

# QUARTERLY REPORT

## September 2024



**South32 Chief Executive Officer, Graham Kerr:** "We were devastated by the loss of Mr José Luis Pérez, who was fatally injured in an incident at Cerro Matoso on 17 September and we express our sincere and deepest sympathies to his family, friends and colleagues.

"We remain committed to improving our safety performance. We continue to implement our Safety Improvement Program, which will help us to achieve a step change in our performance so that everyone goes home safe and well every day.

"We have maintained annual production guidance for all of our operations with a strong start to the year in aluminium and a 20 per cent uplift in copper equivalent volumes from Sierra Gorda.

"Completing the sale of Illawarra Metallurgical Coal is a major milestone in our portfolio transformation which has unlocked significant value and streamlined our business toward commodities critical for a low-carbon future.

"The sale has also lowered our sustaining capital intensity and strengthened our financial position, enabling us to self fund our growth in base metals and deliver returns to shareholders via our on-market share buy-back.

"At Hermosa, construction of our large-scale, long-life Taylor zinc-lead-silver project is progressing as planned and we are continuing to unlock value across our broader land package.

"During the quarter, Hermosa was selected for a US\$166 million award negotiation from the US Department of Energy, which recognises Clark's potential to supply battery-grade manganese for the emerging North American market.

"Our transformed portfolio, focused on copper, zinc and our aluminium value chain, leaves us well placed to capitalise on the global energy transition and stronger market conditions to start the year."

- Completed the sale of Illawarra Metallurgical Coal and received upfront cash proceeds of US\$964M<sup>1</sup>.
- Expanded our capital management program by US\$200M and commenced our on-market share buy-back.
- Maintained FY25 production guidance for all operations.
- Aluminium production increased by 5% as Hillside Aluminium continued to test its maximum technical capacity, and low-carbon aluminium<sup>2</sup> production from Brazil Aluminium and Mozal Aluminium increased by 12%.
- Worsley Alumina saleable production declined by 7% as planned calciner maintenance was undertaken and we managed constrained bauxite supply. The Western Australian Environment Minister is expected to consider approval of new bauxite mining areas in December 2024, with Federal approvals expected shortly thereafter.
- Brazil Alumina saleable production was largely unchanged as plant availability continued to improve. A preliminary environmental license for the MRN West Zone mine life extension project was issued during the September 2024 quarter.
- Sierra Gorda payable copper equivalent production<sup>3</sup> increased by 20% due to higher planned copper grades and a significant increase in molybdenum recoveries as a result of improved ore quality.
- Cannington payable zinc equivalent production<sup>4</sup> declined by 34% due to challenging ground conditions, resulting in the deferral of a higher grade stope to the December 2024 quarter.
- South Africa Manganese production increased by 12% as the operation delivered strong mining performance and continued to sell secondary products to maximise margins.
- Australia Manganese continued a substantial dewatering program and remains on track to resume production in the December 2024 quarter. Initial external insurance recoveries of US\$100M (100% basis) were received during the quarter.
- Continued construction of Hermosa's Taylor zinc-lead-silver project as planned. Clark was selected for a US\$166M award negotiation from the US Department of Energy for a potential commercial-scale battery-grade manganese facility<sup>5</sup>.
- Entered into a strategic alliance to explore for copper in the Kalahari copper belt in Namibia and an earn-in agreement for a zinc-lead-silver prospect in Nevada, USA.

### Production summary

South32 share	YTD FY24	YTD FY25	YoY	1Q24	4Q24	1Q25	QoQ
Alumina production (kt)	1,290	<b>1,184</b>	(8%)	1,290	1,249	<b>1,184</b>	(5%)
Aluminium production (kt)	288	<b>298</b>	3%	288	285	<b>298</b>	5%
Payable copper production (kt)	16.0	<b>17.6</b>	10%	16.0	15.3	<b>17.6</b>	15%
Payable silver production (koz)	3,375	<b>2,066</b>	(39%)	3,375	3,224	<b>2,066</b>	(36%)
Payable lead production (kt)	28.5	<b>19.3</b>	(32%)	28.5	28.8	<b>19.3</b>	(33%)
Payable zinc production (kt)	13.2	<b>12.1</b>	(8%)	13.2	17.4	<b>12.1</b>	(30%)
Payable nickel production (kt)	8.3	<b>8.6</b>	4%	8.3	11.5	<b>8.6</b>	(25%)
Manganese ore production (kwmt)	1,518	<b>597</b>	(61%)	1,518	534	<b>597</b>	12%

Unless otherwise noted, percentage variance relates to performance during the September 2024 quarter compared with the September 2023 quarter (YoY), or the September 2024 quarter compared with the June 2024 quarter (QoQ); production and sales volumes are reported on an attributable basis.

