

QUARTERLY REPORT

March 2023

- Group copper equivalent production¹ increased by 7% year to date, as our recent investments delivered strong growth in copper and low-carbon aluminium², and Australia Manganese achieved record production.
- Improved market conditions supported higher prices across most of our commodities quarter-on-quarter, with strong price realisations for our premium hard coking coal and manganese products.
- While we remain on-track to meet FY23 production guidance at the majority of our operations, Group production was below plan in the March 2023 quarter due to adverse weather and other temporary impacts.
- FY23 Operating unit cost guidance has been held largely unchanged and Group capital expenditure guidance is unchanged, as we remain focused on delivering efficiencies to mitigate cost pressures.
- Aluminium production increased by 15% year to date as Hillside Aluminium continued to test its technical capacity and we realised the benefit of our increased ownership of Mozal Aluminium and planned ramp-up of Brazil Aluminium.
- At Mozal Aluminium, we reduced output to enable a safe recovery plan following the fatal incident in November 2022, with this work impacted by local flooding in the quarter. FY23 production guidance is revised down by 8%.
- Brazil Alumina lifted production by 6% year to date and Worsley Alumina completed planned calciner maintenance.
- Sierra Gorda delivered strong volume growth in copper and remains on-track to achieve FY23 production guidance.
- Cannington experienced severe wet weather during the quarter which resulted in a temporary suspension of mining activity and prevented a rebuild in mining stocks, with FY23 production guidance revised down by 6%.
- Cerro Matoso nickel production year to date was largely unchanged, reflecting a temporary reduction in access to higher grade ore in the quarter, with FY23 production guidance revised down by 7%.
- Australia Manganese achieved record production and a 6% increase in year to date volumes, supporting a 3% increase in FY23 production guidance.
- South Africa Manganese increased production by 5% year to date and remains on-track to achieve FY23 guidance.
- Illawarra Metallurgical Coal's Appin mine encountered challenging strata conditions in the quarter, resulting in lower longwall productivity and a 7% reduction in FY23 production guidance.

South32 Chief Executive Officer, Graham Kerr: "Group-wide copper equivalent production increased by seven per cent, following investments last year which added copper to our portfolio and increased our share of low-carbon aluminium.

"Manganese ore production has increased by six per cent year-on-year, with Australia Manganese achieving record production. The Eastern Leases project at Australia Manganese has been approved, extending the life of the operation and unlocking significant value.

"Several operations faced challenging conditions during the quarter, with production guidance revised down as a result. At Mozal Aluminium, we reduced output as the team continued to work through their recovery plan following the devastating loss of two of our colleagues in November, with efforts hampered by severe flooding in the local area. We also temporarily suspended mining activity at Cannington during the quarter to enable the safe return to operations following heavy rainfall.

"Our strong financial position enabled us to return US\$31 million to shareholders via our on-market share buy-back in the quarter, with a further US\$128 million still to be returned. Separately, we paid a fully-franked interim dividend of US\$223 million following the end of the period.

"We remain well positioned to capitalise on improved market conditions, with higher production volumes expected to finish the 2023 financial year and Operating unit cost and capital expenditure guidance held largely unchanged.

"We continue to reshape our portfolio towards commodities critical to a low-carbon future, progressing construction and development studies at Hermosa and adding the prospective Chita Valley copper project to our portfolio of greenfield options."

Production summary							
South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	QoQ
Alumina production (kt)	3,927	3,852	(2%)	1,317	1,356	1,239	(9%)
Aluminium production (kt)	737	847	15%	243	289	279	(3%)

Payable copper production (kt)	8.4	53.4	536%	8.4	18.9	15.5	(18%)
Payable silver production (koz)	10,363	8,291	(20%)	3,653	3,064	2,479	(19%)
Payable lead production (kt)	94.8	73.4	(23%)	34.6	27.8	21.0	(24%)
Payable zinc production (kt)	49.1	43.0	(12%)	16.4	16.4	12.6	(23%)
Payable nickel production (kt)	30.9	30.6	(1%)	10.6	10.8	10.2	(6%)
Metallurgical coal production (kt)	4,332	3,993	(8%)	1,565	1,483	1,240	(16%)
Manganese ore production (kwmt)	3,963	4,198	6%	1,206	1,477	1,261	(15%)

Unless otherwise noted: percentage variance relates to performance during the nine months ended March 2023 compared with the nine months ended March 2022 (YoY), or the March 2023 quarter compared with the December 2022 quarter (QoQ); production and sales volumes are reported on an attributable basis.

