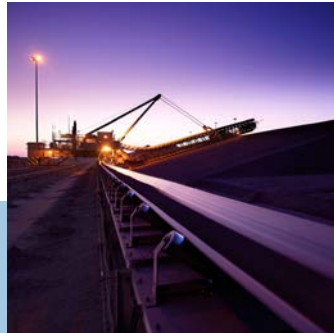




MAKING A DIFFERENCE FROM THE GROUND UP

IMnI's Annual Conference
June 2015

Shanghai, China



Nature of this presentation

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This presentation may contain forward-looking statements, which may include statements regarding, among other things: trends in commodity prices and currency exchange rates; demand for commodities; plans, strategies and objectives of management; closure or divestment of certain operations or facilities (including associated costs); anticipated production or construction commencement dates; capital costs and scheduling; operating costs and shortages of materials and skilled employees; anticipated productive lives of projects, mines and facilities; provisions and contingent liabilities; tax and regulatory developments.

Forward-looking statements can be identified by the use of terminology such as 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue', 'annualised' or similar words. These statements discuss future expectations concerning the results of operations or financial condition, or provide other forward-looking statements.

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 our control, and which may cause actual results to differ materially from those expressed in the statements contained in this presentation. Readers are cautioned not to put undue reliance on forward-looking statements.

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Other factors that may affect the actual construction or production commencement dates, costs or production output and anticipated lives of operations, mines or facilities include South32's ability to profitably produce and transport the minerals and/or metals extracted to applicable markets; the impact of foreign currency exchange rates on the market prices of the minerals or metals South32 produces; activities of government authorities in some of the countries where South32 is exploring or developing these projects, facilities or mines, including increases in taxes, changes in environmental and other regulations and political uncertainty; labour unrest; and other factors identified in the Disclosure Documents.

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Presentation of data

Unless specified otherwise, all references to Underlying EBIT, Underlying EBITDA, Underlying EBIT margin and Underlying EBITDA margin include third party trading activities.

Unless specified otherwise, production volumes, sales volumes and capital and exploration expenditure from subsidiaries are reported on a 100 per cent basis; production volumes, sales volumes and capital and exploration expenditure from equity accounted investments and other operations are reported on a proportionate consolidation basis

Reliance on third-party information

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Compliance with Competition Laws

Whilst the information contained in this presentation does not constitute information which South32 views as competitively sensitive information, all concerned shall ensure that the presentation and discussions which may flow from it are conducted in strict compliance with competition laws.

Section 1: Overview of South32 and our manganese businesses

Section 2: Improving industry productivity



OVERVIEW OF SOUTH32 AND OUR MANGANESE BUSINESSES

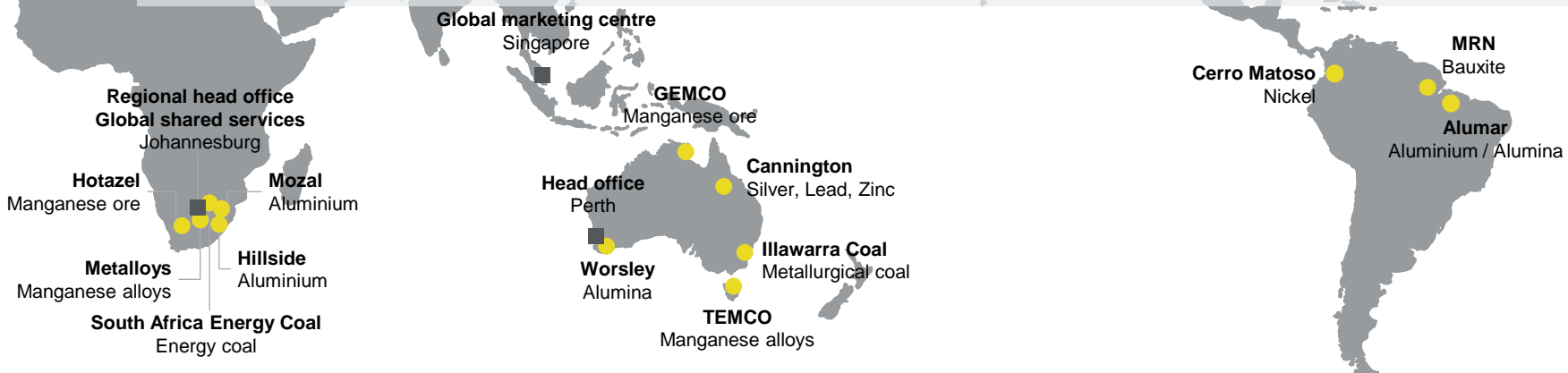
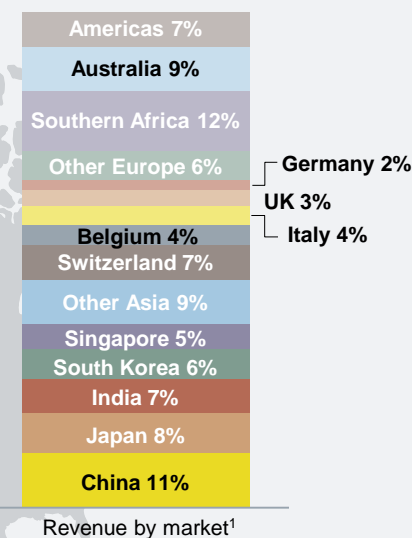
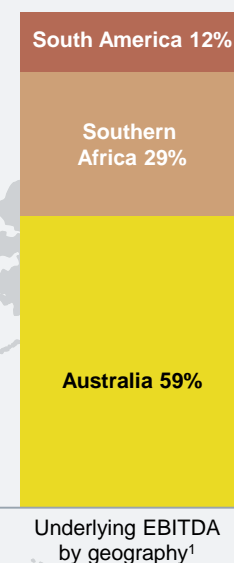
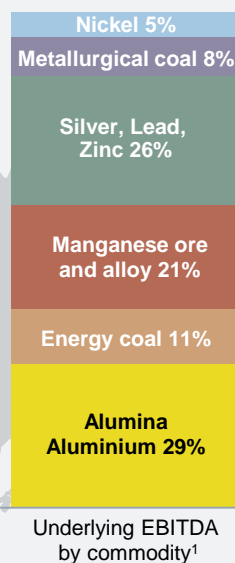


