

Quarterly Report

June 2018



South32 Limited
 (Incorporated in Australia under the *Corporations Act 2001* (Cth))
 (ACN 093 732 597)
 ASX, LSE, JSE Share Code: S32 ADR: SOUHY
 ISIN: AU000000S320

- Achieved record performance at Australia Manganese and a 10% increase in total manganese ore production in FY18 as we continued to take advantage of stronger demand and pricing.
- Delivered another production record at Mozal Aluminium in FY18 while South Africa Aluminium finished the year strongly, testing its maximum technical capacity in the June 2018 quarter.
- Increased payable nickel production at Cerro Matoso by 20% in FY18 as ore grades temporarily improved following the successful ramp up of La Esmeralda.
- Progressed through a higher grade stope sequence at Cannington in the June 2018 quarter with payable silver, lead and zinc production increasing by 37%, 33% and 45%, respectively.
- Benefitted from an uplift in calciner availability and a drawdown of hydrate stocks at Worsley Alumina with production increasing by 7% in the June 2018 quarter.
- Exceeded revised FY18 production guidance at Illawarra Metallurgical Coal with an annualised mining rate of more than 6Mt achieved throughout the month of June.
- Started managing South Africa Energy Coal as a stand-alone business in the June 2018 quarter with the associated restructuring costs to be recorded in our FY18 financial results.
- Entered into conditional agreements to acquire Arizona Mining Inc. (TSX:AZ) and a 50% interest in the Eagle Downs metallurgical coal project, with both transactions expected to close in the December 2018 half year.

"We delivered record annual production at Australia Manganese and Mozal Aluminium, increased payable nickel production at Cerro Matoso by 20 per cent and finished the year on a strong note at the remainder of our operations."

"We are actively reshaping our portfolio and are now managing South Africa Energy Coal as a stand-alone business, allowing us to simplify the Group, lower overhead costs and fundamentally change the way we work."

"We also entered into conditional agreements to acquire the remaining 83 per cent of Arizona Mining Inc. that we don't already own and a 50 per cent interest in the Eagle Downs metallurgical coal project."

"In accordance with our disciplined capital management framework, we purchased a further 98 million shares in FY18 for a cash consideration of US\$254 million. At year end we had completed US\$620 million of our approved US\$1 billion capital management program."

Graham Kerr, South32 CEO

Production summary

South32's share	FY17	FY18	YoY	4Q17	3Q18	4Q18	QoQ
Alumina production (kt)	5,221	5,068	(3%)	1,320	1,232	1,295	5%
Aluminium production (kt)	985	983	(0%)	248	242	246	2%
Energy coal production (kt)	30,289	28,350	(6%)	7,722	7,096	7,253	2%
Metallurgical coal production (kt)	5,697	3,165	(44%)	1,437	794	1,089	37%
Manganese ore production (kwmt)	5,032	5,541	10%	1,314	1,369	1,342	(2%)
Manganese alloy production (kt)	220	244	11%	58	62	64	3%
Payable nickel production (kt)	36.5	43.8	20%	9.7	10.7	11.3	6%
Payable silver production (koz)	15,603	12,491	(20%)	3,326	3,082	4,234	37%
Payable lead production (kt)	132.1	104.4	(21%)	26.9	23.6	31.4	33%
Payable zinc production (kt)	70.4	41.3	(41%)	13.2	8.6	12.5	45%

Unless otherwise noted: percentage variance relates to performance during the financial year ended June 2018 compared with the financial year ended June 2017 (YoY) or the June 2018 quarter compared with the March 2018 quarter (QoQ); production and sales volumes are reported on an attributable basis.