CORPORATE UPDATE

- We continued to implement our multi-year Safety Improvement Program, designed to fundamentally shift our safety performance. During the quarter, we progressed work to enhance leadership capability and ensure the sustained effectiveness of enabling systems.
- We advanced decarbonisation programs to support our target³ to halve our operational greenhouse gas emissions by 2035, including the conversion of the first onsite boiler at Worsley Alumina from coal to natural gas, which is expected to be completed in mid CY23.
- FY23 Operating unit cost guidance has been held largely unchanged, with guidance increased at Cannington and Illawarra Metallurgical Coal due to lower planned volumes. All other FY23 Operating unit cost guidance and Group capital expenditure guidance is unchanged, as we remain focused on delivering efficiencies to mitigate cost pressures.
- Our manganese joint venture approved the Eastern Leases South life extension project, which will extend the life of our low-cost Australia Manganese operation to at least FY28⁴. We are completing additional study work on areas within our existing operating footprint and in the Southern Areas to potentially extend the operation's life into the next decade. We expect to invest US\$44M over FY24 and FY25 to complete the life extension project, unlocking significant value.
- Consistent with our focus on adding prospective base metals options, we exercised our earn-in right to acquire a 50.1% interest and operatorship of the Chita Valley copper exploration project in the San Juan province of Argentina. The exercise of our earn-in right follows a three-year exploration partnership at Chita Valley with Minsud Resources Corp. The transaction is expected to be completed in the March 2024 quarter.
- We finished the March 2023 quarter with net debt⁵ of US\$298M as improved commodity prices were offset by a further build in our aluminium working capital position and the continuation of shareholder returns under our capital management program. While aluminium sales volumes are expected to increase in the June 2023 quarter as we drawdown inventory, the timing of sales is expected to result in an elevated working capital position at 30 June 2023.
- We received net distributions⁶ of US\$33M (South32 share) during the March 2023 quarter from our manganese equity accounted investment (EAI) (US\$93M in the nine months ended March 2023). Excess cash held in both the manganese and Sierra Gorda EAI's is expected to be distributed to partners in the June 2023 quarter.
- Our strong financial position supported the purchase of a further 11 million shares via our on-market share buy-back at an average price of A\$4.27, enabling returns of US\$31M in the March 2023 quarter (US\$173M at an average price of A\$3.93 in the nine months ended March 2023). Our US\$2.3B capital management program is 94% complete with US\$128M remaining to be returned ahead of its extension or expiry on 1 September 2023⁷.
- We have revised FY23 guidance for Underlying net finance costs to US\$190M (from US\$150M), reflecting the Group's balance sheet position at the end of the March 2023 quarter.
- Following the end of the period, we paid a fully-franked interim dividend of US\$223M in respect of the December 2022 half year.

DEVELOPMENT AND EXPLORATION UPDATE

Hermosa project

- We invested US\$176M at our Hermosa project in the nine months ended March 2023 as we continued critical path activity and study work for the Taylor zinc-lead-silver deposit and the Clark battery-grade manganese-zinc-silver deposit.
- We progressed construction of the second water treatment plant, which remains on-track to be commissioned in the June 2023 quarter. Dewatering is a critical path activity which will enable access to both the Taylor and Clark deposits.
- At Clark, we completed the collection of bulk samples to support initial pilot plant production of battery-grade manganese in mid CY23. We also signed our first non-binding, non-exclusive memorandum of understanding for the future potential supply of battery-grade material to the North American market.
- We directed US\$12M to capitalised exploration in the nine months ended March 2023 as we continued exploration programs at Taylor and Clark and the copper-lead-zinc-silver Peake prospect⁸. Exploration drilling at the Flux prospect⁹ is expected to commence in the September 2023 quarter following the receipt of approvals.

Ambler Metals project

- Our 50% share of capitalised exploration for the Ambler Metals joint venture was US\$9M in the nine months ended March 2023 as the CY22 summer exploration program was completed and the joint venture progressed work on the pre-feasibility study for the polymetallic Arctic deposit.
- Following the end of the period, we agreed to invest US\$1.2M in Trilogy Metals Inc. (TSX:TMQ, Trilogy), our partner in the Ambler Metals joint venture, taking our equity ownership in Trilogy to 12.0%.

Greenfield exploration

- We invested US\$28M in our greenfield exploration opportunities in the nine months ended March 2023, as we progressed multiple programs targeting base metals in Australia, USA, Canada, Argentina, Peru and Ireland.