- A cash generator with high quality metals and mining assets competitively positioned in their respective cost curves
- A lean operating model designed to further reduce costs and increase productivity
- A simple approach to capital management underpinned by a commitment to maximise total shareholder returns
- Well positioned to pursue investments that meet strict financial criteria

A GLOBALLY DIVERSIFIED METALS AND MINING COMPANY



- Operations in Australia, Southern Africa and Colombia
- Non-operated JV interests in Brazil
- Strongly diversified by commodity and customer
 - US\$8.3b of revenue in FY2014¹
- Listed on the ASX, JSE and LSE²



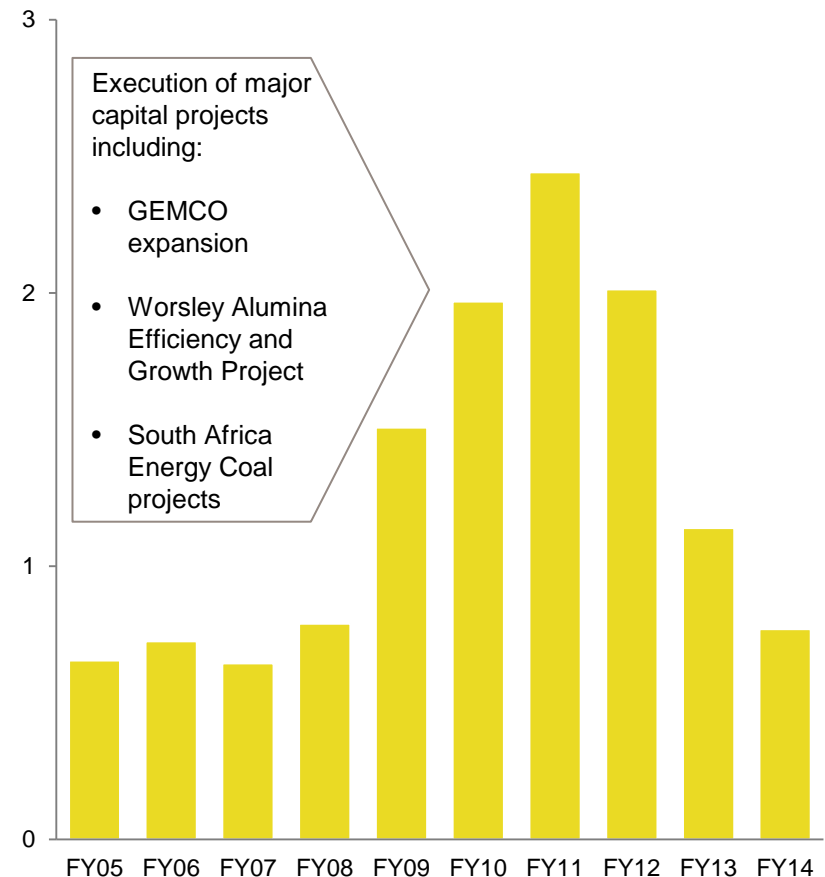
¹ Based on FY2014. Manganese revenue and Underlying EBITDA presented on a proportional consolidation (60 per cent) basis. Revenue by market represents location of customer.

² An OTC ADS program will also be established for South32.

