

# MEDIA RELEASE



2 May 2022

## SOUTH32 COMPLETES ACQUISITION OF ADDITIONAL INTEREST IN MINERAÇÃO RIO DO NORTE

South32 Limited (South32) is pleased to announce the completion of our acquisition of an additional 18.2 per cent interest in the Mineração Rio do Norte (MRN) bauxite mine in northern Brazil from Alcoa Corporation (Alcoa).

The acquisition takes our ownership of the mine to 33 per cent and secures the bauxite requirements for our integrated aluminium supply chain in Brazil.

Separately, on 6 January 2022, we announced our plan to participate in the restart of the Alumar aluminium smelter (Brazil Aluminium) together with our joint venture partner Alcoa, with first production achieved in the June 2022 quarter. South32's 40 per cent share of Brazil Aluminium will be powered by 100 per cent cost efficient renewable power, placing the smelter in the second quartile of the global aluminium site cost curve<sup>1</sup>.

The acquisition of an increased interest in MRN is also an important step as we work with our joint venture partners to complete a pre-feasibility study for the MRN life extension project, potentially extending the life of the mine by more than 20 years<sup>2</sup>. The pre-feasibility study is expected to be completed in H1 FY23.

South32 Chief Executive Officer Graham Kerr said "We are pleased to complete the acquisition of an additional interest in Mineração Rio do Norte, securing increased access to bauxite for our integrated aluminium supply chain.

"As a result of our investment in Brazil, including participation in the restart of the Alumar smelter using 100 per cent renewable power, and our planned increased shareholding in Mozal Aluminium which benefits from access to hydroelectric power, we expect to double our production of green aluminium by FY23."

### About us

South32 is a globally diversified mining and metals company. 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 produce commodities including bauxite, alumina, aluminium, copper, silver, lead, zinc, nickel, metallurgical coal and manganese from our operations in Australia, Southern Africa and South America. With a focus on growing our base metals exposure, we also have two development options in North America and several partnerships with junior explorers around the world.

<sup>1</sup> Based on the CRU Aluminium Cost Model 2021.

<sup>2</sup> Production Target Cautionary Statement: The information in this media release that refers to the Production Target and forecast financial information for MRN is based on Measured (63%), Indicated (9%) and Inferred (28%) Mineral Resources. The Mineral Resources underpinning the Production Target have been prepared by a Competent Person in accordance with the JORC Code and is available to view in South32's FY21 annual report ([www.south32.net](http://www.south32.net)) published on 3 September 2021. There is low level of geological confidence associated with the Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target will be realised. The stated Production Target is based on South32's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met. South32 confirms that inclusion of 28% Inferred Mineral Resource tonnage is not the determining factor of the project viability and the project forecasts a positive financial performance when using 72% tonnage (63% Measured and 9% Indicated Mineral Resources). South32 is satisfied, therefore, that the use of Inferred Mineral Resources in the Production Target and forecast financial information reporting is reasonable.

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Further information on South32 can be found at [www.south32.net](http://www.south32.net).