



21 July 2021

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

ILLAWARRA METALLURGICAL COAL IMPAIRMENT

South32 Limited (ASX, LSE, JSE: S32; ADR: SOUHY) (South32) has undertaken a review as of 30 June 2021 of the carrying values of its assets in accordance with the Group's accounting policies and the accounting standards. As a result we will recognise a pre-tax impairment charge for Illawarra Metallurgical Coal (IMC) of US\$728M (post-tax ~US\$510M) with our FY21 financial results. This charge reflects the increased approval uncertainty created by the NSW Independent Planning Commission's (IPC) decision to refuse our application for the Dendrobium Next Domain life extension project (DND project) and the resultant potential impact on the economics of the broader IMC complex.

We have scaled back activity on the DND project while we consider alternative options following the IPC decision. This includes the commencement of proceedings in the Land and Environment Court of New South Wales (NSW) for a judicial review of the decision and the potential submission of an alternate mine plan to the NSW Minister for Planning and Public Spaces for determination of the project as State Significant Infrastructure. We expect to provide a further update before the end of the calendar year.

About us

South32 is a globally diversified mining and metals company. Our purpose is to make a difference by developing natural resources, improving people's lives now and for generations to come. We are trusted by our owners and partners to realise the potential of their resources. We produce bauxite, alumina, aluminium, metallurgical coal, manganese, nickel, silver, lead and zinc at our operations in Australia, Southern Africa and South America. With a focus on growing our base metals exposure, we also have two development options in North America and several partnerships with junior explorers around the world.

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

Approved for release by Graham Kerr, Chief Executive Officer
JSE Sponsor: UBS South Africa (Pty) Ltd
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