HIGH QUALITY ASSETS COMPETITIVELY POSITIONED IN THEIR RESPECTIVE COST CURVES

- Leading assets in the first quartile of industry cost curves
 - GEMCO: large Mn ore producer
 - Cannington: large silver producing mine
 - Worsley Alumina: one of the largest alumina refineries
- Hillside, Mozal Aluminium, Illawarra Metallurgical Coal, Cerro Matoso, Alumar Refinery and South Africa Energy Coal are also large and well positioned in their respective industry cost/margin curves¹
- 90% of H1 FY2015 Underlying EBITDA² generated by first and second quartile assets
- These assets have been well maintained and have significant resource lives

Historical combined total capital expenditure³ (US\$b)



¹ Represents operating cash cost quartile position, with the exception of Illawarra Metallurgical Coal which is represented as the position on the industry margin curve to account for coal quality differentials.

² Underlying EBITDA (excluding Third party products and Group and unallocated).

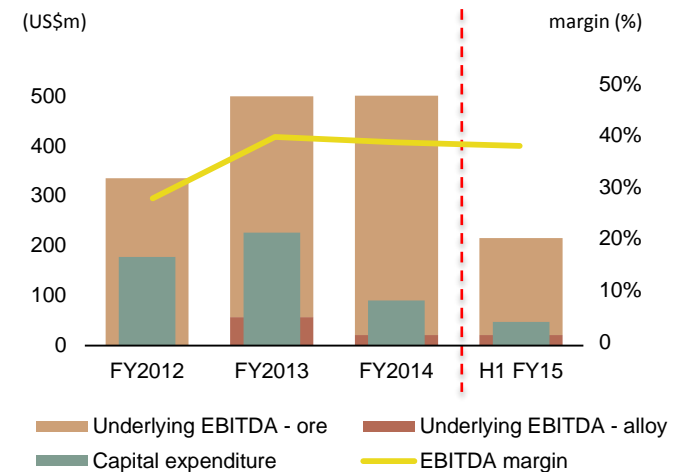
³ Capital expenditure for FY2012 to FY2014 is based on historical combined financial information for South32 included in Annexure 1 of the South32 Listing Documents. For the period FY2005 to FY2011 capital expenditure is based on information previously published by BHP Billiton as unaudited supplementary financial information released as part of BHP Billiton's results announcements.

AUSTRALIA MANGANESE (60% SHARE)

- Manganese ore mine with capacity of 4.8 Mtpa and manganese alloy plant with a capacity of 150 Ktpa high carbon ferromanganese and 120 Ktpa silicomanganese (on a 100% basis)
- High grade reserves (~45% Mn) with reserve life of 11 years¹
- First quartile on manganese ore industry cost curve²
- Lowest landed cost supplier into key Asian markets
- FY2014 operating cost of US\$130/t ore; down 7% from FY2012 of US\$140/t ore
- Premium Concentrate Project expected to increase output by 0.5 Mtpa from FY17 on a 100% basis (capex US\$139m)
- Life extension potential in the eastern leases



Key financials³

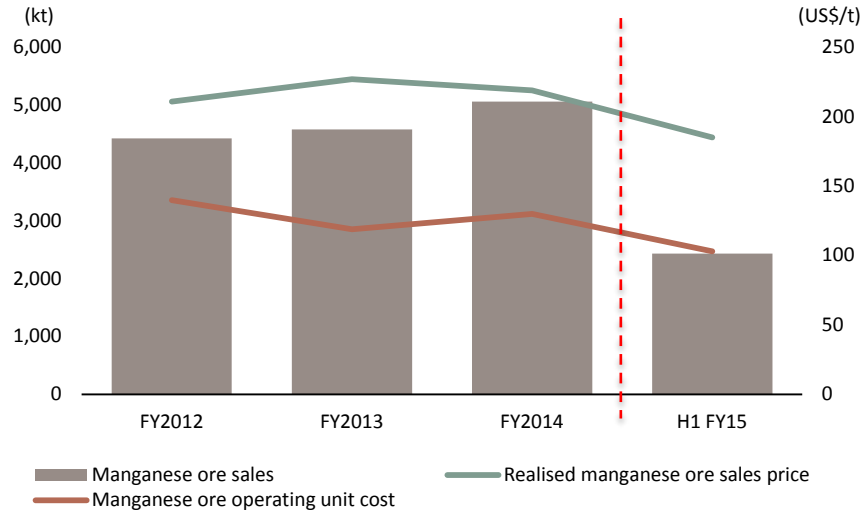


¹ Further details on reserve life calculations are referenced in Section 6. ² Sourced from CRU based on CY2013 production. ³ 100% terms shown for key financials.

