

SOUTH32 ANNUAL GENERAL MEETING

DAVID CRAWFORD, AO

CHAIRMAN

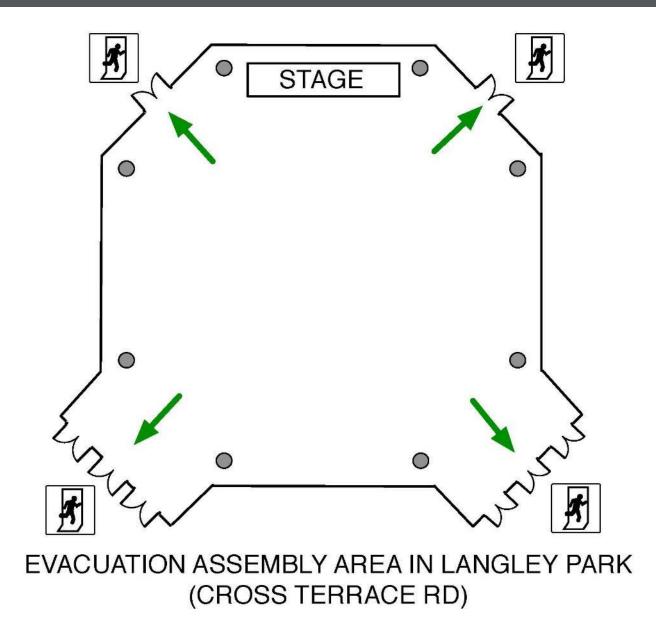
18 NOVEMBER 2015 PERTH, WESTERN AUSTRALIA





EMERGENCY PROCEDURE







PLEASE TURN MOBILE PHONES OFF OR SWITCH TO SILENT





WELCOME TO COUNTRY

BARRY MCGUIRE



IMPORTANT NOTICES



The purpose of this presentation is to provide general information about South32 Limited. This presentation should be read in conjunction with the Annual Financial Report as at 30 June 2015 and the other announcements made by South32 in accordance with its continuous disclosure obligations.

FORWARD LOOKING STATEMENTS

This presentation contains forward looking statements including where the substance involves future matters, expectations or predictions. This includes statements regarding South32's strategy, trends in commodity prices and currency exchange rates, demand for commodities, future performance and opportunities.

These forward looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond South32's control, and which may cause the actual results to differ materially from those expressed in the statements. Readers are cautioned not to put undue reliance on forward looking statements. Except as required by law:

none of South32, its officers or advisers or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statement in this document will actually occur, in part or in whole; and

South32 disclaims any obligation or undertaking to publicly update or revise any forward looking statement in this document, whether as a result of new information or future events.

FINANCIAL INFORMATION

To assist shareholders in their understanding, pro forma financial information has been prepared to reflect the business as it is now structured and as though it was in effect for the period 1 July 2013 to 30 June 2015.

This presentation may include certain non-IFRS financial measures, including Underlying earnings, Underlying EBIT and Underlying EBITDA, Underlying effective tax rate, net debt, net operating assets and ROIC. These measures are used internally by management to assess the performance of South32's business, make decisions on the allocation of its resources and assess operational management. Non-IFRS measures have not been subject to audit or review and should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity.

NO OFFER OF SECURITIES, FINANCIAL OR INVESTMENT ADVICE

Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell South32 securities, or be treated or relied upon as a recommendation or advice by South32. In particular, South32 does not provide any financial or investment 'advice', as that term is defined in the South African Financial Advisory and Intermediary Services Act 37 of 2002, and we strongly recommend that you seek professional advice.

