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OXIANA LIMITED

THIRD QUARTER REPORT 2007

Owen Hegarty, Managing Director & CEO – October 23 2007

- 1. HIGHLIGHTS**
- 2. MARKETS**
- 3. SEPON GOLD AND COPPER**
- 4. GOLDEN GROVE**
- 5. PROMINENT HILL**
- 6. MARTABE**
- 7. TORO / NOVA MERGER**

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Group production and costs on track.

Expansion studies announced for Golden Grove and Prominent Hill.

High grade gold and copper results returned at Sepon.

Strong half year financial results with solid revenues and cash flow.

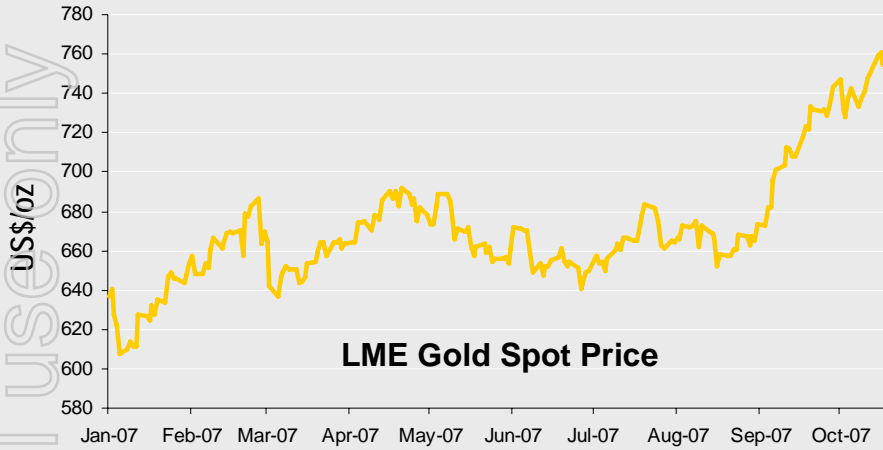
Fully franked interim dividend of 4c /share paid.