# CORPORATE UPDATE

## Safety

- On 17 September 2024, Mr José Luis Pérez was fatally injured in an incident at Cerro Matoso, our ferronickel operation in Colombia. Our deepest sympathies are with Mr Pérez's family and colleagues to whom we are providing support and counselling. An investigation into the incident is underway and we are engaging with the relevant authorities.
- We remain united by our belief that everyone can go home safe and well every day. We are continuing to implement our global multi-year Safety Improvement Program to deliver improved safety performance, including investment in safety leadership through our LEAD Safely Every Day Program which has been completed by more than 1,500 leaders, employees and contractors in our business.

## Sustainability

- Worsley Alumina achieved performance standard certification against the Aluminium Stewardship Initiative (ASI), a certification organisation which aims to foster responsible production, sourcing and stewardship of aluminium. With Mozal Aluminium also having ASI certification, we can now deliver aluminium with full value chain certification from the mining and refining of bauxite to alumina at Worsley Alumina, to the production of aluminium at Mozal Aluminium.

## Portfolio

- On 29 August 2024, we completed the sale of Illawarra Metallurgical Coal (the Transaction) to an entity owned by Golden Energy and Resources Pte Ltd and M Resources Pty Ltd, receiving upfront cash proceeds of US\$964M<sup>1</sup>. The total Transaction consideration also includes deferred cash consideration of US\$250M, payable in March 2030, and contingent price-linked cash consideration of up to US\$350M<sup>6</sup>.
- On 12 August 2024, we completed the sale of our 50% interest in the Eagle Downs metallurgical coal project to a subsidiary of Stanmore Resources Limited, for US\$18M<sup>7</sup> in cash, a contingent payment of US\$20M<sup>8</sup> and a price-linked royalty of up to US\$100M<sup>9</sup>.

## Financial

- Net debt<sup>10</sup> decreased by US\$723M to US\$39M in the September 2024 quarter as we completed the sale of Illawarra Metallurgical Coal, continued our investment in growth at Hermosa, and experienced a temporary build in working capital.
- Working capital increased by approximately US\$150M during the September 2024 quarter, primarily related to a temporary increase in work in progress and finished goods inventories in our aluminium value chain.
- We provided funding of US\$63M to our manganese equity accounted investment (EAI) during the September 2024 quarter to support the operational recovery plan at Australia Manganese following the impacts of Tropical Cyclone Megan.
- Our manganese EAI received initial recoveries of US\$100M (100% basis) from external insurers and a one-off recovery of US\$50M (100% basis) under the Group's captive insurance program during the September 2024 quarter. We are continuing to work with our insurers to assess the timing and value of further recoveries under property damage and business interruption policies.
- We received net distributions<sup>11</sup> of US\$32M (South32 share) from our Sierra Gorda EAI during the September 2024 quarter, with a further distribution anticipated in the December 2024 quarter.
- We invested US\$135M in Group capital expenditure (excluding EAI and Hermosa) during the September 2024 quarter, including US\$57M at Illawarra Metallurgical Coal prior to completion of the Transaction.
- We made Group tax payments of US\$47M (excluding EAI) during the September 2024 quarter.
- Reflecting our strengthened financial position and disciplined approach to capital allocation, we expanded our capital management program by US\$200M, and commenced our on-market share buy-back in September 2024. We spent US\$3M purchasing 1M shares at an average price of A\$3.26 per share in September 2024, leaving US\$197M remaining to be returned to shareholders ahead of extension or expiry of the program on 12 September 2025<sup>12</sup>.
- Following the end of the September 2024 quarter, we paid a fully-franked ordinary dividend of US\$140M in respect of the June 2024 half year.

