

# QUARTERLY REPORT



MARCH 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

- Strong commodity prices and a partial unwind of working capital delivered a US\$477M increase in net cash to US\$1.9B after allocating a further US\$85M to our on-market share buy-back in the quarter.
- Delivered a year to date production record at Mozal Aluminium as the smelter continued to test its maximum technical capability and increased payable nickel production at Cerro Matoso by 21% as the performance of La Esmeralda continued to exceed expectations.
- Increased payable silver production at Cannington by 28% in the quarter as mining entered a higher grade sequence of stopes.
- Increased production guidance at Australia Manganese by 6% and South Africa Manganese by 5% on the back of strong market demand and record operating performance at Australia Manganese.
- Revised FY18 production guidance at Illawarra Metallurgical Coal to 4.1Mt as we further prioritised coal clearance and ground rehabilitation activities during the March 2018 quarter in support of the Appin colliery restart plan.
- Finalised plans at Illawarra Metallurgical Coal that are expected to deliver more productive longwall and development performance, underpinning a recovery in production to more than 6Mt in FY19 and an anticipated return to historical rates above 8Mtpa from H2 FY20.
- Advanced our plans to manage South Africa Energy Coal as a stand-alone business from the June 2018 quarter, which will allow us to simplify our business, lower overhead costs and fundamentally change the way we work.

*“We delivered production records at Mozal Aluminium and Australia Manganese and have increased full year guidance for both of our manganese operations in light of strong market demand.*

*“At the Appin colliery we further prioritised coal clearance and ground rehabilitation activities during the quarter, setting the foundation for a return to historical rates of production at Illawarra Metallurgical Coal of more than 8 million tonnes per annum.*

*“We also continued to benefit from elevated prices in our key commodity markets, strengthening our net cash balance by US\$477 million to US\$1.9 billion after allocating a further US\$85 million to our on-market share buy-back.”*

Graham Kerr, South32 CEO

## Production summary

South32's share	9M YTD17	9M YTD18	YoY
Alumina production (kt)	3,901	<b>3,773</b>	(3%)
Aluminium production (kt)	737	<b>737</b>	0%
Energy coal production (kt)	22,567	<b>21,097</b>	(7%)
Metallurgical coal production (kt)	4,260	<b>2,076</b>	(51%)
Manganese ore production (kwmt)	3,718	<b>4,199</b>	13%
Manganese alloy production (kt)	162	<b>180</b>	11%
Payable nickel production (kt)	26.8	<b>32.5</b>	21%
Payable silver production (koz)	12,277	<b>8,257</b>	(33%)
Payable lead production (kt)	105.2	<b>73.0</b>	(31%)
Payable zinc production (kt)	57.2	<b>28.8</b>	(50%)

	3Q17	2Q18	3Q18	QoQ
	1,288	1,262	<b>1,232</b>	(2%)
	245	246	<b>242</b>	(2%)
	6,858	6,987	<b>7,096</b>	2%
	1,431	788	<b>794</b>	1%
	1,285	1,526	<b>1,369</b>	(10%)
	47	62	<b>62</b>	0%
	9.1	10.1	<b>10.7</b>	6%
	3,548	2,412	<b>3,082</b>	28%
	31.3	23.6	<b>23.6</b>	0%
	15.1	9.2	<b>8.6</b>	(7%)