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Gold

- 28 year highs



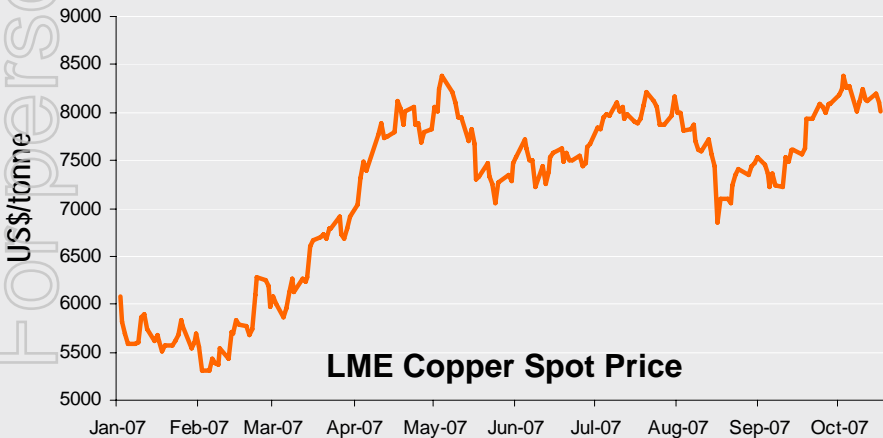
Zinc

- Stocks remain low
- Demand remains solid



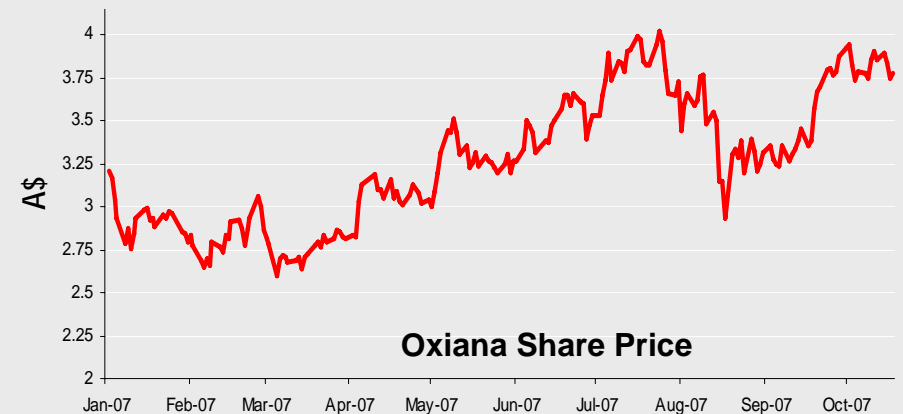
Copper

- Supply disruptions in Latin America
- Spot TC's low



Oxiana

- Dividends increasing
- Expansions to continue growth

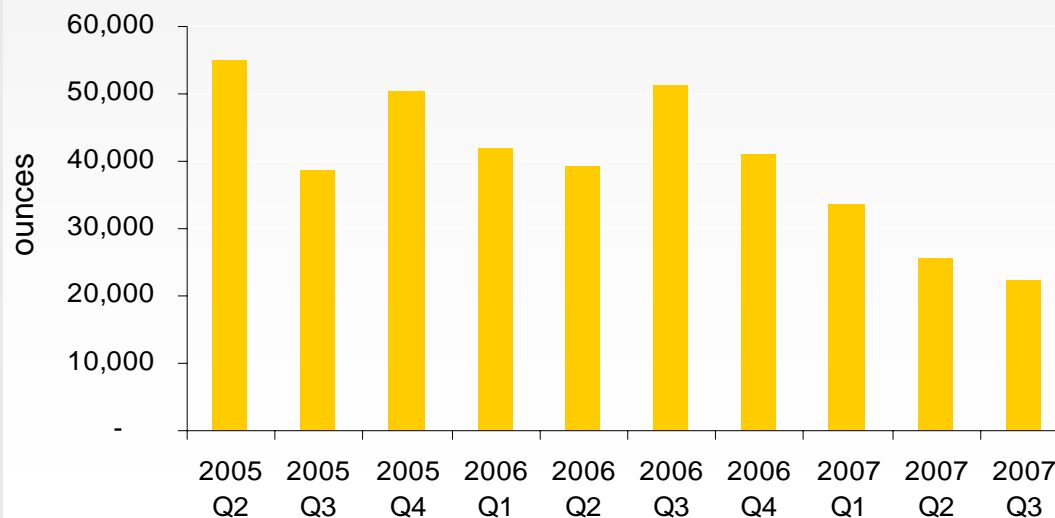
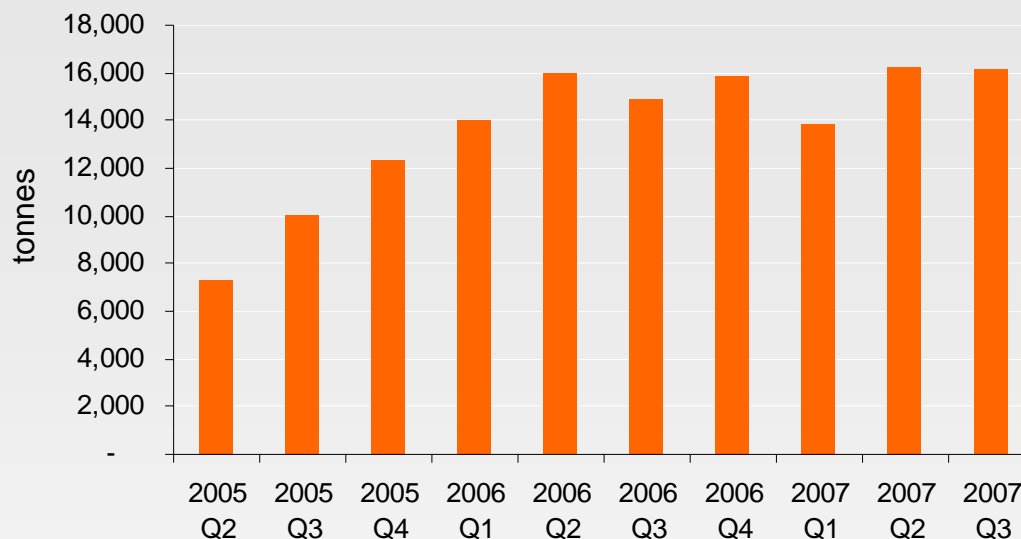