CURRENCY

All references to dollars, cents or \$ in this document are to Australian currency, unless otherwise stated.



| David Crawford, AO CHAIRMAN | Dr Futhi Mtoba |
|---|--|
| Graham Kerr CHIEF EXECUTIVE OFFICER | Dr Xolani Mkhwanazi |
| Frank Cooper, AO CHAIR OF THE RISK AND AUDIT COMMITTEE | Peter Kukielski |
| Wayne Osborn CHAIR OF THE REMUNERATION COMMITTEE | Nicole Duncan Chief Legal Officer and Company Secretary |
| Keith Rumble CHAIR OF THE SUSTAINABILITY COMMITTEE | |



Graham Kerr CHIEF EXECUTIVE OFFICER Ricus Grimbeek PRESIDENT AND CHIEF OPERATING OFFICER, AUSTRALIA

Dale Calhoun CHIEF PEOPLE OFFICER

Brendan Harris CHIEF FINANCIAL OFFICER

Nicole Duncan CHIEF LEGAL OFFICER AND COMPANY SECRETARY Paul Harvey CHIEF TRANSFORMATION OFFICER

Mike Fraser PRESIDENT AND CHIEF OPERATING OFFICER, AFRICA







DAVID CRAWFORD, AO

CHAIRMAN'S ADDRESS



OUR STORY SO FAR

South32 has had a truly historic beginning

- 18 May 2015 Listed in Australia, Johannesburg and London
- 25 May 2015 Demerger from BHP Billiton
- 24 August 2015 Annual Results for FY2015

We are proud of our heritage

- High quality, well maintained portfolio
- Operations well positioned on cost and margin curves
- Great people
- Strong balance sheet





SETTING THE AGENDA



OUR PURPOSE

Our purpose is to make a difference by developing natural resources, improving people's lives now and for generations to come. We are trusted by our owners and partners to realise the potential of their resources.

OUR STRATEGY

Our strategy is to invest in high-quality metals and mining operations where our distinctive capabilities and regional model enables us to stretch performance in a sustainable way. By maintaining financial discipline and continually optimising our portfolio we will deliver sector leading total shareholder returns.

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OUR VALUES

CARE

We care about people, the communities we are part of and the world we depend on.

TRUST

We deliver on our commitments and rely on each other to do the right thing.

TOGETHERNESS

We value difference, listen and share, knowing that together we are better.

EXCELLENCE

We are courageous and challenge ourselves to be the best in what matters.

THE RIGHT PEOPLE AND GOVERNANCE



Our people are fundamental to achieving our ambitions

Our Board has collective experience in mining, refining, smelting, mineral processing and project development

Our Executive team is focused on sectorleading total shareholder returns

Our governance structure is fit for purpose and builds upon the best of our heritage



RUNNING OUR BUSINESS DIFFERENTLY



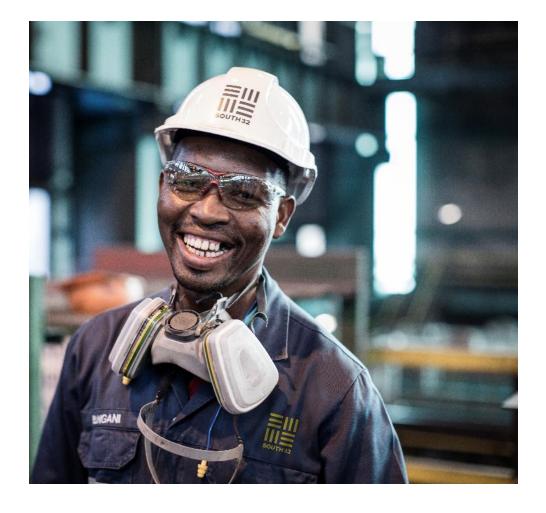
Our focus is on maximising total shareholder returns

Our regional model is a key enabler

We have a simple approach to capital management

We are committed to safe and reliable operations

We intend to distribute a minimum of 40 per cent of underlying earnings as dividends after each six-month reporting period



THE ROAD AHEAD







GRAHAM KERR

CEO'S PRESENTATION



HITTING THE GROUND RUNNING

Fast tracking our regional model

Putting the right teams in place

Right sizing our systems and processes

Driving organisational and cultural change

Implementing a simple business strategy

MAXIMISING RETURNS FOR SHAREHOLDERS



Safety isn't just another priority – it is our <u>core value</u>

A single fatality is unacceptable and not what South32 is about

All of our people must return home safe and well to their families at the end of their shift