# DEVELOPMENT AND EXPLORATION UPDATE

## Hermosa project

- We invested US\$123M in growth capital expenditure at Hermosa during the September 2024 quarter, as we progressed construction of the Taylor zinc-lead-silver project and an exploration decline for the Clark battery-grade manganese deposit.
- All critical path dewatering wells for both Taylor and Clark were commissioned during the September 2024 quarter.
- Construction of Taylor progressed as planned. The main shaft headframe has been completed and commissioning of the hoisting system for the ventilation shaft is underway. Shaft sinking is on track to commence in the December 2024 quarter.
- Clark was selected for an award negotiation of up to US\$166M from the US Department of Energy under the Battery Materials Processing and Battery Manufacturing program<sup>5</sup>, to support the potential development of a commercial-scale battery-grade manganese production facility.
- We directed US\$7M to capitalised exploration during the September 2024 quarter as we continued to test the potential for a continuous copper system connecting Peake and Taylor Deeps.

## Greenfield exploration

- We invested US\$7M in our greenfield exploration opportunities during the September 2024 quarter as we progressed multiple exploration programs targeting base metals in Australia, USA, Canada, Argentina and Ireland.
- We added to our portfolio of prospective exploration options, forming a strategic alliance with Noronex Limited to explore for copper in the Kalahari copper belt in Namibia, and signed an earn-in agreement with Ridgeline Minerals for the Selena zinc-lead-silver carbonate replacement deposit style prospect in Nevada, USA.

## Other exploration

- We invested US\$15M (US\$13M capitalised) in exploration programs at our existing operations and development options during the September 2024 quarter, including US\$7M at the Hermosa project (noted above, all capitalised), US\$3M for our Sierra Gorda EAI (all capitalised) and US\$2M for our manganese EAI (nil capitalised).

# PRODUCTION SUMMARY

## Production guidance (South32 share)

	FY24	YTD FY25	FY25e <sup>(a)</sup>	% <sup>(b)</sup>	Comments
<b>Worsley Alumina</b>					
Alumina production (kt)	3,777	<b>850</b>	3,750	23%	Planned calciner maintenance in Q1 FY25
<b>Brazil Alumina (non-operated)</b>					
Alumina production (kt)	1,286	<b>334</b>	1,350	25%	
<b>Brazil Aluminium (non-operated)</b>					
Aluminium production (kt)	104	<b>30</b>	130	23%	Smelter continues to ramp-up in accordance with guidance
<b>Hillside Aluminium<sup>13</sup></b>					
Aluminium production (kt)	720	<b>180</b>	720	25%	
<b>Mozal Aluminium<sup>13</sup></b>					
Aluminium production (kt)	314	<b>88</b>	360	24%	
<b>Sierra Gorda (non-operated)</b>					
Payable copper equivalent production (kt) <sup>3</sup>	73.5	<b>22.1</b>	84.8	26%	
Payable copper production (kt)	60.8	<b>17.6</b>	70.0	25%	
Payable molybdenum production (kt)	0.9	<b>0.4</b>	1.3	31%	
Payable gold production (koz)	24.6	<b>7.7</b>	25.0	31%	
Payable silver production (koz)	607	<b>151</b>	550	27%	
<b>Cannington</b>					
Payable zinc equivalent production (kt) <sup>4</sup>	302.5	<b>50.7</b>	265.4	19%	Challenging ground conditions in Q1 FY25
Payable silver production (koz)	12,666	<b>1,915</b>	11,300	17%	
Payable lead production (kt)	112.4	<b>19.3</b>	100.0	19%	Higher metal grades and throughput expected across the remainder of FY25
Payable zinc production (kt)	60.7	<b>12.1</b>	50.0	24%	
<b>Cerro Matoso</b>					
Payable nickel production (kt)	40.6	<b>8.6</b>	35.0	25%	
<b>Australia Manganese</b>					
Manganese ore production (kwmt)	2,324	—	1,000	N/A	On track to resume production in Q2 FY25
<b>South Africa Manganese</b>					
Manganese ore production (kwmt)	2,175	<b>597</b>	2,000	30%	
<b>Illawarra Metallurgical Coal<sup>14</sup></b>					
Total coal production (kt)	4,938	<b>766</b>	N/A	N/A	Results represent ownership period July to August 2024
Metallurgical coal production (kt)	4,305	<b>676</b>	N/A	N/A	
Energy coal production (kt)	633	<b>90</b>	N/A	N/A	

a. The denotation (e) refers to an estimate or forecast year.

b. Reflects percentage of achieved production for YTD FY25 compared to current FY25e.