Corporate Update

- We started managing South Africa Energy Coal as a stand-alone business in the June 2018 quarter. This important milestone has allowed us to simplify the Group and will deliver a meaningful reduction in functional costs, further mitigating industry-wide cost inflation. We expect to be in a position to disclose the expected savings when we report our FY18 financial results, with the full run-rate to be achieved from FY20. The process to broaden and transform the ownership of South Africa Energy Coal is expected to commence in the September 2018 quarter.
- One-off redundancy and restructuring charges of approximately US\$60M (post-tax ~US\$40M) are expected to be recorded in our FY18 financial results. These charges will be excluded from Underlying earnings and relate to redundancies associated with the simplification of the Group's functional structures and the voluntary redundancy program undertaken at Illawarra Metallurgical Coal during the March 2018 quarter.
- On 29 May we signed a conditional agreement to acquire a 50% interest in the Eagle Downs metallurgical coal project in the Bowen Basin, Queensland for an upfront payment of approximately US\$106M (excluding transaction costs), a deferred payment of US\$27M due three years after completion and a coal price linked production royalty which is capped at US\$80M¹.
- On 18 June we entered into an agreement to acquire the remaining 83% of issued and outstanding shares of Arizona Mining Inc. that we don't already own via a statutory plan of arrangement, representing a fully funded, all cash offer of US\$1.3B² (C\$1.8B). The transaction is subject to a vote of Arizona Mining shareholders on 2 August and a limited number of conditions as disclosed in the transaction announcement.
- We bought back a further 98M shares for a cash consideration of US\$254M during FY18. To 30 June 2018 we had completed US\$620M of our approved US\$1B capital management program, comprising the purchase of 204M shares at an average price of A\$2.99 per share (US\$466M) and a US\$154M special dividend which was paid on 5 April 2018.
- We invested US\$41.3M in exploration programs during FY18 (US\$2.3M capitalised). This included US\$1.2M for our Equity Accounted Investments (EAI, US\$0.6M capitalised) and US\$21.3M to expand our exploration footprint and progress 18 early stage greenfield partnerships.
- We received net distributions³ of US\$561M (South32 share) from our manganese EAI in FY18, including US\$165M in the June 2018 quarter.
- Our Underlying Effective Tax Rate (ETR), which excludes tax associated with our EAI, largely reflects the geographic distribution of the Group's profit. The corporate tax rates applicable to the Group include: Australia 30%, South Africa 28%, Colombia 37%⁴, Mozambique 0%⁴ and Brazil 34%.

Production guidance (South32's share)	FY17 Actual	FY18 Actual	FY18 Guidance	% ^a
Worsley Alumina				
Alumina production (kt)	3,892	3,764	3,975	95%
South Africa Aluminium				
Aluminium production (kt)	714	712	720	99%
Mozal Aluminium				
Aluminium production (kt)	271	271	269	101%
Brazil Alumina				
Alumina production (kt)	1,329	1,304	1,345	97%
South Africa Energy Coal⁵				
Energy coal production (kt)	28,913	27,271	27,500	99%
Domestic coal production (kt)	16,717	15,154	16,000	95%
Export coal production (kt)	12,196	12,117	11,500	105%
Illawarra Metallurgical Coal				
Total coal production (kt)	7,073	4,244	4,100	104%
Metallurgical coal production (kt)	5,697	3,165	2,950	107%
Energy coal production (kt)	1,376	1,079	1,150	94%
Australia Manganese				
Manganese ore production (kwmt)	2,994	3,396	3,300	103%
South Africa Manganese				
Manganese ore production ⁶ (kwmt)	2,038	2,145	2,150	100%
Cerro Matoso				
Payable nickel production (kt)	36.5	43.8	41.6	105%
Cannington				
Payable silver production (koz)	15,603	12,491	12,200	102%
Payable lead production (kt)	132.1	104.4	102.0	102%
Payable zinc production (kt)	70.4	41.3	39.0	106%

a. Percentage difference to latest production guidance. Australia Manganese, South Africa Manganese, Cannington and Illawarra Metallurgical Coal restated FY18 production guidance during the 2018 financial year. FY18 guidance as at FY17 results: Australia Manganese (manganese ore 3,125kt), South Africa Manganese (manganese ore 1,885kt), Cannington (payable silver, lead and zinc 14,360koz, 115kt and 45kt, respectively). Illawarra Metallurgical Coal FY18 guidance (metallurgical coal 3,350kt, energy coal 1,150kt) was provided with the Strategy and Business Update (5 December 2017).

Worsley Alumina

(86% share)

South32's share	FY17	FY18	YoY	4Q17	3Q18	4Q18	4Q18 vs 4Q17	4Q18 vs 3Q18
Alumina production (kt)	3,892	3,764	(3%)	988	918	981	(1%)	7%
Alumina sales (kt)	3,847	3,763	(2%)	920	910	967	5%	6%

Worsley Alumina saleable production decreased by 3% (or 128kt) to 3.8Mt in FY18. The refinery did, however, finish the year on a strong note as an increase in calciner availability underpinned a 7% increase in production in the June 2018 quarter. Calcined alumina production is expected to approach nameplate capacity of 4.6Mtpa (100% basis) in FY19 as the refinery processes excess hydrate stocks that were established in FY18. Calciner maintenance is planned for the September 2018 and March 2019 quarters.

