



MEDIA RELEASE

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South32 Forms Exploration Alliance

South32 announces that it has entered into a Strategic Alliance Agreement with AusQuest Limited to develop and advance a pipeline of high-potential exploration opportunities, both in Australia and internationally, establishing an innovative framework for the two companies to work together.

As part of this agreement, South32 will fund AusQuest to undertake exploratory work in agreed jurisdictions to generate and secure prospective early-stage exploration opportunities. In return South32 will acquire, on an exclusive basis, the option to enter into joint ventures for projects which are advanced to a drill ready state.

South32 may earn 70% of the joint venture by contributing US\$4M of funding and earn an additional 10% by funding the project to pre-feasibility level. Targeted commodities include copper, zinc and nickel.

Currently five projects have been identified and will be advanced as potential opportunities, three in Australia and two in Peru. One of these, a base metals project in Western Australia, is in a drill ready state and the parties have signed a joint venture agreement for this project. The other identified exploration opportunities are nickel and copper projects in Western Australia and copper projects in Peru.

Commenting on the alliance, South32 Chief Executive Officer, Graham Kerr, said, "We are looking forward to working with AusQuest on potential opportunities to generate low cost entry points for early stage exploration, outside our existing portfolio."

Ends

About South32

South32 is a globally diversified metals and mining company with high quality operations in Australia, Southern Africa and South America. 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. We have a simple strategy to maximise the potential of our operations and shareholder returns by optimising our existing operations, unlocking their potential and identifying new opportunities to compete for capital.

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