

Company	South32 Limited
Code	S32
Meeting	AGM
Date	24 October 2019
Venue	Pan Pacific Hotel, Adelaide Terrace, Perth, WA
Monitor	John Campbell assisted by Geoff Read

Number attendees at meeting	110 shareholders plus 82 visitors
Number of holdings represented by ASA	1030
Value of proxies	\$18.9M
Number of shares represented by ASA	7.25M (equivalent to 22nd largest holder)
Market capitalisation	\$12.8B
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with chair Karen Wood

Global uncertainty drives down commodity prices.

Both the Chair and the CEO were positive about the outlook for the company especially the aspects which are directly under its control, whilst expressing some uncertainty about the global economy as a whole and its impact on commodity prices in particular.

ASA asked the chair about the potential for further write downs in the value of SAEC (South Africa Energy Coal). The reply was that the present asset values are appropriate. The target date for the sale process is mid-2020 but there may be some South African regulatory matters which take a little longer to complete.

We also asked about the ore grades and prospects for the Arizona Mining (Hermosa) acquisition. In reply the CEO told us that he was confident in the purchase and the price paid and that the total extent of the ore body had still not been delineated but was greater than first anticipated. He went on to tell us that the type of mineralisation and the processing methods are well known to S32 as they are in use at Cannington Queensland. A pre-feasibility study is underway to decide the best development path. It is expected to be complete mid-2020.

We expressed our concern about the level of executive pay and some other aspects of remuneration arrangements. However, we supported the remuneration report because overall the structure is fair to shareholders and we are told that there is significant international competition for experienced mining executives. The Chair told us that a review of remuneration

was to be undertaken in the current financial year and that for 2019 pay rises had been limited to increases close to inflation. She offered to discuss this review with ASA and others during the year.

Questions from the floor were about S32's impact on climate change, the company's social responsibility in South Africa, including poverty and domestic violence, the divestment of SAEC, the prospects for and valuation of Arizona mining (Hermosa asset) and the format of the annual report.

This AGM was the first chaired by the new chair Karen Wood. All of the resolutions before the meeting were adopted with votes in favour ranging from more than 99% for the re-election of two NED's, to 97% for the remuneration report and the issuance of share rights to the CEO.

The reports to the meeting can be found here:-

<https://www.asx.com.au/asxpdf/20191024/pdf/449tsrx0jj8fyt.pdf>

The voting results can be found here:-

<https://www.asx.com.au/asxpdf/20191024/pdf/449v4m7k0ljc7g.pdf>