## WORSLEY ALUMINA (86% SHARE)

South32 share	YTD FY24	YTD FY25	YoY	1Q24	4Q24	1Q25	1Q25 vs 1Q24	1Q25 vs 4Q24
Alumina production (kt)	972	<b>850</b>	(13%)	972	916	<b>850</b>	(13%)	(7%)
Alumina sales (kt)	913	<b>824</b>	(10%)	913	974	<b>824</b>	(10%)	(15%)

Worsley Alumina saleable production decreased by 7% (or 66kt) to 850kt in the September 2024 quarter as planned calciner maintenance was undertaken, and we managed constrained bauxite supply due to delayed approvals for new mining areas. FY25 production guidance remains unchanged at 3,750kt with the refinery to convert excess hydrate stocks to calcined alumina across the remainder of the year.

Sales decreased by 15% in the September 2024 quarter due to lower product availability and the timing of shipments. We realised a circa 8% discount to the Platts Alumina index<sup>15</sup> on a volume weighted M-1 basis for alumina sales in the September 2024 quarter, which reflected market based prices with the exception of a legacy supply contract with Mozal Aluminium which is linked to the LME aluminium price.

On 8 July 2024, the Western Australian Environmental Protection Authority (WA EPA) published its recommendation that the Worsley Mine Development Project (the Project) be approved, subject to conditions. If imposed in their current form, several conditions would create significant operating challenges. We have lodged an appeal in relation to the WA EPA assessment report.

On 15 October 2024, the Western Australian State Government announced that it would defer regulation of greenhouse gas emissions to the Federal Government's Safeguard Mechanism. The change will remove policy inconsistencies that currently exist between the State and Federal Government with regard to greenhouse gas emissions, and is expected to be addressed as part of the appeals process for the Project.

We continue to work collaboratively with the Western Australian Government to enable Worsley Alumina to continue to meet the State's robust environmental standards. The Western Australian Environment Minister is expected to consider approval of the Project in December 2024, with required Federal approvals expected shortly thereafter.

## BRAZIL ALUMINA (36% SHARE, NON-OPERATED)

South32 share	YTD FY24	YTD FY25	YoY	1Q24	4Q24	1Q25	1Q25 vs 1Q24	1Q25 vs 4Q24
Alumina production (kt)	318	<b>334</b>	5%	318	333	<b>334</b>	5%	0%
Alumina sales (kt)	272	<b>326</b>	20%	272	358	<b>326</b>	20%	(9%)

Brazil Alumina saleable production was largely unchanged at 334kt in the September 2024 quarter as the refinery continued to benefit from improved plant availability. FY25 production guidance remains unchanged at 1,350kt.

A preliminary environmental license for MRN's West Zone project, which has the potential to extend the life of the bauxite mine by more than 20 years<sup>16</sup>, was issued during the September 2024 quarter. A final investment decision for an enabling transmission line to connect MRN to the Brazilian power grid is expected during the December 2024 quarter.

## BRAZIL ALUMINIUM (40% SHARE, NON-OPERATED)

South32 share	YTD FY24	YTD FY25	YoY	1Q24	4Q24	1Q25	1Q25 vs 1Q24	1Q25 vs 4Q24
Aluminium production (kt)	24	<b>30</b>	25%	24	28	<b>30</b>	25%	7%
Aluminium sales (kt)	8	<b>25</b>	213%	8	30	<b>25</b>	213%	(17%)

Brazil Aluminium saleable production increased by 7% (or 2kt) to 30kt in the September 2024 quarter as the smelter continued to ramp-up all three potlines. FY25 production guidance remains unchanged at 130kt.

## HILLSIDE ALUMINIUM (100% SHARE)

South32 share	YTD FY24	YTD FY25	YoY	1Q24	4Q24	1Q25	1Q25 vs 1Q24	1Q25 vs 4Q24
Aluminium production (kt)	180	<b>180</b>	0%	180	180	<b>180</b>	0%	0%
Aluminium sales (kt)	170	<b>175</b>	3%	170	184	<b>175</b>	3%	(5%)

Hillside Aluminium saleable production was unchanged at 180kt in the September 2024 quarter as the smelter continued to test its maximum technical capacity, despite the impact of load-shedding. FY25 production guidance remains unchanged at 720kt<sup>13</sup>.

