



6 April 2017

South32 Limited
(Incorporated in Australia under the *Corporations Act 2001* (Cth))
(ACN 093 732 597)
ASX / LSE / JSE Share Code: S32
ISIN: AU000000S320
south32.net

CANNINGTON UPDATE

South32 Limited (ASX, JSE, LSE: S32; ADR: SOUHY) (South32) advises that mining extraction at Cannington has been temporarily impacted by an underground fire that damaged the load-out and shaft haulage infrastructure. Remediation work will be undertaken over a four week period and extraction of the higher grade (silver/lead) stope 60L will be delayed.

Based upon our initial assessment, payable silver, lead and zinc production of 16.5Moz, 135kt and 70kt, respectively, is now anticipated in FY17 with revised mill throughput of approximately 3.1Mt (previously 3.3Mt). An update, including revised unit cost (including Sustaining capital expenditure) guidance, will be provided in our March 2017 Quarterly Report.

| Cannington Production and guidance | 9M YTD FY17 | New FY17e | Prior FY17e |
|---------------------------------------|----------------|---------------|----------------|
| Payable silver production (koz) | 12,277 | 16,500 | 19,050 |
| Payable lead production (kt) | 105 | 135 | 163 |
| Payable zinc production (kt) | 57 | 70 | 80 |

As noted in our December 2016 half year results announcement, production guidance at Cannington remains predicated on the ability to extract higher grade ore in close proximity to the existing underground crusher.

About South32

South32 is a globally diversified mining and metals 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 assets and shareholder returns by optimising our existing operations, unlocking their potential and identifying new opportunities to compete for capital.

Forward-looking statements

This release contains forward-looking statements, including statements about currency exchange rates, commodity prices, production forecasts, plans, exploration and capital expenditure. 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, South32 Limited 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.

FURTHER INFORMATION

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Further information on South32 can be found at www.south32.net.

JSE Sponsor: UBS South Africa (Pty) Ltd
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