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

## CORPORATE UPDATE

- Net cash increased by US\$477M to US\$1.9B<sup>1</sup> during the March 2018 quarter as commodity prices remained elevated, the prior build in working capital partially unwound, and we received net distributions totalling US\$158M<sup>2</sup> from our manganese equity accounted investments (EAI) (South32 share) and US\$44M (pre-tax) from the sale of a financial asset. Our strong financial position allowed us to return a further US\$85M to shareholders during the period with the continuation of our on-market share buy-back.
- To 31 March 2018 we had completed US\$390M of our approved US\$1B capital management program, having bought back 176M shares at an average price of A\$2.89 per share. Subsequent to the end of the quarter we returned an additional US\$154M in the form of a special dividend, bringing total returns under our approved US\$1B capital management program to US\$544M. We also paid a fully franked interim dividend of US\$221M on 5 April 2018.
- As a result of lower volumes, Operating unit costs at Illawarra Metallurgical Coal are expected to remain elevated in FY18 at US\$150/t (prior guidance US\$135/t) before benefitting from stronger production as our ramp up plan gains momentum. While FY18 Operating unit cost guidance at all other operations remains unchanged, the potential for a greater proportion of higher margin export tonnes at South Africa Energy Coal may increase Operating unit costs by approximately 5%. Stronger alumina prices, of which we are a net beneficiary, will also impact the cost base of our aluminium smelters over the remainder of FY18.
- Capital expenditure (including EAI) guidance of US\$525M for FY18 is unchanged with the rate of spend expected to increase in the June 2018 quarter as long lead time items are purchased for the Klipspruit Life Extension project.
- We remain on track to manage South Africa Energy Coal as a stand-alone business during the June 2018 quarter, having concluded our structural consultation processes with impacted employees. This will allow us to simplify our business, lower overhead costs and fundamentally change the way we work.
- We invested US\$32.5M in exploration programs during the nine months ended 31 March 2018 (US\$1.4M capitalised). This included US\$1.1M for our EAI (US\$0.6M capitalised) and US\$16.5M of expenditure across 13 projects associated with our portfolio of early stage greenfield exploration opportunities.
- 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%<sup>3</sup>, Mozambique 0%<sup>3</sup> and Brazil 34%.

Production guidance (South32's share)	FY17	9M YTD18	FY18e	Commentary
<b>Worsley Alumina</b>				
Alumina production (kt)	3,892	2,783	3,975	Expect to approach guidance as hydrate conversion rates improve in the June 2018 quarter with a reduction in calciner maintenance
<b>South Africa Aluminium</b>				
Aluminium production (kt)	714	533	720	Expect to approach guidance despite an electric arc incident in the December 2017 quarter
<b>Mozal Aluminium</b>				
Aluminium production (kt)	271	204	269	
<b>Brazil Alumina</b>				
Alumina production (kt)	1,329	990	1,345	
<b>South Africa Energy Coal<sup>4</sup></b>				
Energy coal production (kt)	28,913	20,164	27,500	
Domestic coal production (kt)	16,717	11,059	16,000	
Export coal production (kt)	12,196	9,105	11,500	
<b>Illawarra Metallurgical Coal</b>				
Total coal production (kt)	7,073	3,009	↓4,100	Guidance reduced by 9% as we further prioritised coal clearance and ground rehabilitation activities at the Appin colliery during the March 2018 quarter
Metallurgical coal production (kt)	5,697	2,076	↓2,950	
Energy coal production (kt)	1,376	933	1,150	
<b>Australia Manganese</b>				
Manganese ore production (kwmt)	2,994	2,531	↑3,300	Guidance increased by 6% (subject to market demand)
<b>South Africa Manganese</b>				
Manganese ore production <sup>5</sup> (kwmt)	2,038	1,668	↑2,150	Guidance increased by 5% (subject to market demand)
<b>Cerro Matoso</b>				
Payable nickel production (kt)	36.5	32.5	41.6	Tracking ahead of plan with the potential to marginally exceed guidance
<b>Cannington</b>				
Payable silver production (koz)	15,603	8,257	12,200	
Payable lead production (kt)	132	73	102	
Payable zinc production (kt)	70	29	39	

## WORSLEY ALUMINA

(86% share)

South32's share	9M YTD17	9M YTD18	YoY	3Q17	2Q18	3Q18	3Q18 vs 3Q17	3Q18 vs 2Q18
Alumina production (kt)	2,904	<b>2,783</b>	(4%)	964	923	<b>918</b>	(5%)	(1%)
Alumina sales (kt)	2,927	<b>2,796</b>	(4%)	1,018	920	<b>910</b>	(11%)	(1%)

Worsley Alumina saleable production decreased by 4% (or 121kt) to 2.8Mt in the nine months ended March 2018, despite the performance of the input circuit remaining largely unchanged at an annualised rate of 4.5Mt (100% basis). Further calciner maintenance was undertaken in the March 2018 quarter and the refinery has established a substantial hydrate position. While FY18 production guidance remains unchanged, it is predicated on our ability to convert hydrate to calcined alumina during the June 2018 quarter.

