered Office: 180 Lonsdale Street Melbourne Victoria 3000

BHP Billiton Plc Registration number 3196209

Registered in England and Wales

Registered Office: Neathouse Place London SW1V 1BH United Kingdom

The BHP Billiton Group is headquartered in Australia

SIGNATURES

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

Date : February 12, 2009

BHP Billiton Limited (ABN 49 004 028 077)

By: /s/ Jane McAloon

Name: Jane McAloon

Title: Group Company Secretary