Other exploration

- We invested US\$47M (US\$31M capitalised) in exploration programs at our existing operations and development options in the nine months ended March 2023, including US\$12M at the Hermosa project (noted above, all capitalised), US\$9M at Ambler Metals (noted above, all capitalised), US\$2M for our manganese EAI (US\$1M capitalised) and US\$5M for our Sierra Gorda EAI (US\$2M capitalised).

PRODUCTION SUMMARY

Production guidance (South32 share)	FY22	9M YTD23	FY23e ^(a)	Guidance comments
Worsley Alumina				
Alumina production (kt)	3,991	2,827	4,000	Guidance unchanged Calcliner maintenance in Q1 FY23 and Q3 FY23
Brazil Alumina (non-operated)				
Alumina production (kt)	1,297	1,025	↓ 1,340	Guidance reduced by 4% (from 1,395kt) due to a temporary conveyor outage
Brazil Aluminium (non-operated)				
Aluminium production (kt)	0.3	45.3	75	Guidance unchanged Smelter continues to ramp-up to nameplate
Hillside Aluminium ¹⁰				
Aluminium production (kt)	714	539	720	Guidance unchanged
Mozal Aluminium ^{10, 11}				
Aluminium production (kt)	278	263	↓ 340	Guidance reduced by 8% (from 370kt) as we temporarily reduced output to support a safe recovery plan and manage weather impacts in Q3 FY23
Sierra Gorda (non-operated)				
Payable copper equivalent production ¹² (kt)	30.6	63.9	89.0	Guidance unchanged
Payable copper production (kt)	25.3	53.4	71.8	
Payable molybdenum production (kt)	0.4	0.7	1.5	
Payable gold production (koz)	9.6	21.5	29.9	
Payable silver production (koz)	253	476	582	
Cannington				
Payable zinc equivalent production ¹³ (kt)	224.2	139.8	↓ 195.9	Guidance reduced by 6% (from 209.4kt payable zinc equivalent ¹³) due to severe wet weather in Q3 FY23
Payable silver production (koz)	12,946	7,815	↓ 11,000	
Payable lead production (kt)	120.6	73.4	↓ 102.0	
Payable zinc production (kt)	64.5	43.0	↓ 60.5	
Cerro Matoso				
Payable nickel production (kt)	41.7	30.6	↓ 40.5	Guidance reduced by 7% (from 43.5kt) due to a temporary reduction in access to higher grade ore
Illawarra Metallurgical Coal				
Total coal production (kt)	6,509	4,767	↓ 6,500	Guidance reduced by 7% (from 7.0Mt) as Appin encountered challenging strata conditions in Q3 FY23
Metallurgical coal production (kt)	5,712	3,993	↓ 5,500	
Energy coal production (kt)	797	774	1,000	
Australia Manganese				
Manganese ore production (kwmt)	3,363	2,676	↑ 3,500	Guidance increased by 3% (from 3,400kwmt) with improved primary output
South Africa Manganese				
Manganese ore production (kwmt)	2,069	1,522	2,000	Guidance unchanged Subject to demand and our continued use of higher cost trucking

a. The denotation (e) refers to an estimate or forecast year. All guidance is subject to further potential impacts from COVID-19.

WORSLEY ALUMINA (86% SHARE)

South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	3Q23 vs 3Q22	3Q23 vs 2Q23
Alumina production (kt)	2,961	2,827	(5%)	982	1,002	905	(8%)	(10%)
Alumina sales (kt)	2,856	2,706	(5%)	910	976	845	(7%)	(13%)

Worsley Alumina saleable production decreased by 5% (or 134kt) to 2,827kt in the nine months ended March 2023 with planned calciner maintenance in the September 2022 and March 2023 quarters. FY23 production guidance remains unchanged at 4,000kt, with the refinery expected to achieve nameplate production rates in the June 2023 quarter.

BRAZIL ALUMINA (36% SHARE)

South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	3Q23 vs 3Q22	3Q23 vs 2Q23
Alumina production (kt)	966	1,025	6%	335	354	334	(0%)	(6%)
Alumina sales (kt)	932	995	7%	306	365	317	4%	(13%)

Brazil Alumina saleable production increased by 6% (or 59kt) to 1,025kt in the nine months ended March 2023, following the bauxite ship unloader outage in the prior period.