First ore from the West Marradong sublease was processed during the March 2018 quarter. West Marradong is expected to reduce average caustic consumption at the refinery from the June 2018 quarter.

## SOUTH AFRICA ALUMINIUM

(100%)

South32's share	9M YTD17	9M YTD18	YoY	3Q17	2Q18	3Q18	3Q18 vs 3Q17	3Q18 vs 2Q18
Aluminium production (kt)	534	<b>533</b>	(0%)	178	178	<b>175</b>	(2%)	(2%)
Aluminium sales (kt)	510	<b>528</b>	4%	163	182	<b>184</b>	13%	1%

South Africa Aluminium saleable production decreased by 1kt to 533kt in the nine months ended March 2018 as the smelter progressively returned all pots to service following an electric arc incident in the December 2017 quarter. Despite this incident, FY18 production is expected to approach annual guidance of 720kt.

## MOZAL ALUMINIUM

(47.1% share)

South32's share	9M YTD17	9M YTD18	YoY	3Q17	2Q18	3Q18	3Q18 vs 3Q17	3Q18 vs 2Q18
Aluminium production (kt)	203	<b>204</b>	0%	67	68	<b>67</b>	0%	(1%)
Aluminium sales (kt)	200	<b>198</b>	(1%)	66	82	<b>51</b>	(23%)	(38%)

Mozal Aluminium saleable production increased by 1kt to a record 204kt in the nine months ended March 2018 as the smelter continued to test its maximum technical capability. Aluminium sales declined by 38% in the March 2018 quarter as our inventory position normalised following a drawdown in the prior quarter. FY18 production guidance remains unchanged at 269kt.

## BRAZIL ALUMINA

(36% share)

South32's share	9M YTD17	9M YTD18	YoY	3Q17	2Q18	3Q18	3Q18 vs 3Q17	3Q18 vs 2Q18
Alumina production (kt)	997	<b>990</b>	(1%)	324	339	<b>314</b>	(3%)	(7%)
Alumina sales (kt)	994	<b>963</b>	(3%)	356	316	<b>314</b>	(12%)	(1%)

Brazil Alumina saleable production decreased by 1% (or 7kt) to 990kt in the nine months ended March 2018 as unplanned maintenance impacted performance during the March 2018 quarter. FY18 production guidance remains unchanged at 1.3Mt.

## SOUTH AFRICA ENERGY COAL

(100%)

South32's share	9M YTD17	9M YTD18	YoY	3Q17	2Q18	3Q18	3Q18 vs 3Q17	3Q18 vs 2Q18
Energy coal production (kt)	21,500	<b>20,164</b>	(6%)	6,675	6,734	<b>6,741</b>	1%	0%
Domestic sales (kt)	12,974	<b>11,169</b>	(14%)	4,056	3,546	<b>3,835</b>	(5%)	8%
Export sales (kt)	8,729	<b>9,337</b>	7%	2,873	3,117	<b>3,472</b>	21%	11%

South Africa Energy Coal saleable production decreased by 6% (or 1,336kt) to 20.2Mt in the nine months ended March 2018. Export coal production continued to exceed expectations as the Wolvekrans-Middelburg Complex (WMC) benefitted from ongoing investment that is providing access to higher margin tonnes. In contrast, domestic production from the WMC was lower as demand from the Duvha power station remained subdued and scheduled maintenance was undertaken. Export sales increased by 11% in the March 2018 quarter as the prior weather related supply chain constraint at Richards Bay Coal Terminal was cleared.

Whilst FY18 production guidance remains unchanged at 27.5Mt (11.5Mt export; 16.0Mt domestic) persistent weakness in domestic demand may result in a reduction of loss making domestic volumes across the remainder of FY18 and FY19. While any reduction in domestic sales volumes or a reweighting towards export markets would be margin accretive, average Operating unit costs would be impacted by increased washing and logistics costs, and reduction in volumes.

