

***Better for you and the environment***

*South32 Limited uses its website as the primary means of communicating with shareholders to enable timely receipt of information, to reduce the environmental footprint of our shareholder mailings and to save on printing and postage costs.*

*For further details on electing for electronic communications, and other online services designed to help you manage your shareholding more easily, visit [www.computershare.com](http://www.computershare.com)*

**Dividend Policy**

Our dividend policy is determined by the Board at its discretion, having regard to our first two priorities for cash flow, being a commitment to maintain safe and reliable operations and an investment grade credit rating through the cycle.

We intend to distribute a minimum 40 percent of Underlying Earnings as dividends to our shareholders following each six month reporting period. We will distribute dividends with the maximum practicable franking credits for the purposes of the Australian dividend imputation system.

**Dividend Declaration**

On 16 February 2017 the Board resolved to pay an interim dividend of US3.6 cents per share in respect of the half year ended 31 December 2016. The dividend is not franked for Australian taxation purposes. The dividend record date is 10 March 2017 and the payment date is 6 April 2017.

**Dividend Timetable**

Dividends are announced on the release of the Half Year and Full Year Results. Dates are listed in the Events Calendar in the Investors and Media Section of our website [www.south32.net](http://www.south32.net).

<b>Dividend Timetable</b>	<b>Date</b>
Announce currency conversion into Rand	3 March 2017
Last day to trade cum dividend on the Johannesburg Stock Exchange (JSE)	7 March 2017
Ex-dividend Date on the JSE	8 March 2017
Ex-dividend Date on the Australian Securities Exchange (ASX) and London Stock Exchange (LSE)	9 March 2017
Record Date (including currency election date for ASX)	10 March 2017
<b>Payment Date</b>	<b>6 April 2017</b>

South32 Limited shareholders registered on the South African Branch Register are not able to dematerialise or rematerialise their shareholdings between 8 and 10 March 2017 (both dates inclusive) and transfers to / from the South African Branch Register are not permitted between 3 and 10 March 2017 (both dates inclusive).

### **Currency Exchange Rates**

The US cent currency exchange rate applicable to the dividend payable in Australian cents, British pence and New Zealand cents is determined as the volume weighted average price achieved on foreign exchange trades executed over the period 3 March 2017 to 15 March 2017, and is detailed below:

<b>Currency</b>	<b>Exchange rate</b>	<b>Dividend per ordinary share in local currency</b>
Australian cents	0.755535	4.764833
British pence	1.217565	2.956721
New Zealand cents	0.692930	5.195330

On 3 March 2017, South32 announced to the Johannesburg Stock Exchange that the US cent currency exchange rate applicable to the dividend payable in South African cents to shareholders on the South African branch register on the Record Date is the volume weighted average price achieved on foreign exchange trades executed over the period 28 February 2017 to 3 March 2017:

<b>Currency</b>	<b>Exchange rate</b>	<b>Dividend per ordinary share in local currency</b>
South African cents	13.06550	47.03580

## Currency Election and Payment Options

*The interim dividend will be paid in accordance with existing payment elections held by Computershare. It is recommended that shareholders review their currency election and payment options for accuracy in advance of the Record Date.*

<b>Shareholding</b>	<b>Payments</b>
<p><i>Australian Register (Issuer sponsored and CHES subregisters)</i></p>	<p>South32 shareholders who hold shares on the Australian register will be paid dividends exclusively by direct credit in Australian Dollars (AUD) and can elect to receive a different currency by providing valid New Zealand Dollar (NZD), Pound Sterling (GBP) or United States Dollar (USD) banking instructions. These instructions must be provided to Computershare, no later than 8pm (AEDT) on the Record Date.</p> <p>It is not necessary for the shareholder to have a registered address in the country of the chosen currency.</p> <p>Where a shareholder does not provide direct credit details or the transfer is rejected or refunded by the bank, payment will be held in a non-interest accruing account until such time as valid banking instructions have been provided to Computershare.</p> <p>For further information please consult the mandatory direct credit FAQ page.</p>
<p><i>South African Branch Register (JSE, STRATE, Certificated holders)</i></p>	<p>South32 shareholders who hold shares on the South African branch register will be paid dividends in South African Rand (ZAR) and cannot elect to receive a different currency.</p> <p>Dividends can be paid directly into bank accounts in South African Rand (ZAR) where direct credit details have been provided to Computershare by the Record Date.</p> <p>A shareholder who does not provide valid direct credit details will receive dividends in South African Rand (ZAR) by way of a cheque for this dividend.</p> <p>All future dividend payments will be paid into shareholders' nominated South African bank or financial institution accounts (excluding credit card accounts) exclusively by direct credit only.</p> <p>To update your details see below, or if you have further questions regarding direct credit payments, please consult the mandatory direct credit FAQ page.</p>
<p><i>UK Depository Interests (DIs) (LSE, CREST and Corporate Sponsored Nominees facilities)</i></p>	<p>South32 UK Depository Interest (DI) holders will be paid dividends in Pound Sterling (GBP) and cannot elect to receive a different currency.</p> <p>Dividends can be paid directly into bank accounts in Pound Sterling (GBP) where direct credit details have been provided to Computershare by the Record Date.</p> <p>A DI holder who does not provide valid direct credit details will receive dividends in Pound Sterling (GBP) by way of a cheque for this dividend.</p>