## MOZAL ALUMINIUM (63.7% SHARE)

South32 share	YTD FY24	YTD FY25	YoY	1Q24	4Q24	1Q25	1Q25 vs 1Q24	1Q25 vs 4Q24
Aluminium production (kt)	84	<b>88</b>	5%	84	77	<b>88</b>	5%	14%
Aluminium sales (kt)	77	<b>86</b>	12%	77	101	<b>86</b>	12%	(15%)

Mozal Aluminium saleable production increased by 14% (or 11kt) to 88kt in the September 2024 quarter as the smelter achieved improved process stability following completion of its operational recovery plan, despite the impact of load-shedding. FY25 production guidance remains unchanged at 360kt<sup>13</sup>.

The smelter sources all of its alumina from our Worsley Alumina refinery with approximately 50% priced as a percentage of the LME aluminium index under a legacy contract and the remainder linked to the Platts Alumina index on a M-1 basis, with caps and floors that reset every calendar year. As a result, the smelter's cost of alumina was at a discount to the index in the September 2024 quarter.

As previously disclosed, we continue to work with Eskom and the Government of the Republic of Mozambique to extend the smelter's hydro-electric power supply beyond March 2026, as there are currently no viable alternative suppliers of renewable energy at the required scale.

## SIERRA GORDA (45% SHARE)

South32 share	YTD FY24	YTD FY25	YoY	1Q24	4Q24	1Q25	1Q25 vs 1Q24	1Q25 vs 4Q24
Payable copper equivalent production (kt) <sup>3</sup>	20.1	<b>22.1</b>	10%	20.1	18.4	<b>22.1</b>	10%	20%
Payable copper production (kt)	16.0	<b>17.6</b>	10%	16.0	15.3	<b>17.6</b>	10%	15%
Payable copper sales (kt)	15.3	<b>17.9</b>	17%	15.3	15.3	<b>17.9</b>	17%	17%

Sierra Gorda payable copper equivalent production<sup>3</sup> increased by 20% (or 3.7kt) to 22.1kt in the September 2024 quarter with higher planned copper grades and a significant increase in molybdenum recoveries due to improved ore quality. FY25 production guidance remains unchanged at 84.8kt payable copper equivalent (copper 70.0kt, molybdenum 1.3kt, gold 25.0koz and silver 550koz).

A feasibility study and final investment decision by the joint venture partners for the fourth grinding line expansion is now expected in the second half of calendar year 2025, to enable additional detailed engineering and study work on the tailings thickeners to be completed.

## CANNINGTON (100% SHARE)

South32 share	YTD FY24	YTD FY25	YoY	1Q24	4Q24	1Q25	1Q25 vs 1Q24	1Q25 vs 4Q24
Payable zinc equivalent production (kt) <sup>4</sup>	74.7	<b>50.7</b>	(32%)	74.7	77.3	<b>50.7</b>	(32%)	(34%)
Payable silver production (koz)	3,230	<b>1,915</b>	(41%)	3,230	3,065	<b>1,915</b>	(41%)	(38%)
Payable silver sales (koz)	2,873	<b>2,342</b>	(18%)	2,873	3,054	<b>2,342</b>	(18%)	(23%)
Payable lead production (kt)	28.5	<b>19.3</b>	(32%)	28.5	28.8	<b>19.3</b>	(32%)	(33%)
Payable lead sales (kt)	25.6	<b>25.1</b>	(2%)	25.6	27.9	<b>25.1</b>	(2%)	(10%)
Payable zinc production (kt)	13.2	<b>12.1</b>	(8%)	13.2	17.4	<b>12.1</b>	(8%)	(30%)
Payable zinc sales (kt)	13.9	<b>12.6</b>	(9%)	13.9	20.2	<b>12.6</b>	(9%)	(38%)

Cannington payable zinc equivalent production<sup>4</sup> decreased by 34% (or 26.6kt) to 50.7kt in the September 2024 quarter, as the operation managed increased underground activity and complexity which is expected to continue to drive variability in quarterly performance.

Ore mined decreased by 24% during the September 2024 quarter as additional dewatering and ground rehabilitation was required to access stoping fronts. Average metal grades also declined as the processing of a higher grade stope was deferred to the December 2024 quarter.

FY25 production guidance remains unchanged at 265.4kt payable zinc equivalent (silver 11,300koz, lead 100.0kt, zinc 50.0kt), with dewatering completed in the September 2024 quarter expected to benefit underground performance and access to higher grade stopes across the remainder of the year.