The average realised price for alumina sales in FY18 is expected to reflect a modest discount to the Platts alumina index⁷ on a volume weighted M-1 basis. This discount reflects the temporary increase in the alumina to aluminium price ratio recorded in the spot market throughout H2 FY18 and the structure of specific Mozal Aluminium supply contracts that are linked to the LME aluminium price, which in this case reduces the price paid by our smelter.

South Africa Aluminium

(100%)

South32's share	FY17	FY18	YoY	4Q17	3Q18	4Q18	4Q18 vs 4Q17	4Q18 vs 3Q18
Aluminium production (kt)	714	712	(0%)	180	175	179	(1%)	2%
Aluminium sales (kt)	713	711	(0%)	203	184	183	(10%)	(1%)

South Africa Aluminium saleable production decreased by 2kt to 712kt in FY18 as the smelter progressively returned all pots to service following an electric arc incident in the December 2017 quarter. Notwithstanding the smelter's continued strong operating performance, higher prices for alumina and aluminium price-linked power, and still elevated prices for pitch and coke have impacted the cost base in H2 FY18.

Mozal Aluminium

(47.1% share)

South32's share	FY17	FY18	YoY	4Q17	3Q18	4Q18	4Q18 vs 4Q17	4Q18 vs 3Q18
Aluminium production (kt)	271	271	0%	68	67	67	(1%)	0%
Aluminium sales (kt)	273	274	0%	73	51	76	4%	49%

Mozal Aluminium saleable production increased marginally to a record 271kt in FY18 as the smelter continued to test its maximum technical capacity. Notwithstanding the smelters continued strong operating performance, higher prices for alumina and still elevated prices for pitch and coke have impacted the cost base in H2 FY18. The increase in quarterly sales reflects the scheduling of shipments between periods.

Brazil Alumina

(36% share)

South32's share	FY17	FY18	YoY	4Q17	3Q18	4Q18	4Q18 vs 4Q17	4Q18 vs 3Q18
Alumina production (kt)	1,329	1,304	(2%)	332	314	314	(5%)	0%
Alumina sales (kt)	1,316	1,341	2%	322	314	378	17%	20%

Brazil Alumina saleable production decreased by 2% (or 25kt) to 1,304kt in FY18 as unplanned maintenance and power outages impacted performance. The increase in quarterly sales reflects the scheduling of shipments between periods.

South Africa Energy Coal

(100%)

South32's share	FY17	FY18	YoY	4Q17	3Q18	4Q18	4Q18 vs 4Q17	4Q18 vs 3Q18
Energy coal production (kt)	28,913	27,271	(6%)	7,413	6,741	7,107	(4%)	5%
Domestic sales (kt)	16,922	15,396	(9%)	3,948	3,835	4,227	7%	10%
Export sales (kt)	11,797	12,518	6%	3,068	3,472	3,181	4%	(8%)

South Africa Energy Coal saleable production decreased by 6% (or 1,642kt) to 27.3Mt in FY18 as domestic demand remained subdued and sales volumes were reweighted towards the export market. The Wolverkrans-Middelburg Complex (WMC) continued to exceed expectations as it benefitted from the ongoing investment that is providing access to higher margin export tonnes.

Domestic sales decreased by 9% in FY18 as a result of lower demand from the Duvha power station. The commencement of a long term contract to sell lower quality stockpiles to a domestic customer underpinned the 10% increase in domestic sales in the June 2018 quarter.

The redirection of volumes towards export markets, whilst margin accretive, has added washing and logistics costs and is expected to contribute to a modest increase in Operating unit costs from our prior FY18 guidance of US\$34/t.

Illawarra Metallurgical Coal

(100%)

South32's share	FY17	FY18	YoY	4Q17	3Q18	4Q18	4Q18 vs 4Q17	4Q18 vs 3Q18
Total coal production (kt)	7,073	4,244	(40%)	1,746	1,149	1,235	(29%)	7%
Total coal sales (kt)	7,296	4,116	(44%)	1,711	1,091	1,365	(20%)	25%
Metallurgical coal production (kt)	5,697	3,165	(44%)	1,437	794	1,089	(24%)	37%
Metallurgical coal sales (kt)	5,952	2,937	(51%)	1,470	760	1,120	(24%)	47%
Energy coal production (kt)	1,376	1,079	(22%)	309	355	146	(53%)	(59%)
Energy coal sales (kt)	1,344	1,179	(12%)	241	331	245	2%	(26%)

Illawarra Metallurgical Coal saleable production decreased by 40% (or 2,829kt) to 4.2Mt in FY18 as the Appin colliery recovered from an extended outage in H1 FY18. Notwithstanding longwall moves at both Appin and Dendrobium during the June 2018 quarter, metallurgical coal production increased by 37% (or 295kt) to 1.1Mt as we achieved an annualised mining rate of more than 6Mt throughout the month of June.