In late March 2023, the belt system that conveys raw materials from the port failed and the refinery reduced production to manage bauxite inventories. The belt system was repaired in April 2023 and the refinery has since returned to normal production levels. Due to this temporary outage, FY23 production guidance has been reduced by 4% to 1,340kt.

Notwithstanding lower planned volumes, FY23 Operating unit costs are expected to be approximately 5% below H1 FY23 (US\$364/t) as raw material and energy prices continue to moderate.

BRAZIL ALUMINIUM (40% SHARE)

South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	3Q23 vs 3Q22	3Q23 vs 2Q23
Aluminium production (kt)	-	45.3	N/A	-	15.4	21.6	N/A	40%
Aluminium sales (kt)	-	41.9	N/A	-	16.1	22.5	N/A	40%

Brazil Aluminium saleable production was 45.3kt in the nine months ended March 2023, following the successful restart of the smelter in the June 2022 quarter. Production improved by 40% (or 6.2kt) in the March 2023 quarter as all three potlines ramped-up toward nameplate capacity as planned. FY23 and FY24 production guidance remains unchanged at 75kt and 148kt respectively.

HILLSIDE ALUMINIUM (100% SHARE)

South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	3Q23 vs 3Q22	3Q23 vs 2Q23
Aluminium production (kt)	535	539	1%	177	183	177	0%	(3%)
Aluminium sales (kt)	515	534	4%	179	175	197	10%	13%

Hillside Aluminium saleable production increased by 1% (or 4kt) to 539kt in the nine months ended March 2023 as the smelter continued to test its maximum technical capacity despite the impact of elevated load-shedding. FY23 production guidance remains unchanged at 720kt¹⁰.

Sales increased by 13% in the March 2023 quarter with two carry-over shipments from the prior quarter supporting a drawdown in inventory.

While the cost profile of Hillside Aluminium will continue to be heavily influenced by the South African rand and the price of raw materials, we expect FY23 Operating unit costs to be largely in-line with H1 FY23 (US\$2,276/t).

MOZAL ALUMINIUM (63.7%¹¹ SHARE)

South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	3Q23 vs 3Q22	3Q23 vs 2Q23
Aluminium production (kt)	202	263	30%	66	90	81	23%	(10%)
Aluminium sales (kt)	188	220	17%	66	90	43	(35%)	(52%)

Mozal Aluminium saleable production increased by 30% (or 61kt) to 263kt in the nine months ended March 2023, reflecting our increased ownership of the smelter¹¹. During the March 2023 quarter, we made the decision to temporarily reduce amperage at the smelter to support the safe recovery of operations following the fatal incident in November 2022. The recovery plan was impacted by resourcing constraints during the quarter as significant floods restricted the movement of people and equipment to the smelter. FY23 production guidance has been reduced by 8% to 340kt¹⁰, with the smelter expected to return to nameplate capacity during the September 2023 quarter. FY24 production guidance is unchanged at 370kt¹⁰.

The execution of the recovery plan also resulted in a temporary reduction in metal quality. During the quarter, approximately 35% of production was below specification and sales volumes decreased by 52% (or 47kt) as we assessed commercial alternatives for this material. We have now commenced shipments of this material, achieving realised prices that reflect a modest discount to our other LME-linked aluminium sales. Sales volumes are expected to increase to approximately 100kt in the June 2023 quarter as inventory is drawn down and product quality improves in-line with the recovery plan.

The temporary reduction in sales volumes is expected to have a modest impact on FY23 Operating unit costs, with FY23 Operating unit costs expected to be approximately 5% above H1 FY23 (US\$2,237/t) subject to the price of raw materials.

SIERRA GORDA (45% SHARE)

South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	3Q23 vs 3Q22	3Q23 vs 2Q23
Payable copper equivalent production ¹² (kt)	10.3	63.9	520%	10.3	22.3	19.0	84%	(15%)
Payable copper production (kt)	8.4	53.4	536%	8.4	18.9	15.5	85%	(18%)
Payable copper sales (kt)	11.1	53.8	385%	11.1	19.2	15.4	39%	(20%)

Sierra Gorda payable copper equivalent production¹² was 63.9kt in the nine months ended March 2023. Payable copper equivalent production decreased by 15% to 19.0kt in the March 2023 quarter, reflecting a lower average copper grade in accordance with the mine plan, and lower plant throughput as wet weather caused a temporary sub-station outage. FY23 payable copper equivalent production guidance of 89.0kt remains unchanged, with mill throughput expected to improve in the June 2023 quarter.