## CERRO MATOSO (99.9% SHARE)

South32 share	YTD FY24	YTD FY25	YoY	1Q24	4Q24	1Q25	1Q25 vs 1Q24	1Q25 vs 4Q24
Payable nickel production (kt)	8.3	<b>8.6</b>	4%	8.3	11.5	<b>8.6</b>	4%	(25%)
Payable nickel sales (kt)	8.5	<b>8.8</b>	4%	8.5	12.1	<b>8.8</b>	4%	(27%)

Cerro Matoso payable nickel production decreased by 25% (or 2.9kt) to 8.6kt in the September 2024 quarter due to lower planned nickel grades. FY25 production guidance remains unchanged at 35.0kt.

Sales decreased by 27% during the September 2024 quarter due to lower product availability. The discount for our ferronickel product narrowed to ~14% to the LME Nickel Index<sup>17</sup> (FY24: ~25% discount) in the September 2024 quarter, reflecting tighter global supply of class two nickel.

We continued to progress our strategic review of Cerro Matoso and expect to provide an update in the June 2025 half year.

## AUSTRALIA MANGANESE (60% SHARE)

South32 share	YTD FY24	YTD FY25	YoY	1Q24	4Q24	1Q25	1Q25 vs 1Q24	1Q25 vs 4Q24
Manganese ore production (kwmt)	890	—	N/A	890	—	—	N/A	N/A
Manganese ore sales (kwmt)	940	—	N/A	940	—	—	N/A	N/A

Australia Manganese continued to implement the operational recovery plan following the impacts of Tropical Cyclone Megan in the March 2024 quarter. We progressed a substantial dewatering program and a phased mining restart during the September 2024 quarter and remain on track to resume production from the primary concentrator during the December 2024 quarter.

We also continued our investment in mine repairs and infrastructure, including a critical bridge and the wharf. Wharf construction activity during the September 2024 quarter prioritised stabilisation of existing infrastructure and safe demolition of undersea structures.

FY25 production guidance remains unchanged at 1,000kwmt. Subject to maintaining construction productivity during the upcoming wet season, sales volumes are expected to progressively increase over the June 2025 quarter.

## SOUTH AFRICA MANGANESE (ORE 54.6% SHARE)

South32 share	YTD FY24	YTD FY25	YoY	1Q24	4Q24	1Q25	1Q25 vs 1Q24	1Q25 vs 4Q24
Manganese ore production (kwmt)	628	<b>597</b>	(5%)	628	534	<b>597</b>	(5%)	12%
Manganese ore sales (kwmt)	518	<b>590</b>	14%	518	549	<b>590</b>	14%	7%

South Africa Manganese saleable production increased by 12% (or 63kwmt) to 597kwmt in the September 2024 quarter as the operation delivered strong mining performance and continued to sell secondary products to maximise margins. We will continue to optimise our product mix and use of higher cost trucking in response to market conditions, with FY25 production guidance remaining unchanged at 2,000kwmt. Planned maintenance is scheduled for the June 2025 half year.