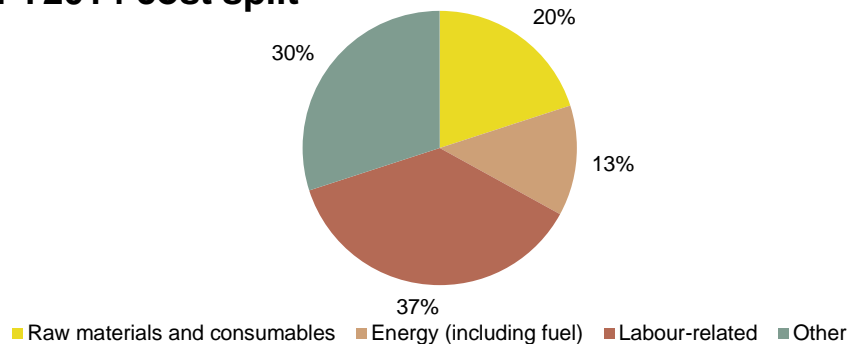
AUSTRALIA MANGANESE (60% SHARE)



Manganese ore sales volume, price and cost¹



FY2014 cost split²



¹ Operating unit cost per tonne produced, 100% terms shown for sales volumes, FY2012-FY2014 average manganese alloy sales volume of 244 Ktpa. ² FY2014 cost split represents operating cash cost split. Other includes freight, secondary taxes and royalties, among other things. ³ On a 100% basis. Further details on reserves and resources confidence classification and reserve and resource life calculations are referenced in Section 6.

GEMCO

Ownership/operator	• 60%/South32
Location	• Groote Eylandt, 16 km from Alyangula, Northern Territory, Australia
Workforce	• Average 900 FTE employees and contractors
Logistics	• 16 km road train to port facilities at Milner Bay for export
Discovery/history	• Mining commenced in 1964. Beneficiation plant commissioned in 1972
Reserves³	• 94 Mt @ 44.6% (58% yield) • Reserve life: 11 years
Resources³	• 175 Mt @ 44.8% (48% yield) • Resource life: 15 years
Mining	• Open-cut strip mining operation
Processing	• Crushing, screening, washing and dense media separation • Produces lump and fines products (4.8 Mtpa ROM capacity)
Products	• Mn ore produced (90% exported with 10% shipped to TEMCO)
H1 FY2015 operating cost	• US\$103/t

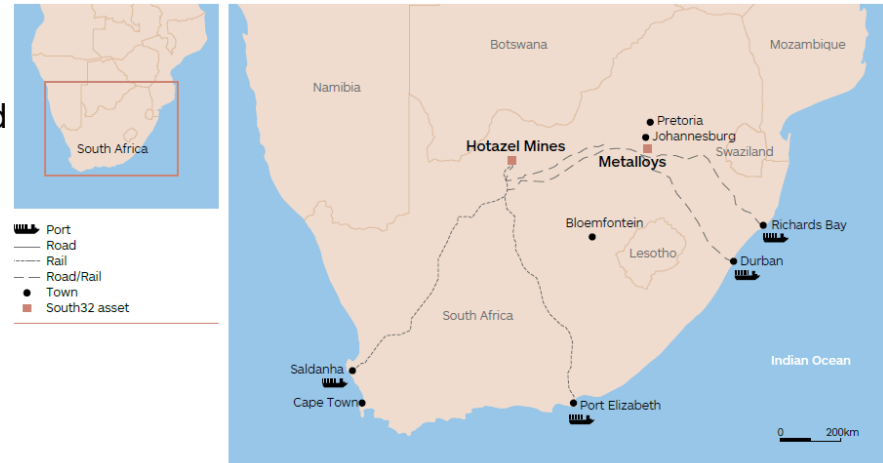
TEMCO

Ownership/operator	• 60%/South32
Location	• 4 km from George Town, Tasmania, Australia
Workforce	• Average 300 FTE employees and contractors
Logistics	• Priority use of berth at Bell Bay wharf under long term lease
Discovery/history	• Operations established in 1962
Processing	• HCFMn (150 Ktpa capacity), SiMn (120 Ktpa capacity)
Key contracts	• Power sourced under long term agreement (expiring 2024)
Products	• Manganese alloy (c. 90% exported, remainder supplied to steel customers in Australia and New Zealand)
H1 FY2015 operating cost	• US\$906/t

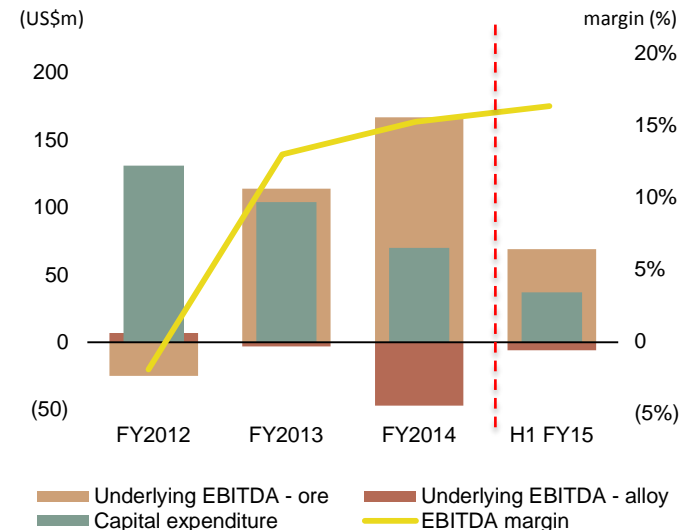
SOUTH AFRICA MANGANESE (HOTAZEL 44.4%, METALLOYS 60%)