Work continued on the plant de-bottlenecking project, with construction of the third tailings thickener completed in the quarter. The de-bottlenecking project is targeting an increase in plant throughput of 48 to 49Mtpa (100% basis), while feasibility study work continues on the potential fourth grinding line expansion.

CANNINGTON (100% SHARE)

South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	3Q23 vs 3Q22	3Q23 vs 2Q23
Payable zinc equivalent production ¹³ (kt)	175.3	139.8	(20%)	61.3	52.7	41.0	(33%)	(22%)
Payable silver production (koz)	10,278	7,815	(24%)	3,568	2,906	2,341	(34%)	(19%)
Payable silver sales (koz)	9,536	7,495	(21%)	2,818	3,379	2,412	(14%)	(29%)
Payable lead production (kt)	94.8	73.4	(23%)	34.6	27.8	21.0	(39%)	(24%)
Payable lead sales (kt)	91.2	73.0	(20%)	27.9	32.6	21.7	(22%)	(33%)
Payable zinc production (kt)	49.1	43.0	(12%)	16.4	16.4	12.6	(23%)	(23%)
Payable zinc sales (kt)	50.1	36.3	(28%)	17.3	12.6	8.8	(49%)	(30%)

Cannington payable zinc equivalent production¹³ decreased by 20% (or 35.5kt) to 139.8kt in the nine months ended March 2023, due to lower mill throughput and labour constraints in the first half of the 2023 financial year and severe wet weather in the March 2023 quarter. During the quarter, we temporarily suspended mining activity to ensure safety of the underground operation following the heavy rainfall, while the movement of people and critical supplies to site was also disrupted by widespread flooding. As a result, payable zinc equivalent production decreased by 22% (or 11.7kt) in the quarter and the operation was unable to rebuild run of mine stocks.

FY23 production guidance has been reduced by 6% to 195.9kt payable zinc equivalent (silver 11,000koz, lead 102.0kt and zinc 60.5kt). The revised guidance reflects an expected 10% reduction in ore processed (to 2,200kdm), partly offset by higher zinc, lead and silver grades, with the transition to 100% truck haulage providing access to higher grade material. We expect run of mine stock availability and more complex underground mining conditions to constrain output in FY24, with production guidance reduced by 8% to 215.3kt payable zinc equivalent (ore processed 2,400kdm, silver 12,500koz, lead 115.0kt and zinc 62.0kt).

Due to the lower planned volumes, we have revised FY23 Operating unit cost guidance to US\$152/t ore processed (from US\$141/t).

CERRO MATOSO (99.9% SHARE)

South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	3Q23 vs 3Q22	3Q23 vs 2Q23
Payable nickel production (kt)	30.9	30.6	(1%)	10.6	10.8	10.2	(4%)	(6%)
Payable nickel sales (kt)	29.9	30.4	2%	9.8	10.8	10.6	8%	(2%)

Cerro Matoso payable nickel production was largely unchanged at 30.6kt in the nine months ended March 2023. Production decreased by 6% (or 0.6kt) to 10.2kt in the March 2023 quarter due to lower ore availability from the higher grade Q&P pit, as road access was temporarily restricted due to an environmental order. This order was lifted by the end of the quarter and truck haulage of Q&P material has resumed. Due to lower volumes of this higher grade ore, FY23 production guidance has been reduced by 7% to 40.5kt.

FY23 Operating unit cost guidance is held unchanged at US\$4.99/lb with the benefit of a weaker Colombian peso (USD:COP exchange rate of 4,688) and lower price-linked royalties, expected to offset lower planned volumes.

Sales declined 2% in the March 2023 quarter. Price realisations for our ferronickel product remain dislocated from the LME Nickel index due to market dynamics. Our realised price for nickel sales for the nine months ended March 2023 was US\$8.31/lb.

ILLAWARRA METALLURGICAL COAL (100% SHARE)

South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	3Q23 vs 3Q22	3Q23 vs 2Q23
Total coal production (kt)	4,926	4,767	(3%)	1,781	1,736	1,436	(19%)	(17%)
Total coal sales ¹⁴ (kt)	4,720	4,662	(1%)	1,465	1,795	1,477	1%	(18%)
Metallurgical coal production (kt)	4,332	3,993	(8%)	1,565	1,483	1,240	(21%)	(16%)
Metallurgical coal sales (kt)	4,235	3,873	(9%)	1,358	1,485	1,195	(12%)	(20%)
Energy coal production (kt)	594	774	30%	216	253	196	(9%)	(23%)
Energy coal sales (kt)	485	789	63%	107	310	282	164%	(9%)

Illawarra Metallurgical Coal saleable production decreased by 3% (or 159kt) to 4.8Mt in the nine months ended March 2023, with production decreasing by 17% (or 300kt) in the March 2023 quarter as challenging strata conditions were encountered at the Appin mine.