Our metallurgical coal continues to be sold with reference to market indices and we achieved a realised price equivalent to the premium low-volatile hard coking coal index⁸ on a volume weighted M-1 basis in FY18.

Australia Manganese

(60% share)

South32's share	FY17	FY18	YoY	4Q17	3Q18	4Q18	4Q18 vs 4Q17	4Q18 vs 3Q18
Manganese ore production (kwmt)	2,994	3,396	13%	776	830	865	11%	4%
Manganese ore sales (kwmt)	3,087	3,290	7%	838	803	875	4%	9%
Manganese alloy production (kt)	147	165	12%	41	41	42	2%	2%
Manganese alloy sales (kt)	155	170	10%	36	37	55	53%	49%

Australia Manganese saleable ore production increased by 13% (or 402kwmt) to a record 3.4Mwmt in FY18 as the Premium Concentrate Ore (PC02) circuit operated at approximately 107% of its design capacity, contributing 9% of total production (6% FY17).

Our low cost PC02 fines product has a manganese content of approximately 40%, which leads to both grade and product-type discounts when referenced to the high grade 44% manganese lump ore index. Notwithstanding the contribution of the PC02 circuit to our sales profile, our average realised price for external sales of Australian ore will reflect a modest premium to the high grade 44% manganese lump ore index on a volume weighted M-1 basis⁹ in FY18. Internal sales continue to occur on commercial terms.

Manganese alloy saleable production increased by 12% (or 18kt) to 165kt in FY18 as all four furnaces continued to operate. The increase in quarterly sales reflects a permanent change to the shipping schedule for a specific customer.

South Africa Manganese

(60% share)

South32's share	FY17	FY18	YoY	4Q17	3Q18	4Q18	4Q18 vs 4Q17	4Q18 vs 3Q18
Manganese ore production (kwmt)	2,038	2,145	5%	538	539	477	(11%)	(12%)
Manganese ore sales (kwmt)	2,024	2,082	3%	542	476	539	(1%)	13%
Manganese alloy production (kt)	73	79	8%	17	21	22	29%	5%
Manganese alloy sales (kt)	74	67	(9%)	20	21	18	(10%)	(14%)

South Africa Manganese saleable ore production increased by 5% (or 107kwmt) to 2.1Mwmt in FY18 as we continued to take advantage of favourable market conditions by selling lower quality fines product and utilising higher cost trucking. Planned major maintenance at the Wessels underground mine remains on track for completion in July 2018 with the impact on production in the June 2018 quarter mitigated by a draw down of inventory established in advance of the outage.

Our fine grained Wessels concentrate product, which accounted for 13% of sales across FY18 (9% FY17), receives a product discount when referenced to index prices. As a result, our average realised price for external sales of South African ore will reflect a modest discount to the medium grade 37% manganese lump ore index (FOB Port Elizabeth, South Africa) on a volume weighted M-1 basis¹⁰. Internal sales continue to occur on commercial terms.

Manganese alloy saleable production increased by 8% (or 6kt) to 79kt in FY18 as Metalloys continued to operate one of its four furnaces.

Cerro Matoso

(99.9% share)

South32's share	FY17	FY18	YoY	4Q17	3Q18	4Q18	4Q18 vs 4Q17	4Q18 vs 3Q18
Payable nickel production (kt)	36.5	43.8	20%	9.7	10.7	11.3	16%	6%
Payable nickel sales (kt)	36.6	43.3	18%	9.8	10.8	11.2	14%	4%

Cerro Matoso payable nickel production increased by 20% (or 7.3kt) to 43.8kt in FY18 as ore grades temporarily improved with the ramp up of La Esmeralda and the operation continued to benefit from an improvement in plant utilisation and throughput rates. The improvement in the nickel market during H2 FY18 has resulted in higher price-linked royalties being paid by our operation and is expected to contribute to a modest increase in Operating unit costs from our prior FY18 guidance of US\$3.61/lb.

