

15 December 2015

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

**Notification of Change of Interests of
Directors, Other Persons Discharging Managerial Responsibility and Their Connected
Persons**

**(Australian Securities Exchange Listing Rules Appendix 3Y)
(Listing Rules & Disclosure and Transparency Rules of the United Kingdom Financial
Conduct Authority)**

Name of entity	South32 Limited
ABN	84 093 732 597

The entity notifies the stock exchanges on which it has listings, all those interests of directors of the entity, other persons discharging managerial responsibilities and each of their connected persons in the securities of the entity and its related bodies corporate (and changes to those interests) which are required to be disclosed under the Australian Securities Exchange (ASX) Listing Rules, the Listing Rules and Disclosure and Transparency Rules of the United Kingdom Financial Conduct Authority, the Australian Corporations Act and the entity's Securities Dealing Policy.

We (the entity) give the following information under ASX Listing Rule 3.19A.2, United Kingdom Financial Conduct Authority Disclosure and Transparency Rules 3.1.2R and 3.1.4R and as agent for the director, other person discharging managerial responsibilities and / or their connected person(s) in accordance with the entity's Securities Dealing Policy and section 205G of the Australian Corporations Act (where applicable).

Name of director or other person discharging managerial responsibilities	Mr Mike Fraser (President and Chief Operating Officer Africa Region)
Date of last notice	30 June 2015
Date issuer informed of transaction	14 December 2015
Date and place of transaction	10 December 2015 (place of transaction not applicable)
Nature of transaction (including a description of the securities/financial instrument)	Award of performance rights under the South32 Equity Incentive Plan.

Part 1 – Change of relevant interests in securities

This Part includes changes in the relevant interest of Connected Persons of the director or other person discharging managerial responsibilities.

Changes in relevant interest that relate to rights and options granted by the entity are covered in Part 3 below.

Direct or indirect interest	-
Nature of indirect interest (including registered holder)	-
Date of change	-
No. of securities held prior to change	-
Class	-
Number acquired	-
Number disposed	-
Value/Consideration	-
No. of securities held after change	-
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	-
Any additional information (including whether the notification relates to a person connected with a director or other person discharging managerial responsibilities and, if so, the identity of the connected person)	<p>Mr Fraser's indirect interests in some securities (as previously disclosed) have been converted to direct interests. As a result, Mr Fraser holds:</p> <ul style="list-style-type: none">• a direct interest in 48,788 ordinary shares in South32 Limited; and• an indirect interest in 139,012 South32 Limited Depository Interests, representing an interest in 139,012 ordinary shares in South32 Limited, held by Investec on behalf of Mike Fraser. <p>No change to these interests resulting from the transaction.</p>

Part 2 – Change of interests in contracts other than as described in Part 1

Detail of contract	-
Nature of interest	-
Name of registered holder (if issued securities)	-
No. and class of securities to which interest related prior to change	-
Interest acquired	-
Interest disposed	-
Value/Consideration	-
Interest after change	-

Part 3 – Change of interests in options or other rights granted by the entity

Date of grant	10 December 2015
Period during which or date on which exercisable	<ul style="list-style-type: none"> • FY16 Long Term Incentive (LTI) Award – August 2019. • FY15 Deferred Short Term Incentive (STI) Award – August 2017.
Total amount paid (if any) for the grant	-
Description of securities involved: Class; number	<ul style="list-style-type: none"> • 1,371,204 performance rights under the FY16 LTI Award. • 706,486 performance rights under the FY15 Deferred STI Award.
Exercise price (if fixed at time of grant) or indication that price is to be fixed at time of exercise	Nil
Total number of securities over which options or other rights held at the date of this notice	<p>1,132,047 – maximum number of performance rights held as short term incentive awards under the South32 Equity Incentive Plan.</p> <p>3,879,132 – maximum number of performance rights held as long term incentive awards under the South32 Equity Incentive Plan.</p> <p>2,053,931 – maximum number of performance rights held as transitional awards under the South32 Equity Incentive Plan.</p> <hr style="width: 10%; margin-left: 0;"/> <p>7,065,110 – Total</p>
Any additional information	-

Part 4 – Closed period

Were the interests in the securities or contacts detailed above traded during a closed period where prior written consent was required?	N/A
If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

Part 5 – Contact details

Name of authorised officers responsible for making this notification on behalf of the entity	Nicole Duncan Chief Legal Officer and Company Secretary
Contact details	Nicole Duncan Tel +61 8 9324 9000 Fax +61 8 9324 9200

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JSE sponsor: UBS South Africa (Pty) Ltd