Improved longwall performance and production is expected at Appin in the June 2023 quarter, while a longwall move is scheduled at Dendrobium. FY23 production guidance has been reduced by 7% to 6.5Mt (metallurgical coal 5.5Mt and energy coal 1.0Mt) to reflect lower year to date volumes. FY24 production guidance is unchanged at 5.3Mt.

Due to the lower planned volumes, we have revised FY23 Operating unit cost guidance to US\$127/t (from US\$119/t).

Sales decreased by 18% in the March 2023 quarter due to lower product availability. Notwithstanding, we achieved strong price realisations for our premium quality hard coking coal product, with our realised prices representing a premium of circa 4% to the low-volatile hard coking coal index¹⁵ on a M-1 basis.

AUSTRALIA MANGANESE (60% SHARE)

South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	3Q23 vs 3Q22	3Q23 vs 2Q23
Manganese ore production (kwmt)	2,519	2,676	6%	815	946	832	2%	(12%)
Manganese ore sales (kwmt)	2,512	2,395	(5%)	775	873	743	(4%)	(15%)

Australia Manganese saleable production increased by 6% (or 157kwmt) to a record of 2,676kwmt in the nine months ended March 2023, as improved yields supported higher primary concentrator output and the operation drew down stockpiles in the quarter, as planned, to manage wet season mining constraints. FY23 production guidance has been increased by 3% to 3,500kwmt, reflecting the operation's strong year to date performance.

We recorded improved price realisations in the March 2023 quarter, achieving the high grade 44% manganese lump ore index¹⁶ on a M-1 basis, despite our low-cost PCO2 circuit continuing to operate above its design capacity, contributing approximately 10% of production (9M YTD22: 12%).

Due to in-land logistics constraints and timing of sales, we expect to hold elevated inventory positions at 30 June 2023. Inventories are expected to be drawn down in the September 2023 quarter.

SOUTH AFRICA MANGANESE (ORE 54.6% SHARE)

South32 share	9M YTD22	9M YTD23	YoY	3Q22	2Q23	3Q23	3Q23 vs 3Q22	3Q23 vs 2Q23
Manganese ore production (kwmt)	1,444	1,522	5%	391	531	429	10%	(19%)
Manganese ore sales (kwmt)	1,589	1,524	(4%)	495	559	492	(1%)	(12%)

South Africa Manganese saleable production increased by 5% (or 78kwmt) to 1,522kwmt in the nine months ended March 2023, as improved mining performance more than offset the impact of wet weather disruptions in the quarter. FY23 production guidance remains unchanged at 2,000kwmt, subject to market conditions and our continued use of higher cost trucking.