# NOTES

1. Upfront cash consideration of US\$1,050M less the already received deposit (US\$40M) and a provisional adjustment for working capital, net debt and capital expenditure (US\$46M). A final adjustment to the purchase price is expected to be determined in the December 2024 quarter.
2. Refers to aluminium produced in a process that results in less than 4t CO<sub>2</sub>-e Scope 1 and Scope 2 GHG emissions per tonne of aluminium.
3. Payable copper equivalent production (kt) was calculated by aggregating revenues from copper, molybdenum, gold and silver, and dividing the total Revenue by the price of copper. FY24 realised prices for copper (US\$3.86/lb), molybdenum (US\$20.60/lb), gold (US\$2,129/oz) and silver (US\$24.8/oz) have been used for FY24, Q1 FY25 and FY25e.
4. 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. FY24 realised prices for zinc (US\$2,230/t), lead (US\$2,002/t) and silver (US\$24.8/oz) have been used for FY24, Q1 FY25 and FY25e.
5. Refer to market release "US Department of Energy Grant for Clark Battery-Grade Manganese" dated 20 September 2024.
6. Applicable for five years from the date of completion with no annual cap. The first two years will be calculated and paid on the second anniversary of completion and annually thereafter. The contingent price-linked consideration will be calculated as 50% of incremental metallurgical coal revenue from equity production, net of royalties, based on the following metallurgical coal price thresholds: Year 1: US\$200/t, Year 2: US\$200/t, Year 3: US\$190/t, Year 4: US\$180/t, Year 5: US\$180/t.
7. Upfront consideration of US\$15M and completion adjustments of US\$3M.
8. Subject to the Eagle Downs project reaching metallurgical coal production of 100,000 tonnes.
9. Price-linked royalty calculated based on potential future metallurgical coal production and a metallurgical coal index price of at least US\$170/t.
10. 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.
11. Net distributions from our material equity accounted investments (EAI) (manganese and Sierra Gorda) includes dividends, capital contributions and net repayments/drawdowns of shareholder loans, which are unaudited and should not be considered as an indication of or alternative to an IFRS measure of profitability, financial performance or liquidity.
12. Since inception, US\$1.7B has been allocated to our on-market share buy-back (796M shares at an average price of A\$3.05 per share) and US\$525M returned in the form of special dividends.
13. Production guidance for Hillside Aluminium and Mozal Aluminium does not assume any load-shedding impact on production.
14. Reflects the period from 1 July 2024 to completion of the Transaction.
15. The sales volume weighted average of the Platts Alumina index (FOB) on the basis of a one-month lag to published pricing (Month minus one or "M-1") was US\$495/t in the September 2024 quarter.
16. The information in this announcement that refers to Production Target and forecast financial information for MRN is based on Proved (8%) and Probable (1%) Ore Reserves and Measured (91%) Mineral Resources. The Mineral Resources and Ore Reserves underpinning the Production Target have been prepared by Competent Persons in accordance with the requirement of the JORC Code and is available to view in South32's 2024 Annual Report ([www.south32.net](http://www.south32.net)) published on 29 August 2024. South32 confirms that all material assumptions underpinning the Production Target and forecast financial information derived from the Production Target continues to apply and have not materially changed.
17. Our realised price for nickel sales during the September 2024 quarter was US\$6.34/lb, which represented a ~14% discount to the average LME Nickel Index price of US\$7.37/lb.
18. Illawarra Metallurgical Coal sales are adjusted for moisture and will not reconcile directly to Illawarra Metallurgical Coal production.

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); Mineração Rio do Norte (MRN).

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	YTD FY24	YTD FY25	1Q24	2Q24	3Q24	4Q24	1Q25
<b>Worsley Alumina (86% share)</b>							
Alumina hydrate production (kt)	973	<b>932</b>	973	961	926	919	<b>932</b>
Alumina production (kt)	972	<b>850</b>	972	962	927	916	<b>850</b>
Alumina sales (kt)	913	<b>824</b>	913	985	895	974	<b>824</b>
<b>Brazil Alumina (36% share)</b>							
Alumina production (kt)	318	<b>334</b>	318	322	313	333	<b>334</b>
Alumina sales (kt)	272	<b>326</b>	272	375	277	358	<b>326</b>
<b>Brazil Aluminium (40% share)</b>							
Aluminium production (kt)	24	<b>30</b>	24	26	26	28	<b>30</b>
Aluminium sales (kt)	8	<b>25</b>	8	32	32	30	<b>25</b>
<b>Hillside Aluminium (100% share)</b>							
Aluminium production (kt)	180	<b>180</b>	180	179	181	180	<b>180</b>
Aluminium sales (kt)	170	<b>175</b>	170	157	209	184	<b>175</b>
<b>Mozal Aluminium (63.7% share)</b>							
Aluminium production (kt)	84	<b>88</b>	84	82	71	77	<b>88</b>
Aluminium sales (kt)	77	<b>86</b>	77	90	58	101	<b>86</b>
<b>Sierra Gorda (45% share)</b>							
Ore mined (Mt)	5.9	<b>6.4</b>	5.9	6.0	3.1	4.9	<b>6.4</b>
Ore processed (Mt)	5.5	<b>5.6</b>	5.5	5.4	5.5	5.5	<b>5.6</b>
Copper ore grade processed (% Cu)	0.37	<b>0.41</b>	0.37	0.38	0.34	0.37	<b>0.41</b>
Payable copper equivalent production (kt) <sup>3</sup>	20.1	<b>22.1</b>	20.1	18.3	16.7	18.4	<b>22.1</b>
Payable copper production (kt)	16.0	<b>17.6</b>	16.0	15.6	13.9	15.3	<b>17.6</b>
Payable copper sales (kt)	15.3	<b>17.9</b>	15.3	17.2	13.1	15.3	<b>17.9</b>
Payable molybdenum production (kt)	0.4	<b>0.4</b>	0.4	0.1	0.2	0.2	<b>0.4</b>
Payable molybdenum sales (kt)	0.4	<b>0.2</b>	0.4	0.3	0.4	0.2	<b>0.2</b>
Payable gold production (koz)	6.3	<b>7.7</b>	6.3	7.1	5.3	5.9	<b>7.7</b>
Payable gold sales (koz)	6.3	<b>7.8</b>	6.3	7.5	5.2	5.9	<b>7.8</b>
Payable silver production (koz)	145	<b>151</b>	145	150	153	159	<b>151</b>
Payable silver sales (koz)	140	<b>157</b>	140	160	141	164	<b>157</b>