## ILLAWARRA METALLURGICAL COAL

(100%)

South32's share	9M YTD17	9M YTD18	YoY	3Q17	2Q18	3Q18	3Q18 vs 3Q17	3Q18 vs 2Q18
Total coal production (kt)	5,327	<b>3,009</b>	(44%)	1,614	1,041	<b>1,149</b>	(29%)	10%
Total coal sales (kt)	5,585	<b>2,751</b>	(51%)	1,980	882	<b>1,091</b>	(45%)	24%
Metallurgical coal production (kt)	4,260	<b>2,076</b>	(51%)	1,431	788	<b>794</b>	(45%)	1%
Metallurgical coal sales (kt)	4,482	<b>1,817</b>	(59%)	1,694	654	<b>760</b>	(55%)	16%
Energy coal production (kt)	1,067	<b>933</b>	(13%)	183	253	<b>355</b>	94%	40%
Energy coal sales (kt)	1,103	<b>934</b>	(15%)	286	228	<b>331</b>	16%	45%

Illawarra Metallurgical Coal total saleable production decreased by 44% (or 2,318kt) to 3.0Mt in the nine months ended March 2018 as the Appin colliery continued to ramp-up production following an extended outage. Given a greater focus on coal clearance and ground rehabilitation activities at the Appin colliery during the quarter, and with two longwall moves planned before the end of the financial year, we now expect Illawarra Metallurgical Coal to produce 4.1Mt of saleable coal in FY18 (versus prior guidance of 4.5Mt). As a result, Operating unit costs are expected to remain elevated in FY18 at US\$150/t (prior guidance US\$135/t) before benefitting from increased production in FY19 as our ramp up plan gains momentum. In this context, more productive longwall and development performance is expected to underpin a recovery in production to more than 6Mt in FY19 and an anticipated return to historical rates of production above 8Mtpa from H2 FY20.

## AUSTRALIA MANGANESE

(60% share)

South32's share	9M YTD17	9M YTD18	YoY	3Q17	2Q18	3Q18	3Q18 vs 3Q17	3Q18 vs 2Q18
Manganese ore production (kwmt)	2,218	<b>2,531</b>	14%	719	893	<b>830</b>	15%	(7%)
Manganese ore sales (kwmt)	2,249	<b>2,415</b>	7%	749	822	<b>803</b>	7%	(2%)
Manganese alloy production (kt)	106	<b>123</b>	16%	28	43	<b>41</b>	46%	(5%)
Manganese alloy sales (kt)	119	<b>115</b>	(3%)	37	42	<b>37</b>	0%	(12%)

Australia Manganese saleable ore production increased by 14% (or 313kwmt) to a record 2.5Mwmt in the nine months ended March 2018 as the PCO2 circuit exceeded its annualised capacity of 500kwmt (100% basis). We have increased our FY18 production guidance by 6% to 3,300kwmt, despite the impact of the wet season in the March 2018 quarter.

Manganese alloy saleable production increased by 16% (or 17kt) to 123kt in the nine months ended March 2018 as all four furnaces continued to operate.

## SOUTH AFRICA MANGANESE

(60% share)

South32's share	9M YTD17	9M YTD18	YoY	3Q17	2Q18	3Q18	3Q18 vs 3Q17	3Q18 vs 2Q18
Manganese ore production (kwmt)	1,500	<b>1,668</b>	11%	566	633	<b>539</b>	(5%)	(15%)
Manganese ore sales (kwmt)	1,482	<b>1,543</b>	4%	554	539	<b>476</b>	(14%)	(12%)
Manganese alloy production (kt)	56	<b>57</b>	2%	19	19	<b>21</b>	11%	11%
Manganese alloy sales (kt)	54	<b>49</b>	(9%)	14	14	<b>21</b>	50%	50%

South Africa Manganese saleable ore production increased by 11% (or 168kwmt) to 1.7Mwmt in the nine months ended March 2018 as we continued to utilise higher cost trucking and sell lower quality fines product to take advantage of favourable market conditions. We have increased our FY18 production guidance by 5% to 2,150kwmt, despite planned major maintenance at the Wessels underground mine in the June 2018 quarter.

Manganese alloy saleable production increased by 2% (or 1kt) to 57kt in the nine months ended March 2018 as Metalloys continued to operate one of its four furnaces.