NOTES

1. Group payable copper equivalent production calculated by applying year to date FY23 production volumes and FY22 realised prices for all operations (except for Brazil Aluminium which is based on FY22 average index prices for aluminium).
2. Refers to aluminium produced using renewable power.
3. Target is defined as an intended outcome in relation to which we have identified one or more pathways for delivery of that outcome, subject to certain assumptions or conditions. Our medium-term target is to halve our operational greenhouse gas (GHG) emissions by 2035 compared to our FY21 baseline. FY21 baseline adjusted to exclude GHG emissions from South Africa Energy Coal and TEMCO, which were divested in FY21.
4. Australia Manganese Production Targets cautionary statement: The information in this announcement that refers to Production Target and forecast financial information is based on Proved (70.2%) and Probable (4.9%) Ore Reserves and Measured (21.3%) and Indicated (3.6%) Mineral Resources. The Mineral Resources and Ore Reserves underpinning the Production Target have been prepared by Joshua Harvey and Ursula Sandilands, Competent Persons in accordance with the requirements of the JORC Code. The Mineral Resources and Ore Reserves estimates are available to view in South32's FY22 Annual Report (www.south32.net) published on 9 September 2022. 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 3.6% of tonnage from Indicated Mineral Resources is not the determining factor of the project viability and the project forecasts a positive financial performance when using 96.4% of the tonnage. South32 is satisfied, therefore, that the use of Indicated Mineral Resources in the Production Target and forecast financial information reporting is reasonable.
5. Net debt number is unaudited and should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity.
6. Net distributions from our material equity accounted investments (manganese and Sierra Gorda) includes net debt movements and dividends, which are unaudited and should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity.
7. Since inception, US\$1.7B has been allocated to the on-market share buy-back (762M shares at an average price of A\$3.02 per share) and US\$525M returned in the form of special dividends.
8. Peake Prospect Exploration Target: The information in this announcement that relates to the Exploration Target for Peake Prospect is extracted from "Hermosa Project Update" published on 17 January 2022 and is available to view on www.south32.net. The information was prepared by D Bertuch, Competent Person in accordance with the requirements of the JORC Code. South32 confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. South32 confirms that the form and context in which the Competent Person's findings are presented have not been materially changed from the original market announcement.
9. Flux Exploration Target: The information in this announcement that relates to the Exploration Target for Flux is extracted from "South32 Strategy and Business Update" published on 18 May 2021 and is available to view on www.south32.net. The information was prepared by D Bertuch, Competent Person in accordance with the requirements of the JORC Code. South32 confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. South32 confirms that the form and context in which the Competent Person's findings are presented have not been materially changed from the original market announcement.
10. Production guidance for Hillside Aluminium and Mozal Aluminium does not assume any load-shedding impact on production.
11. Refer to market release "South32 completes acquisition of additional shareholding in Mozal Aluminium" dated 31 May 2022. Historical production and sales figures have not been restated for our increased ownership (presented on a 47.1% basis to 31 May 2022).
12. Payable copper equivalent production (kt) was calculated by aggregating revenues from payable copper, molybdenum, gold and silver, and dividing the total Revenue by the price of copper. FY22 realised prices for copper (US\$3.50/lb), molybdenum (US\$18.48/lb), gold (US\$1,934/oz) and silver (US\$23.5/oz) have been used for FY22, FY23 and FY23e.
13. Payable zinc equivalent production (kt) was calculated by aggregating revenues from payable silver, lead and zinc, and dividing the total Revenue by the price of zinc. FY22 realised prices for zinc (US\$3,248/t), lead (US\$2,046/t) and silver (US\$21.0/oz) have been used for FY22, FY23 and FY23e.
14. Illawarra Metallurgical Coal sales are adjusted for moisture and will not reconcile directly to Illawarra Metallurgical Coal production.
15. The premium low-volatile hard coking coal Platts index (FOB Australia) on the basis of a one-month lag to published pricing (Month minus one or "M-1") was US\$315/t in the March 2023 quarter.
16. The Metal Bulletin 44% manganese lump ore index (CIF Tianjin, China) on the basis of M-1 was US\$5.30/dmtu in the March 2023 quarter.

The following abbreviations have been used throughout this report: US\$ million (US\$M); US\$ billion (US\$B); grams per tonne (g/t); tonnes (t); thousand tonnes (kt); thousand tonnes per annum (ktpa); million tonnes (Mt); million tonnes per annum (Mtpa); ounces (oz); thousand ounces (koz); million ounces (Moz); thousand wet metric tonnes (kwmt); million wet metric tonnes (Mwmt); million wet metric tonnes per annum (Mwmt pa); dry metric tonne unit (dmtu); thousand dry metric tonnes (kdmt).

Figures in *italics* indicate that an adjustment has been made since the figures were previously reported. The denotation (e) refers to an estimate or forecast year.