- Hotazel mines and Metalloys smelter
 - ROM capacity of 3.5 Mtpa at Mamatwan open-pit and 1.2 Mtpa at Wessels underground (100% basis)
- Reserve lives of 46 years (Wessels) and 18 years (Mamatwan)¹
- High quality ore suitable for high manganese content alloy production
- Third quartile on manganese ore industry cost curve²
- Contract for Transnet rail capacity for the next five years being finalised
- FY2014 ore operating cost of US\$82/t; down 41% from FY2012 of US\$139/t
- Project to increase Wessels underground crushing capacity to 1.5 Mtpa (on a 100% basis) in execution phase
- Transnet expansion at Coega Port could deliver potential for higher ore sales volumes from FY19



Key financials³

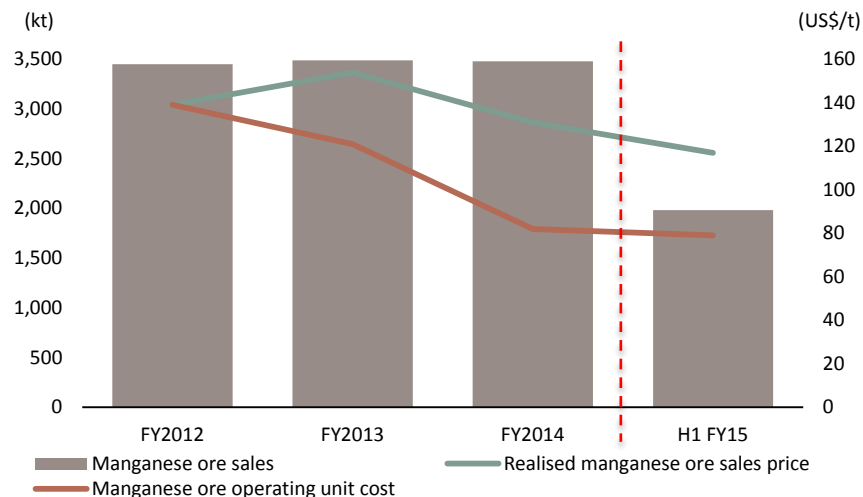


¹ Further details on reserve life calculations are referenced in Section 6. ² Sourced from CRU based on CY2013 production. ³ 100% terms shown for key financials; underlying EBITDA for Metalloys of \$7m, \$(3)m, \$(47)m, \$(6)m in FY2012, FY2013, FY2014 and H1 FY2015 respectively

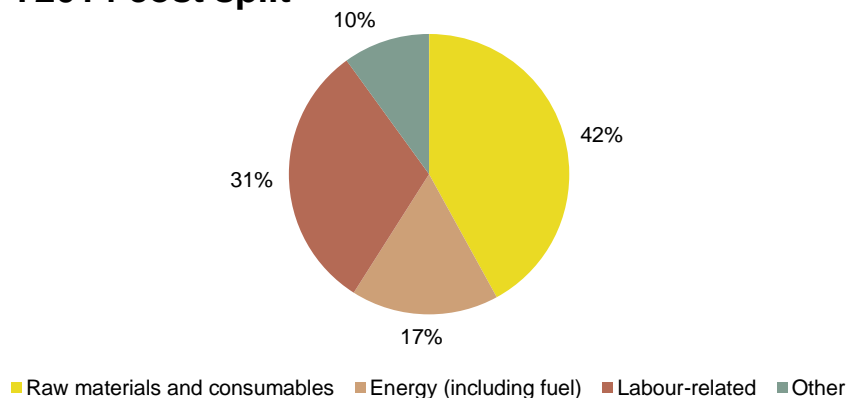
SOUTH AFRICA MANGANESE (HOTAZEL 44.4%, METALLOYS 60%)



Manganese ore sales volume, price and cost¹



FY2014 cost split²



¹ Operating unit cost per tonne produced. 100% terms shown for sales volumes. FY2012-FY2014 average manganese alloy sales volume of 385 Ktpa. ² FY2014 cost split represents operating cash cost split. Other includes freight, secondary taxes and royalties, among other things. ³ On a 100% basis. Further details on reserves and resources confidence classification and reserve and resource life calculations are referenced in Section 6.

