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AUSTRALIAN STOCK EXCHANGE AND MEDIA RELEASE

OXIANA LIMITED 2004 ANNUAL GENERAL MEETING

Chairman Barry Cusack, speaking today at Oxiana's 2004 Annual General Meeting, said the Company's growth strategy includes a "pipeline of projects" from green fields exploration, to producing operations, "which will allow the Company to maintain the momentum it has demonstrated to date".

Key points detailed in the address included:

Rights Issue

In early 2004, Oxiana undertook a successful capital raising of \$189 million through a 1:4 rights issue. The Company has a strong shareholder base and following the issue, an increase in institutional holdings and a greater geographical spread.

With part of the funds from the rights issue Oxiana purchased the remaining 20% Rio Tinto share in the Sepon mineral district to move to 100% ownership. According to Mr Cusack this saw mutual benefits for Rio Tinto which received a good return on its investment and for Oxiana which is now able to deliver the full value of the Sepon Project to its stakeholders.

The remaining funds are being directed towards other development and exploration projects.

Sepon

At Sepon in 2003 Oxiana produced 165, 000 ozs of gold which was above plan. Quality orebodies and efficient operations translated as low cash costs of \$US135 per oz gold and total costs of \$213 per oz Au

With the gold operations safely up and running in 2003 the company was able to increase its exploration effort and discovered extensions to the Discovery, Discovery West, Nalou and Namkok West orebodies and discovered two entirely new deposits at Vang Ngang and Luang.

Resources and reserves of oxide and partially oxidized material were increased and an ongoing program to add to resources continues to meet with success.

Sepon Gold Expansion

With this success in adding to resources Oxiana committed to an expansion of the gold processing operations. The project, which is now in the engineering stage, plans to double treatment capacity to 2.5 million tpa with initial output of 230 000 ozs pa at a cash cost of below \$US180 per oz. The plant is scheduled to be running with expanded capacity by early 2005.

Primary Gold Studies

A new focus for Oxiana is testing the potential of the primary (sulphide) gold resources beneath existing deposits which may represent new sources of gold ore. Mineralogical test work is being conducted and investigations into processing options will follow.

Khanong Copper Project

In 2003 Oxiana commenced construction of the 60,000tpa Khanong Copper Project. First production of copper cathode metal is scheduled for the end of March 2005. The estimated capital cost of the Project is \$US235 million. Overall funding has been planned at \$50m equity and \$185m project debt, but as the scheduled documentation signing and debt drawdown has been slower than expected, Oxiana has been funding the Project from the strong Sepon Gold Operation cash flows and from its treasury. The Company has now contributed US\$90 million of the capital required and this provides an opportunity to review the final mix of debt and contributed equity.

Exploration at Khanong has already identified extensions to the orebody and increased reserves.

Exploration

Elsewhere Oxiana is participating in exploration programs for gold and copper as part of its "pipeline of projects" to maintain the company's growth. With a strong technical base in Asia, Oxiana is looking to explore elsewhere in Laos, in Thailand - where it is exploring through the Thai Goldfields joint venture - and in China where negotiations for an exploration joint venture in the Yunnan Province are advanced.

Oxiana also entered the Prominent Hill Joint Venture in 2003 which is an advanced exploration project. Work at this promising South Australian copper-gold project has already extended the potential orebody and an intensive drilling campaign is underway to determine further potential of the high-grade system. Metallurgical testwork to determine processing options is also being undertaken.

Corporate Governance

Oxiana has continued to focus on ensuring the quality of its corporate governance. The company is well positioned in this area with policies which govern our Board and Committees in place. In relation to adoption of the 10 ASX Corporate Governance Council Guidelines, Oxiana is well on the way to compliance in each of the areas with completion expected by the end of the year.

The required policies, Board Committees and associated charters and codes are shown on the Oxiana website.

The Company has recently established a Nominations and Remuneration Committee to regularly review the skills mix of the Board and management and to recommend any necessary enhancements. Mr Cusack said that there will be a need for an additional Director with specific financial and corporate expertise.

Mr Cusack also went on to elaborate on the performance hurdles the Managing Director must meet for 4 million options to vest on 1 June 2006. He said that the hurdles were challenging and only trigger if Oxiana outperforms other mining companies.

The options can be granted in two stages. Two million options will vest on 1 June 2006 if the total shareholder return of Oxiana exceeds the median of the total shareholder return of twelve comparator resource companies for the reporting period 2004/2005.

A further 2 million options will vest on 1 June 2006 if the total shareholder return of Oxiana exceeds the 75th percentile of the total shareholder return of twelve comparator resource companies for the reporting period 2004/2005.

Outlook for 2004

The Company is again optimistic about the resources climate. Demand for gold and copper has been strong on the back of world economic growth and a resurgence in Asia led by China. This has caused prices to increase to levels well in excess of the estimates used in gold and copper feasibility studies, on which project approvals were based.

Mr Cusack said, "if demand holds up, and my judgment is it will, it is a most propitious time to be bringing new capacity on line, particularly for copper in the Asian region. Oxiana will be working very hard to maximise these opportunities."

David Forsyth
Company Secretary