OPERATING PERFORMANCE

South32 share	9M YTD22	9M YTD23	3Q22	4Q22	1Q23	2Q23	3Q23
Worsley Alumina (86% share)							
Alumina hydrate production (kt)	2,966	2,876	972	1,014	957	998	921
Alumina production (kt)	2,961	2,827	982	1,030	920	1,002	905
Alumina sales (kt)	2,856	2,706	910	1,118	885	976	845
Brazil Alumina (36% share)							
Alumina production (kt)	966	1,025	335	331	337	354	334
Alumina sales (kt)	932	995	306	367	313	365	317
Brazil Aluminium (40% share)							
Aluminium production (kt)	-	45.3	-	0.3	8.3	15.4	21.6
Aluminium sales (kt)	-	41.9	-	-	3.3	16.1	22.5
Hillside Aluminium (100% share)							
Aluminium production (kt)	535	539	177	179	179	183	177
Aluminium sales (kt)	515	534	179	198	162	175	197
Mozal Aluminium (63.7%¹¹ share)							
Aluminium production (kt)	202	263	66	76	92	90	81
Aluminium sales (kt)	188	220	66	88	87	90	43
Sierra Gorda (45% share)							
Ore mined (Mt)	4.7	20.5	4.7	9.0	8.8	6.6	5.1
Ore processed (Mt)	2.3	15.8	2.3	5.2	5.4	5.3	5.1
Copper ore grade processed (% Cu)	0.45	0.43	0.45	0.40	0.45	0.44	0.40
Payable copper equivalent production ¹² (kt)	10.3	63.9	10.3	20.3	22.6	22.3	19.0
Payable copper production (kt)	8.4	53.4	8.4	16.9	19.0	18.9	15.5
Payable copper sales (kt)	11.1	53.8	11.1	16.6	19.2	19.2	15.4
Payable molybdenum production (kt)	0.2	0.7	0.2	0.2	0.2	0.2	0.3
Payable molybdenum sales (kt)	0.1	1.0	0.1	0.5	0.3	0.5	0.2
Payable gold production (koz)	2.3	21.5	2.3	7.3	7.8	7.5	6.2
Payable gold sales (koz)	3.0	21.8	3.0	6.9	7.7	7.7	6.4
Payable silver production (koz)	85	476	85	168	180	158	138
Payable silver sales (koz)	111	482	111	171	179	166	137

South32 share	9M YTD22	9M YTD23	3Q22	4Q22	1Q23	2Q23	3Q23
Cannington (100% share)							
Ore mined (kwmt)	2,112	1,592	637	641	639	484	469
Ore processed (kdmmt)	2,066	1,594	681	552	518	624	452
Silver ore grade processed (g/t, Ag)	180	179	188	177	179	171	191
Lead ore grade processed (% Pb)	5.4	5.5	5.9	5.5	5.6	5.4	5.5
Zinc ore grade processed (% Zn)	3.4	3.7	3.4	3.8	3.7	3.6	3.8
Payable zinc equivalent production ¹³ (kt)	175.3	139.8	61.3	48.9	46.1	52.7	41.0
Payable silver production (koz)	10,278	7,815	3,568	2,668	2,568	2,906	2,341
Payable silver sales (koz)	9,536	7,495	2,818	3,362	1,704	3,379	2,412
Payable lead production (kt)	94.8	73.4	34.6	25.8	24.6	27.8	21.0
Payable lead sales (kt)	91.2	73.0	27.9	31.0	18.7	32.6	21.7
Payable zinc production (kt)	49.1	43.0	16.4	15.4	14.0	16.4	12.6
Payable zinc sales (kt)	50.1	36.3	17.3	16.1	14.9	12.6	8.8
Cerro Matoso (99.9% share)							
Ore mined (kwmt)	3,726	3,941	1,310	1,141	1,332	1,420	1,189
Ore processed (kdmmt)	2,025	2,105	690	678	666	726	713
Ore grade processed (% Ni)	1.73	1.62	1.73	1.71	1.63	1.65	1.58
Payable nickel production (kt)	30.9	30.6	10.6	10.8	9.6	10.8	10.2
Payable nickel sales (kt)	29.9	30.4	9.8	11.9	9.0	10.8	10.6
Illawarra Metallurgical Coal (100%)							
Total coal production (kt)	4,926	4,767	1,781	1,583	1,595	1,736	1,436
Total coal sales ¹⁴ (kt)	4,720	4,662	1,465	1,886	1,390	1,795	1,477
Metallurgical coal production (kt)	4,332	3,993	1,565	1,380	1,270	1,483	1,240
Metallurgical coal sales (kt)	4,235	3,873	1,358	1,588	1,193	1,485	1,195
Energy coal production (kt)	594	774	216	203	325	253	196
Energy coal sales (kt)	485	789	107	298	197	310	282
Australia Manganese (60% share)							
Manganese ore production (kwmt)	2,519	2,676	815	844	898	946	832
Manganese ore sales (kwmt)	2,512	2,395	775	860	779	873	743
Ore grade sold (% Mn)	44.2	44.1	44.1	44.2	44.3	44.1	44.0
South Africa Manganese (54.6% share)							
Manganese ore production (kwmt)	1,444	1,522	391	625	562	531	429
Manganese ore sales (kwmt)	1,589	1,524	495	581	473	559	492
Ore grade sold (% Mn)	39.8	39.1	40.5	39.4	38.5	39.8	38.8

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. South32 cautions against reliance on any forward-looking statements or guidance, including any disruption arising in connection with COVID-19.

FURTHER INFORMATION

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