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All future dividend payments will be paid into DI holders' nominated United Kingdom bank or building society accounts (excluding credit card accounts) exclusively by direct credit only.
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To update your details see below, or if you have further questions regarding direct credit payments, please consult the mandatory direct credit FAQ page.
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For Australian holders, currency elections and direct credit details can be made/provided online at [www.computershare.com.au/Investor](http://www.computershare.com.au/Investor) or by calling Computershare Investor Services on 1800 019 953 or +61 3 9415 4169 (Monday to Friday 8.30am to 5.00pm AEDT).

Direct credit details can be provided by calling Computershare Investor Services on:

- For South African holders Smart number: 0861 100 950
- For UK Depository Interest holders [www.computershare.com/uk](http://www.computershare.com/uk)

### **Dividend Reinvestment**

South32 does not currently have a dividend reinvestment plan.

### **Dividends and Taxation**

<i>It is recommended that shareholders review their tax status as recorded by Computershare in advance of the Record Date. For further details to help you manage your shareholding more easily, visit <a href="http://www.computershare.com">www.computershare.com</a></i>
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South32 has obligations under law to withhold tax from the dividend in certain circumstances. Your tax obligations will vary depending on your financial circumstances and where you reside. You should take individual advice on the tax treatment of the dividend. By way of guidance only:

- If you are an Australian tax resident shareholder and have:
  - provided Computershare with your TFN or ABN or Exemption, you will not be subject to withholding tax on the unfranked portion of dividends.
  - not provided a TFN or ABN or Exemption, tax will be deducted from the unfranked portion of the dividend at the highest marginal rate.
- If you are a non-Australian resident, no Australian withholding tax applies to the unfranked portion of the dividend on the basis that it is declared to be 'conduit foreign income'.
- If you are a South African individual or trust, on the South African Branch Register, 20% withholding tax applies.

## **Unclaimed Dividends and Unpresented Cheques**

Computershare can tell you if you have received a dividend and for how much, and if you have any unpresented cheques. This information is available online at [www.computershare.com](http://www.computershare.com) or by calling Computershare Investor Services on the numbers provided below:

- For Australian holders 1800 019 953 or +61 3 9415 4169  
Monday to Friday, 8.30am to 5.00pm AEDT
- For South African holders Smart number: 0861 100 950
- For UK Depositary Interest holders +44 (0) 370 702 0003

## **American Depositary Receipt Holders**

South32 has a Level 1 American Depositary Receipt (ADR) programme, which trades in the United States over the counter market.

South32's ADRs each represent five fully paid ordinary shares in South32 and ADR holders will receive dividends accordingly, subject to the terms of the Depositary Agreement.

Contact Citibank Shareholder Services by email on: [citibank@shareholders-online.com](mailto:citibank@shareholders-online.com) or by calling +1 877 248 4237 (+1-877-CITIADR) (toll-free within US) or +1 781 575 4555 (outside of US).

## Dividend History

Financial Year	Type	Determination Date	Ex-Dividend Date	Record Date	Payment Date	Dividend Rate	Exchange Rate	Local Currency Equivalent	Franking Credit
2016	Interim	16 February 2017	JSE: 8 March 2017  ASX / LSE: 9 March 2017	10 March 2017	6 April 2017	US \$0.036	AUD: 0.755535  GBP: 1.217565  NZD: 0.692930  ZAR: 13.06550	AUD: \$0.04764833  GBP: £0.02956721  NZD: \$0.05195330  ZAR: R0.4703580	Australia 0.00%
	Final	25 August 2016	JSE: 14 September 2016  ASX / LSE: 15 September 2016	16 September 2016	6 October 2016	US \$0.01	AUD: 0.757553  GBP: 1.297857  NZD: 0.731300  ZAR: 14.32752	AUD: \$0.01320040  GBP: £0.00770501  NZD: \$0.01367428  ZAR: R0.1432752	Australia 0.00%