Cannington

(100% share)

South32's share	FY17	FY18	YoY	4Q17	3Q18	4Q18	4Q18 vs 4Q17	4Q18 vs 3Q18
Payable silver production (koz)	15,603	12,491	(20%)	3,326	3,082	4,234	27%	37%
Payable silver sales (koz)	16,270	11,985	(26%)	3,866	3,014	3,542	(8%)	18%
Payable lead production (kt)	132.1	104.4	(21%)	26.9	23.6	31.4	17%	33%
Payable lead sales (kt)	138.1	97.9	(29%)	32.3	23.5	25.8	(20%)	10%
Payable zinc production (kt)	70.4	41.3	(41%)	13.2	8.6	12.5	(5%)	45%
Payable zinc sales (kt)	67.4	45.0	(33%)	9.8	6.3	13.0	33%	106%

Cannington silver, lead and zinc payable production increased by 37%, 33% and 45%, respectively, in the June 2018 quarter to marginally exceed revised FY18 guidance. This significant improvement in performance was achieved as the mine moved through a higher grade stope sequence, as planned. Annual and quarterly grade variability is expected to persist over the remaining life of the operation as the stope sequence is optimised to maximise long term value. Metal production declined in FY18 as mining and processing rates were reset in order to deliver greater predictability and stability in the underground mine¹¹.

Finalisation adjustments and the provisional pricing of Cannington concentrates will increase Underlying EBIT¹² by US\$0.1M in FY18 (US\$4.1M: FY17, US\$5.5M: H1 FY18). Outstanding concentrate sales (containing 2.2Moz of silver, 18.8kt of lead and 4.9kt of zinc) were revalued at 30 June 2018. The final price of these sales will be determined in the December 2018 half year.

Notes:

1. Refer to media release on 29 May 2018 "South32 to acquire 50% interest in Eagle Downs and assume operatorship".
2. Based on a CAD/USD exchange rate of 0.7574 as of 15 June 2018.
3. Net distributions from equity accounting investments includes net debt movements and dividends, which are unaudited.
4. The Colombian corporate tax rate was 40% until 31 December 2017. The Mozambique operations are subject to a royalty on revenues instead of income tax.
5. 8% of South Africa Energy Coal is owned by a Broad-Based Black Economic Empowerment (B-BBEE) consortium. The interests owned by the B-BBEE consortium were acquired using vendor finance, with the loans repayable to South32 via distributions attributable to these parties, pro rata to their share in South Africa Energy Coal. Until these loans are repaid, South32's interest in South Africa Energy Coal is accounted at 100%.
6. Consistent with the presentation of South32's segment information, South Africa Manganese ore production and sales have been reported at 60%. The Group's financial statement will continue to reflect a 54.6% interest in South Africa Manganese ore.
7. The quarterly sales volume weighted average of the Platts Alumina Index (PAX) (FOB Australia) on the basis of a one month lag to published pricing (Month minus one or "M-1") was US\$403/t in FY18.
8. The quarterly sales volume weighted average of the premium low-volatile hard coking coal Platts index (FOB Australia) on the basis of a one month lag to published pricing (Month minus one or "M-1") was US\$202/t in FY18.
9. The quarterly sales volume weighted average of the Metal Bulletin 44% manganese lump ore index (CIF Tianjin, China) on the basis of a one month lag to published pricing (Month minus one or "M-1") was US\$6.45/dmtu in FY18.
10. The quarterly sales volume weighted average of the Metal Bulletin 37% manganese lump ore index (FOB Port Elizabeth, South Africa) on the basis of a one month lag to published pricing (Month minus one or "M-1") was US\$5.46/dmtu in FY18.
11. Underground mine plan as per the current life of operation plan reflecting lower mining rates and consequentially longer mine life.
12. Underlying EBIT is earnings before net finance costs, taxation and any earnings adjustments. Underlying EBIT is reported net of South32's share of net finance costs and taxation of equity accounted investments.
13. The following abbreviations have been used throughout this report: grams per tonne (g/t); tonnes (t); thousand tonnes (kt); thousand tonnes per annum (ktpa); million tonnes (Mt); million tonnes per annum (Mtpa); thousand ounces (koz); million ounces (Moz); thousand wet metric tonnes (kwmt); million wet metric tonnes (Mwmt); million wet metric tonnes per annum (Mwrmt pa); thousand dry metric tonnes (kdmt).