Hotazel

Ownership/operator	• 44.4%/South32
Location	• 600 km from Johannesburg in the Northern Cape, South Africa
Workforce	• Average 2,100 FTE employees and contractors
Logistics	• Ore distributed to domestic customers by rail and road • Exports railed via Transnet or transported by road to three ports 900 - 1,200 km away (Port Elizabeth, Durban's port and Saldanha Multi-Purpose Terminal)
Discovery/history	• Mamatwan commenced production in 1964 and Wessels in 1973
Reserves³	• Mamatwan: 64 Mt @ 37.3%; Wessels: 69 Mt @ 42.2% • Reserve life: 18, 46 years (Mamatwan, Wessels)
Resources³	• Mamatwan: 110 Mt @ 35.1%; Wessels: 140 Mt @ 42.4% • Resource life: 24, 92 years (Mamatwan, Wessels)
Mining	• Mamatwan: open-cut (3.5 Mtpa ROM capacity on a 100% basis). Wessels: underground bord & pillar (1.2 Mtpa ROM capacity on a 100% basis)
Processing	• Mamatwan: crushing, screening, dense media separation and sintering. Wessels: crushing, washing and screening
Key contracts	• Rail contract for 1.45 Mtpa for 5 years expected to be concluded in H2 FY2015
Products	• ~75% of manganese ore is exported, remainder converted to ferromanganese alloy at Metalloys
H1 FY2015 operating cost	• US\$79/t

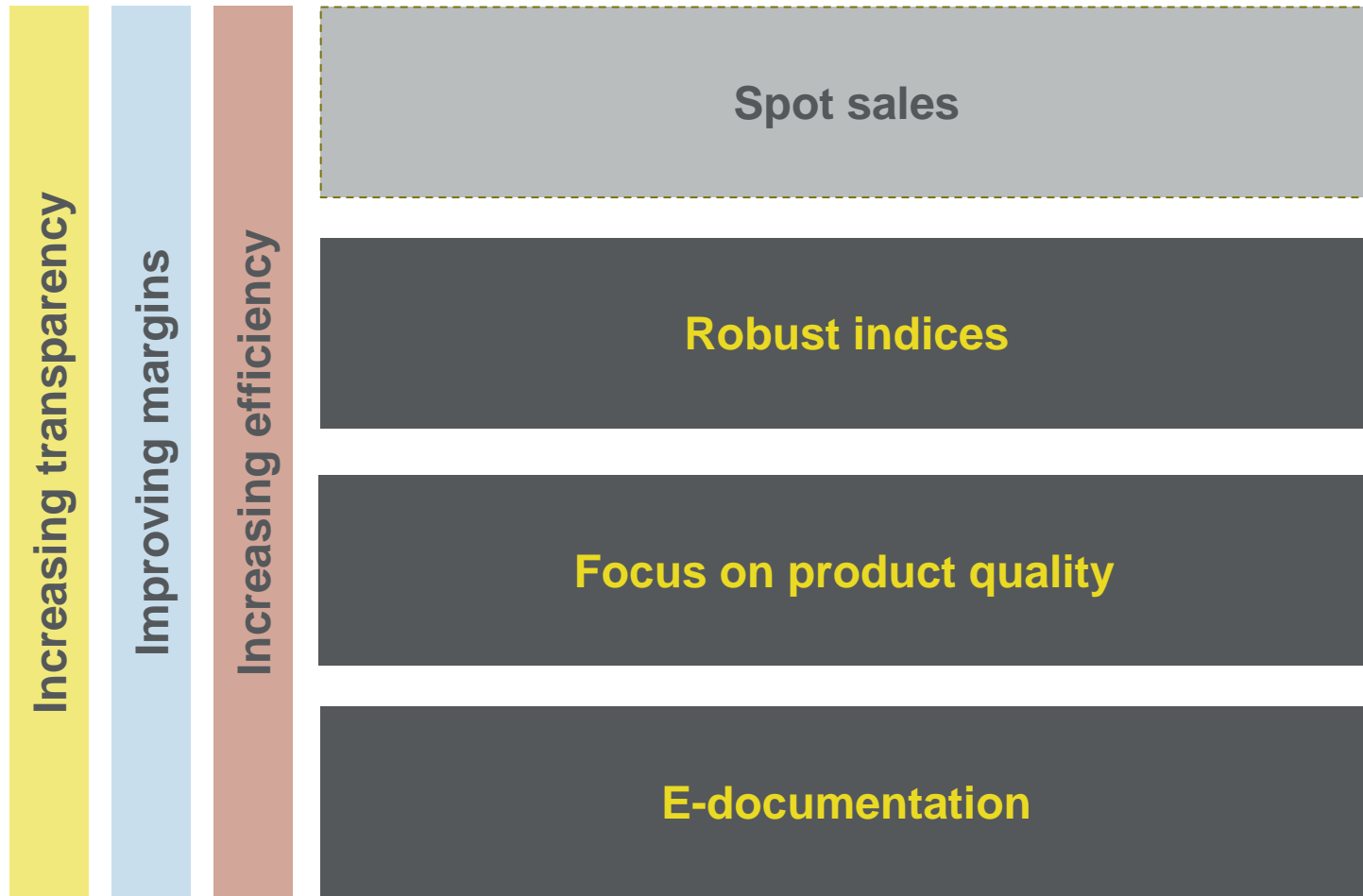
Metalloys

Ownership/operator	• 60%/South32
Location	• 50 km south of Johannesburg, South Africa
Workforce	• Average 1,550 FTE employees and contractors
Logistics	• Road and rail to Richards Bay Port and Durban Port
Discovery/history	• Smelter was established in 1951
Processing	• Four electric arc furnaces
Products	• Ferromanganese alloy
H1 FY2015 operating cost	• US\$901/t