To make a step change in our safety performance we are developing:

- The right leadership capability
- A workforce with deep functional expertise
- Fit-for-purpose systems and structures that drive the design, planning, execution and improvement of work



RECORD PRODUCTION

PRO FORMA EBIT +56% TO US\$1B

PRO FORMA UNDERLYING EARNINGS +41% TO US\$575M STRONG BALANCE SHEET NET DEBT US\$196M (AS OF Q1 FY2016)

SIMPLE STRATEGY TO MAXIMISE RETURN ON INVESTED CAPITAL REDUCE CONTROLLABLE COSTS BY US\$350M P.A. BY FY2018 SUSTAINING CAPITAL EXPENDITURE TO DECLINE BY 9% TO US\$650M



OUR STRATEGY

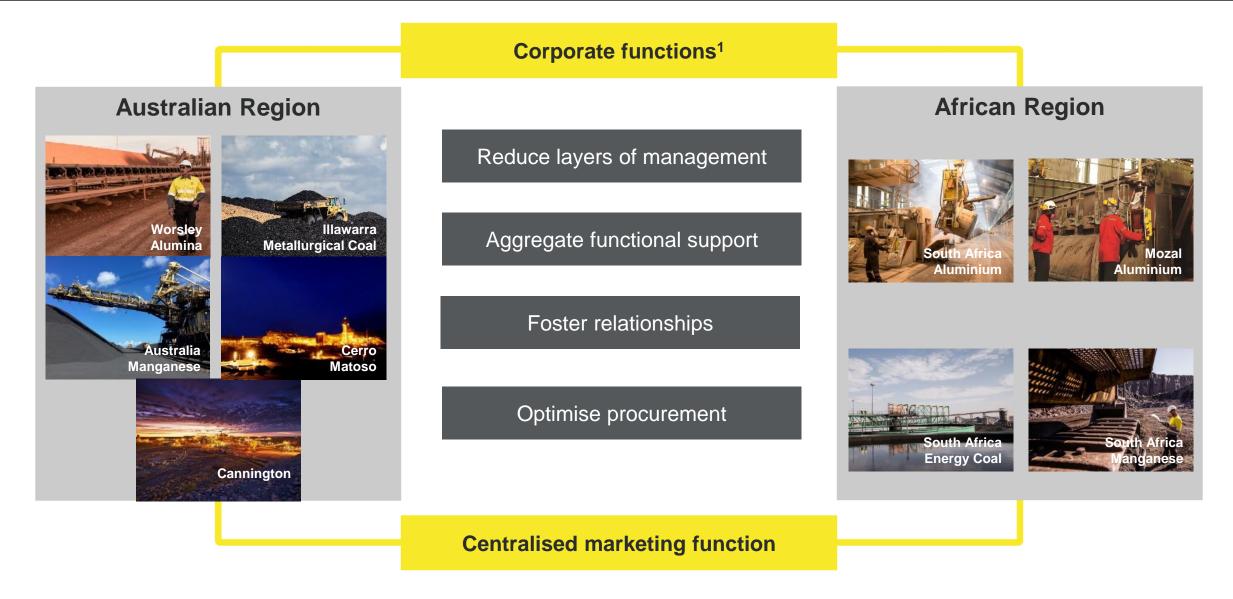
Our strategy is to invest in high quality metals and mining operations where our distinctive capabilities and regional model enable us to stretch performance in a sustainable way. By maintaining financial discipline and continually optimising our portfolio we will deliver sector leading total shareholder returns.

OUR PLAN



OUR REGIONAL MODEL IS A KEY ENABLER





Our operating model is delivering results

Our operations are being run differently

Our financial approach is disciplined

Our people are talented and motivated







DAVID CRAWFORD, AO

FORMAL BUSINESS





FINANCIAL REPORT, DIRECTORS' REPORT AND AUDITOR'S REPORT

To receive and consider the Financial Report, Directors' Report and Auditor's Report, as set out in the Company's Annual Report for the

financial year ended 30 June 2015.