Operating Performance

South32's share	FY17	FY18	4Q17	1Q18	2Q18	3Q18	4Q18
Worsley Alumina (86% share)							
Alumina hydrate production (kt)	3,898	3,796	959	974	973	938	911
Alumina production (kt)	3,892	3,764	988	942	923	918	981
Alumina sales (kt)	3,847	3,763	920	966	920	910	967
South Africa Aluminium (100%)							
Aluminium production (kt)	714	712	180	180	178	175	179
Aluminium sales (kt)	713	711	203	162	182	184	183
Mozal Aluminium (47.1% share)							
Aluminium production (kt)	271	271	68	69	68	67	67
Aluminium sales (kt)	273	274	73	65	82	51	76
Brazil Alumina (36% share)							
Alumina production (kt)	1,329	1,304	332	337	339	314	314
Alumina sales (kt)	1,316	1,341	322	333	316	314	378
South Africa Energy Coal (100%)							
Energy coal production (kt)	28,913	27,271	7,413	6,689	6,734	6,741	7,107
Domestic sales (kt)	16,922	15,396	3,948	3,788	3,546	3,835	4,227
Export sales (kt)	11,797	12,518	3,068	2,748	3,117	3,472	3,181
Illawarra Metallurgical Coal (100%)							
Total coal production (kt)	7,073	4,244	1,746	819	1,041	1,149	1,235
Total coal sales (kt)	7,296	4,116	1,711	778	882	1,091	1,365
Metallurgical coal production (kt)	5,697	3,165	1,437	494	788	794	1,089
Metallurgical coal sales (kt)	5,952	2,937	1,470	403	654	760	1,120
Energy coal production (kt)	1,376	1,079	309	325	253	355	146
Energy coal sales (kt)	1,344	1,179	241	375	228	331	245
Australia Manganese (60% share)							
Manganese ore production (kwmt)	2,994	3,396	776	808	893	830	865
Manganese ore sales (kwmt)	3,087	3,290	838	790	822	803	875
Ore grade sold (% Mn)	46.2	45.7	46.2	46.1	46.0	45.0	45.7
Manganese alloy production (kt)	147	165	41	39	43	41	42
Manganese alloy sales (kt)	155	170	36	36	42	37	55

South32's share	FY17	FY18	4Q17	1Q18	2Q18	3Q18	4Q18
South Africa Manganese (60% share)							
Manganese ore production (kwmt)	2,038	2,145	538	496	633	539	477
Manganese ore sales (kwmt)	2,024	2,082	542	528	539	476	539
Ore grade sold (% , Mn)	40.1	39.9	39.8	40.7	39.9	40.1	39.1
Manganese alloy production (kt)	73	79	17	17	19	21	22
Manganese alloy sales (kt)	74	67	20	14	14	21	18
Cerro Matoso (99.9% share)							
Ore mined (kwmt)	4,447	3,741	1,056	1,051	1,036	831	823
Ore processed (kdmt)	2,561	2,722	624	696	644	672	710
Ore grade processed (% , Ni)	1.59	1.79	1.69	1.91	1.75	1.76	1.73
Payable nickel production (kt)	36.5	43.8	9.7	11.7	10.1	10.7	11.3
Payable nickel sales (kt)	36.6	43.3	9.8	11.4	9.9	10.8	11.2
Cannington (100%)							
Ore mined (kwmt)	2,909	2,463	595	647	562	571	683
Ore processed (kdmt)	3,036	2,355	628	593	575	544	643
Silver ore grade processed (g/t, Ag)	194	194	196	175	155	207	237
Lead ore grade processed (% , Pb)	5.4	5.3	5.2	5.2	4.9	5.2	5.8
Zinc ore grade processed (% , Zn)	3.4	2.6	3.1	2.8	2.3	2.5	2.8
Payable silver production (koz)	15,603	12,491	3,326	2,763	2,412	3,082	4,234
Payable silver sales (koz)	16,270	11,985	3,866	2,926	2,503	3,014	3,542
Payable lead production (kt)	132.1	104.4	26.9	25.8	23.6	23.6	31.4
Payable lead sales (kt)	138.1	97.9	32.3	25.9	22.7	23.5	25.8
Payable zinc production (kt)	70.4	41.3	13.2	11.0	9.2	8.6	12.5
Payable zinc sales (kt)	67.4	45.0	9.8	13.6	12.1	6.3	13.0

Forward-looking statements

This release contains forward-looking statements, including statements about trends in commodity prices and currency exchange rates; demand for commodities; production forecasts; plans, strategies and objectives of management; capital costs and scheduling; operating costs; anticipated productive lives of projects, mines and facilities; and provisions and contingent liabilities. These forward-looking statements reflect expectations at the date of this release, however they are not guarantees or predictions of future performance. They involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this release. Readers are cautioned not to put undue reliance on forward-looking statements. Except as required by applicable laws or regulations, the South32 Group does not undertake to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.

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