South32 share	YTD FY24	YTD FY25	1Q24	2Q24	3Q24	4Q24	1Q25
<b>Cannington (100% share)</b>							
Ore mined (kwmt)	551	<b>438</b>	551	599	529	573	<b>438</b>
Ore processed (kdmt)	562	<b>440</b>	562	577	525	557	<b>440</b>
Silver ore grade processed (g/t, Ag)	206	<b>163</b>	206	216	200	199	<b>163</b>
Lead ore grade processed (% , Pb)	5.8	<b>5.1</b>	5.8	6.2	5.6	5.9	<b>5.1</b>
Zinc ore grade processed (% , Zn)	3.2	<b>3.7</b>	3.2	3.6	3.8	4.1	<b>3.7</b>
Payable zinc equivalent production (kt) <sup>4</sup>	74.7	<b>50.7</b>	74.7	81.6	68.8	77.3	<b>50.7</b>
Payable silver production (koz)	3,230	<b>1,915</b>	3,230	3,474	2,897	3,065	<b>1,915</b>
Payable silver sales (koz)	2,873	<b>2,342</b>	2,873	3,656	2,210	3,054	<b>2,342</b>
Payable lead production (kt)	28.5	<b>19.3</b>	28.5	30.3	24.8	28.8	<b>19.3</b>
Payable lead sales (kt)	25.6	<b>25.1</b>	25.6	31.0	17.9	27.9	<b>25.1</b>
Payable zinc production (kt)	13.2	<b>12.1</b>	13.2	15.8	14.3	17.4	<b>12.1</b>
Payable zinc sales (kt)	13.9	<b>12.6</b>	13.9	14.4	11.6	20.2	<b>12.6</b>
<b>Cerro Matoso (99.9% share)</b>							
Ore mined (kwmt)	940	<b>1,338</b>	940	1,243	1,486	1,526	<b>1,338</b>
Ore processed (kdmt)	594	<b>664</b>	594	723	711	746	<b>664</b>
Ore grade processed (% , Ni)	1.57	<b>1.46</b>	1.57	1.53	1.61	1.70	<b>1.46</b>
Payable nickel production (kt)	8.3	<b>8.6</b>	8.3	10.0	10.8	11.5	<b>8.6</b>
Payable nickel sales (kt)	8.5	<b>8.8</b>	8.5	9.5	10.8	12.1	<b>8.8</b>
<b>Australia Manganese (60% share)</b>							
Manganese ore production (kwmt)	890	—	890	789	645	—	—
Manganese ore sales (kwmt)	940	—	940	924	709	—	—
Ore grade sold (% , Mn)	42.9	—	42.9	42.2	42.2	—	—
<b>South Africa Manganese (54.6% share)</b>							
Manganese ore production (kwmt)	628	<b>597</b>	628	483	530	534	<b>597</b>
Manganese ore sales (kwmt)	518	<b>590</b>	518	564	485	549	<b>590</b>
Ore grade sold (% , Mn)	39.0	<b>38.9</b>	39.0	38.4	38.7	39.1	<b>38.9</b>
<b>Illawarra Metallurgical Coal (100% share)<sup>14</sup></b>							
Total coal production (kt)	1,168	<b>766</b>	1,168	877	1,405	1,488	<b>766</b>
Total coal sales (kt) <sup>18</sup>	1,196	<b>540</b>	1,196	900	1,238	1,537	<b>540</b>
Metallurgical coal production (kt)	1,043	<b>676</b>	1,043	744	1,244	1,274	<b>676</b>
Metallurgical coal sales (kt)	996	<b>507</b>	996	763	1,053	1,360	<b>507</b>
Energy coal production (kt)	125	<b>90</b>	125	133	161	214	<b>90</b>
Energy coal sales (kt)	200	<b>33</b>	200	137	185	177	<b>33</b>

## 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.

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