RESOLUTION 2



ELECTION OF XOLANI MKHWANAZI AS A DIRECTOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Dr Xolani Mkhwanazi, who was appointed as Director on 2 July 2015 and who ceases to hold office in accordance with rule 8.1(c) of the Company's Constitution, is elected as a Director of the Company."





RESOLUTION 2: ELECTION OF DIRECTOR – XOLANI MKHWANAZI

| FOR | 2,770,660,079 | 96.79% |
|---------|---------------|--------|
| OPEN | 45,882,354* | 1.61% |
| AGAINST | 45,892,931 | 1.60% |
| ABSTAIN | 8,708,264 | |

*Open votes includes 35,988,001 votes held by the Chairman / Board

RESOLUTION 3



RE-ELECTION OF DAVID CRAWFORD AS A DIRECTOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Mr David Crawford is re-elected as a Director of the Company."





RESOLUTION 3: RE-ELECTION OF DIRECTOR – DAVID CRAWFORD

| FOR | 2,779,197,217 | 97.06% |
|---------|---------------|--------|
| OPEN | 45,451,617* | 1.59% |
| AGAINST | 38,861,318 | 1.35% |
| ABSTAIN | 7,601,959 | |

*Open votes includes 35,571,009 votes held by the Chairman / Board



APPOINTMENT OF AUDITOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of section 327B of the Corporations Act 2001 (Cth) and for all other purposes, KPMG, having been nominated by a shareholder and consenting in writing to act in the capacity of auditor, be appointed as the Company's auditor."



RESOLUTION 4: APPOINTMENT OF AUDITOR

| FOR | 2,800,249,596 | 97.78% |
|---------|---------------|--------|
| OPEN | 45,864,558* | 1.60% |
| AGAINST | 17,910,975 | 0.62% |
| ABSTAIN | 7,077,115 | |

*Open votes includes 35,899,523 votes held by the Chairman / Board

RESOLUTION 5



ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

"That the Remuneration Report for the year ended 30 June 2015 be adopted."

Votes on this resolution are advisory only and do not bind the Directors or the Company.



RESOLUTION 5: ADOPTION OF THE REMUNERATION REPORT

| FOR | 2,650,954,837 | 93.08% |
|---------|---------------|--------|
| OPEN | 45,177,748* | 1.59% |
| AGAINST | 151,884,829 | 5.33% |
| ABSTAIN | 12,969,412 | |

*Open votes includes 35,322,857 votes held by the Chairman / Board



GRANT OF AWARDS TO EXECUTIVE DIRECTOR

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That approval be given, for the purposes of ASX Listing Rule 10.14 and for all other purposes, to grant equity awards to the Chief Executive Officer and Executive Director, Mr Graham Kerr, under the Group's short term and long term incentive plans as set out in the Explanatory Notes accompanying this Notice of Meeting."



RESOLUTION 6: GRANT OF AWARDS TO EXECUTIVE DIRECTOR

| FOR | 2,706,534,887 | 94.67% |
|---------|---------------|--------|
| OPEN | 45,043,668* | 1.57% |
| AGAINST | 107,512,637 | 3.76% |
| ABSTAIN | 12,048,377 | |

*Open votes includes 35,290,785 votes held by the Chairman / Board



APPROVAL OF LEAVING ENTITLEMENTS

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for a period of 3 years commencing from the date this resolution is passed approval be given for all purposes, including Part 2D.2 of the Corporations Act 2001 (Cth), for the giving of benefits to any current or future person holding a managerial or executive office in the Company or a related body corporate in connection with that person ceasing to hold that office as set out in the Explanatory Notes accompanying this Notice of Meeting."



RESOLUTION 7: APPROVAL OF LEAVING ENTITLEMENTS

| FOR | 2,756,416,473 | 96.44% |
|---------|---------------|--------|
| OPEN | 44,967,046* | 1.58% |
| AGAINST | 56,531,041 | 1.98% |
| ABSTAIN | 13,228,941 | |

*Open votes includes 35,343,026 votes held by the Chairman / Board



Please complete your voting cards





MEETING CLOSE

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