## CERRO MATOSO

(99.9% share)

South32's share	9M YTD17	9M YTD18	YoY	3Q17	2Q18	3Q18	3Q18 vs 3Q17	3Q18 vs 2Q18
Payable nickel production (kt)	26.8	<b>32.5</b>	21%	9.1	10.1	<b>10.7</b>	18%	6%
Payable nickel sales (kt)	26.8	<b>32.1</b>	20%	9.2	9.9	<b>10.8</b>	17%	9%

Cerro Matoso payable nickel production increased by 21% (or 5.7kt) to 32.5kt in the nine months ended March 2018, despite major maintenance of the furnace being completed during the quarter, as planned. The operation is currently tracking ahead of expectations with the potential to marginally exceed production guidance of 41.6kt in FY18.

Production has not been impacted by the decision handed down by the Constitutional Court of Colombia in relation to alleged health and environmental impacts at the community surrounding the operation. We are in the process of appealing the decision.

# CANNINGTON

(100%)

South32's share	9M YTD17	9M YTD18	YoY	3Q17	2Q18	3Q18	3Q18 vs 3Q17	3Q18 vs 2Q18
Payable silver production (koz)	12,277	<b>8,257</b>	(33%)	3,548	2,412	<b>3,082</b>	(13%)	28%
Payable silver sales (koz)	12,404	<b>8,443</b>	(32%)	3,544	2,503	<b>3,014</b>	(15%)	20%
Payable lead production (kt)	105.2	<b>73.0</b>	(31%)	31.3	23.6	<b>23.6</b>	(25%)	0%
Payable lead sales (kt)	105.8	<b>72.1</b>	(32%)	32.5	22.7	<b>23.5</b>	(28%)	4%
Payable zinc production (kt)	57.2	<b>28.8</b>	(50%)	15.1	9.2	<b>8.6</b>	(43%)	(7%)
Payable zinc sales (kt)	57.6	<b>32.0</b>	(44%)	16.8	12.1	<b>6.3</b>	(63%)	(48%)

Cannington silver, lead and zinc payable production decreased by 33%, 31% and 50%, respectively, in the nine months ended March 2018 as the operation transitioned to its replacement underground crusher and the mine plan moved through a lower grade sequence of stopes. The replacement underground crusher was commissioned during the March 2018 quarter ahead of schedule and payable silver production increased by 28% as the mine plan entered a higher grade sequence of stopes. FY18 production guidance (silver 12,200koz, lead 102kt, zinc 39kt) remains unchanged with ore grades expected to increase in the June 2018 quarter, consistent with the mine plan.

## Notes:

1. Net cash number is unaudited.
2. Net distributions from equity accounting investments includes net debt movements and dividends, which are unaudited.
3. 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.
4. 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%.
5. 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.
6. 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 (Mwmt pa); thousand dry metric tonnes (kdmt).