IMPROVING INDUSTRY PRODUCTIVITY

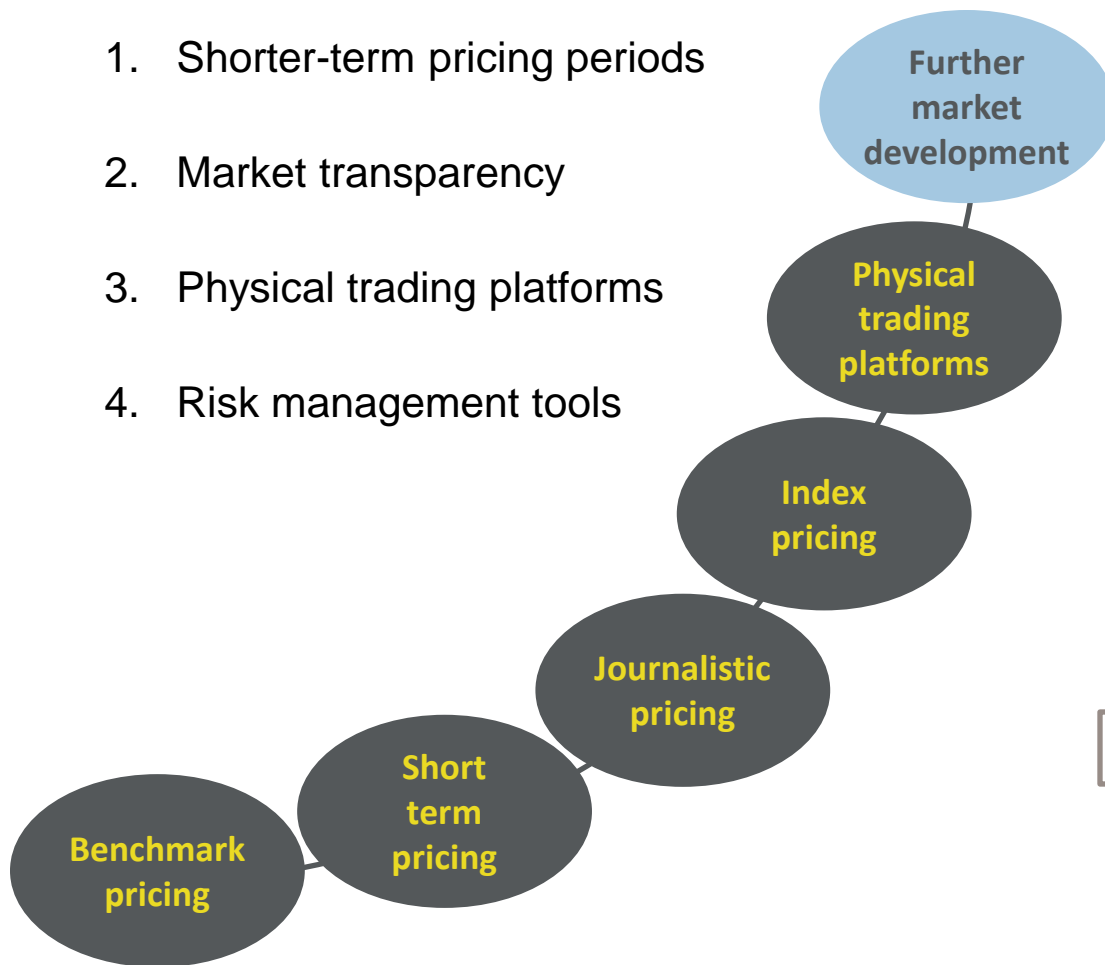




EVOLUTION OF COMMODITY MARKETS

Commodity markets often follow a similar pattern of market evolution:

1. Shorter-term pricing periods
2. Market transparency
3. Physical trading platforms
4. Risk management tools

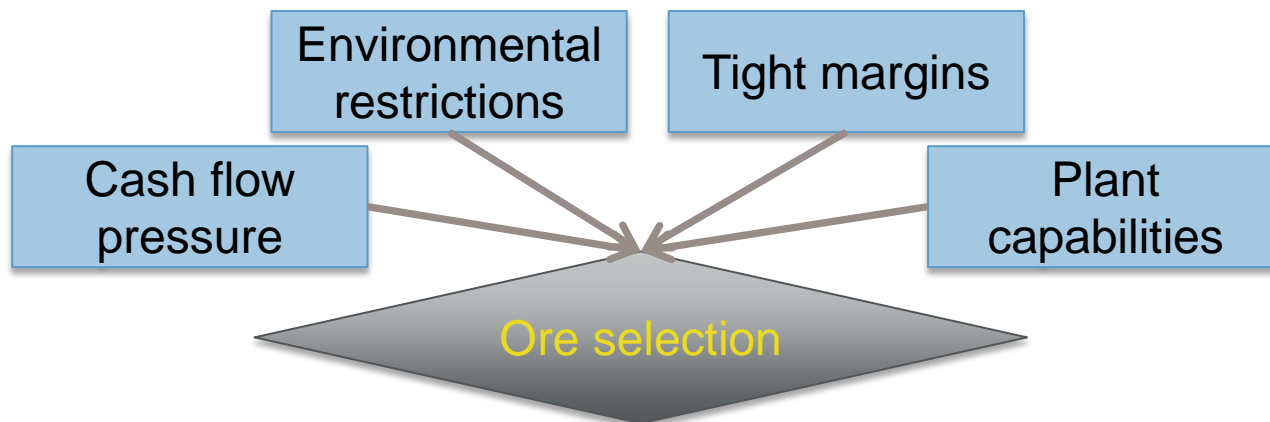


Commodity	Established index	South32 portfolio
Crude oil	Yes	
Energy coal	Yes	✓
Copper	Yes	
Aluminium	Yes	✓
Nickel	Yes	✓
Gold	Yes	
Soybeans	Yes	
Corn	Yes	
Coffee	Yes	
Freight	Yes	✓
Iron ore	Yes	
Steel (incl. scrap)	Yes	
Metallurgical coal	Evolving	✓
Manganese ore	Evolving	✓
Alumina	Evolving	✓

Source: South32

ORE SELECTION IS CRITICAL TO COMPETITIVE ALLOY PRODUCTION

Factors feeding into ore selection



Key process impacts of ore selection

Low quality ore		High quality ore	
Ore price	↓	Ore price	↑
Productivity	↓	Productivity	↑
Electrical Power /Carbon source	↑	Electrical Power /Carbon source	↓
Process stability	↓	Process stability	↑
Alloy quality	↓	Alloy quality	↑
Environmental impact	↑	Environmental impact	↓
Asset life	↓	Asset life	↑
Blending Flexibility	↓	Blending Flexibility	↑

External platforms

Carriers & shipowners

Banks

Smelters/ Steel mills

Mn ore/alloy suppliers

Benefits:

Improved productivity and efficiency:

- Transmit and track documents in real time
- Minimise human error
- Minimise administrative delays
- Reduce repetitive communications
- Decrease requirement for letters of indemnity

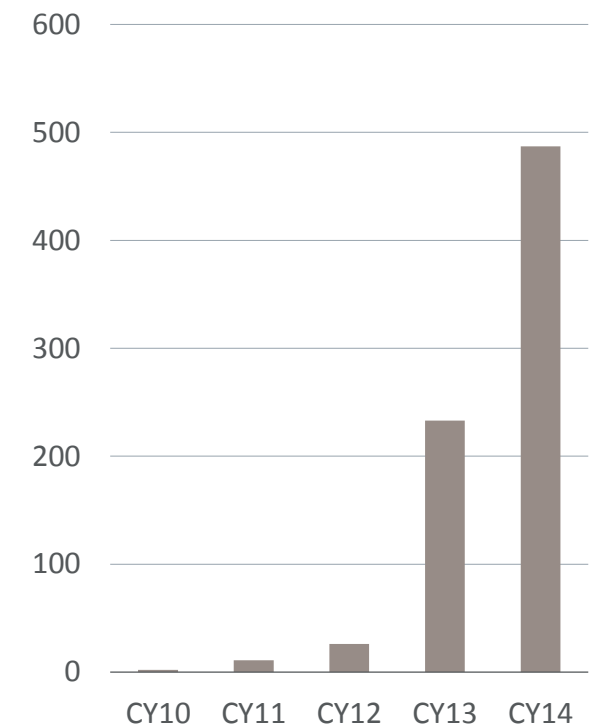
Enhanced security:

- Improve authentication: e-signatures
- Retain control of transaction documents

Optimised working capital management:

- Better management of credit facilities
- Improve predictability of cash flow

South32 E-doc transaction volume for manganese (number of transactions)



Source: South32

Overview of South32 and our manganese businesses:

- A cash generator with high quality metals and mining assets competitively positioned in their respective cost curves
- A lean operating model designed to further reduce costs and increase productivity
- A simple approach to capital management underpinned by a commitment to maximise total shareholder returns
- Well positioned to pursue investments that meet strict financial criteria

Improving industry productivity

- This will impact market-based pricing, raw material preferences and transaction channels and methods will evolve as the manganese industry finds ways to improve competitiveness.
- South32 is well-placed to provide an optimal blend of medium- and high-grade ores.
- Through technical and commercial support, South32 can support our customers to improve their long-term competitiveness