## OPERATING PERFORMANCE

South32's share	9M YTD17	9M YTD18	3Q17	4Q17	1Q18	2Q18	3Q18
<b>Worsley Alumina (86% share)</b>							
Alumina hydrate production (kt)	2,939	<b>2,885</b>	993	959	974	973	<b>938</b>
Alumina production (kt)	2,904	<b>2,783</b>	964	988	942	923	<b>918</b>
Alumina sales (kt)	2,927	<b>2,796</b>	1,018	920	966	920	<b>910</b>
<b>South Africa Aluminium (100%)</b>							
Aluminium production (kt)	534	<b>533</b>	178	180	180	178	<b>175</b>
Aluminium sales (kt)	510	<b>528</b>	163	203	162	182	<b>184</b>
<b>Mozal Aluminium (47.1% share)</b>							
Aluminium production (kt)	203	<b>204</b>	67	68	69	68	<b>67</b>
Aluminium sales (kt)	200	<b>198</b>	66	73	65	82	<b>51</b>
<b>Brazil Alumina (36% share)</b>							
Alumina production (kt)	997	<b>990</b>	324	332	337	339	<b>314</b>
Alumina sales (kt)	994	<b>963</b>	356	322	333	316	<b>314</b>
<b>South Africa Energy Coal (100%)</b>							
Energy coal production (kt)	21,500	<b>20,164</b>	6,675	7,413	6,689	6,734	<b>6,741</b>
Domestic sales (kt)	12,974	<b>11,169</b>	4,056	3,948	3,788	3,546	<b>3,835</b>
Export sales (kt)	8,729	<b>9,337</b>	2,873	3,068	2,748	3,117	<b>3,472</b>
<b>Illawarra Metallurgical Coal (100%)</b>							
Total coal production (kt)	5,327	<b>3,009</b>	1,614	1,746	819	1,041	<b>1,149</b>
Total coal sales (kt)	5,585	<b>2,751</b>	1,980	1,711	778	882	<b>1,091</b>
Metallurgical coal production (kt)	4,260	<b>2,076</b>	1,431	1,437	494	788	<b>794</b>
Metallurgical coal sales (kt)	4,482	<b>1,817</b>	1,694	1,470	403	654	<b>760</b>
Energy coal production (kt)	1,067	<b>933</b>	183	309	325	253	<b>355</b>
Energy coal sales (kt)	1,103	<b>934</b>	286	241	375	228	<b>331</b>
<b>Australia Manganese (60% share)</b>							
Manganese ore production (kwmt)	2,218	<b>2,531</b>	719	776	808	893	<b>830</b>
Manganese ore sales (kwmt)	2,249	<b>2,415</b>	749	838	790	822	<b>803</b>
Ore grade sold (% Mn)	46.3	<b>45.7</b>	46.0	46.2	46.1	46.0	<b>45.0</b>
Manganese alloy production (kt)	106	<b>123</b>	28	41	39	43	<b>41</b>
Manganese alloy sales (kt)	119	<b>115</b>	37	36	36	42	<b>37</b>
<b>South Africa Manganese (60% share)</b>							
Manganese ore production (kwmt)	1,500	<b>1,668</b>	566	538	496	633	<b>539</b>
Manganese ore sales (kwmt)	1,482	<b>1,543</b>	554	542	528	539	<b>476</b>
Ore grade sold (% Mn)	40.2	<b>40.2</b>	40.1	39.8	40.7	39.9	<b>40.1</b>
Manganese alloy production (kt)	56	<b>57</b>	19	17	17	19	<b>21</b>
Manganese alloy sales (kt)	54	<b>49</b>	14	20	14	14	<b>21</b>



South32's share	9M YTD17	9M YTD18	3Q17	4Q17	1Q18	2Q18	3Q18
<b>Cerro Matoso (99.9% share)</b>							
Ore mined (kwmt)	3,391	<b>2,918</b>	1,044	1,056	1,051	1,036	<b>831</b>
Ore processed (kdmmt)	1,937	<b>2,012</b>	648	624	696	644	<b>672</b>
Ore grade processed (% Ni)	1.56	<b>1.81</b>	1.60	1.69	1.91	1.75	<b>1.76</b>
Payable nickel production (kt)	26.8	<b>32.5</b>	9.1	9.7	11.7	10.1	<b>10.7</b>
Payable nickel sales (kt)	26.8	<b>32.1</b>	9.2	9.8	11.4	9.9	<b>10.8</b>
<b>Cannington (100%)</b>							
Ore mined (kwmt)	2,314	<b>1,780</b>	675	595	647	562	<b>571</b>
Ore processed (kdmmt)	2,408	<b>1,712</b>	739	628	593	575	<b>544</b>
Silver ore grade processed (g/t, Ag)	194	<b>178</b>	183	196	175	155	<b>207</b>
Lead ore grade processed (% Pb)	5.4	<b>5.1</b>	5.3	5.2	5.2	4.9	<b>5.2</b>
Zinc ore grade processed (% Zn)	3.5	<b>2.5</b>	3.0	3.1	2.8	2.3	<b>2.5</b>
Payable silver production (koz)	12,277	<b>8,257</b>	3,548	3,326	2,763	2,412	<b>3,082</b>
Payable silver sales (koz)	12,404	<b>8,443</b>	3,544	3,866	2,926	2,503	<b>3,014</b>
Payable lead production (kt)	105.2	<b>73.0</b>	31.3	26.9	25.8	23.6	<b>23.6</b>
Payable lead sales (kt)	105.8	<b>72.1</b>	32.5	32.3	25.9	22.7	<b>23.5</b>
Payable zinc production (kt)	57.2	<b>28.8</b>	15.1	13.2	11.0	9.2	<b>8.6</b>
Payable zinc sales (kt)	57.6	<b>32.0</b>	16.8	9.8	13.6	12.1	<b>6.3</b>

### 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. The denotation (e) refers to an estimate or forecast year.

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