Sepon Copper

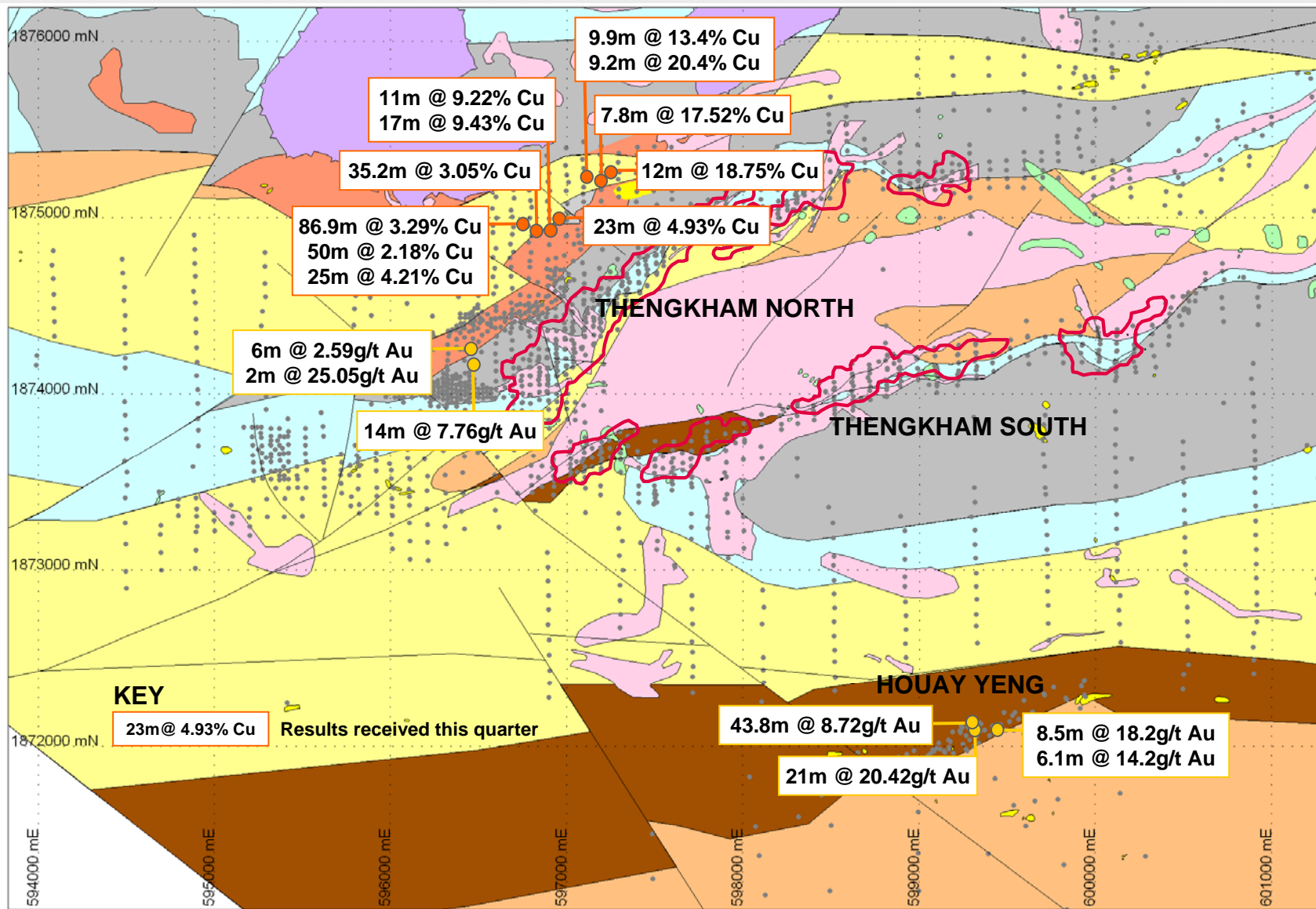
- 16,139t for quarter.
- Direct cash cost US63c/lb. (forecast US\$65-70c/lb)
- 60,000-63,000t for 2007.
- Two-stage plan for copper expansion

Sepon Gold

- 22,355oz for quarter.
- On track to meet 100,000oz forecast.
- Total cash cost US\$499/oz, impacted by drawdown on stockpiles.
- 2007 forecast US\$450-US\$500/oz.
- Primary gold expansion dependent on further resources.



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Golden Grove - production and costs

Mining and production

- Predominantly zinc quarter.
- 35,751t zinc.
- 2,420t copper.
- 18,671oz gold.
- 1.3Moz silver.
- Production for 2007 as forecast.
 - 140,000t to 150,000t zinc
 - 50,000t to 55,000t gold
 - 10,000t to 13,000t lead
 - 12,000t to 15,000t copper
 - 3 - 3.5Moz silver

Costs

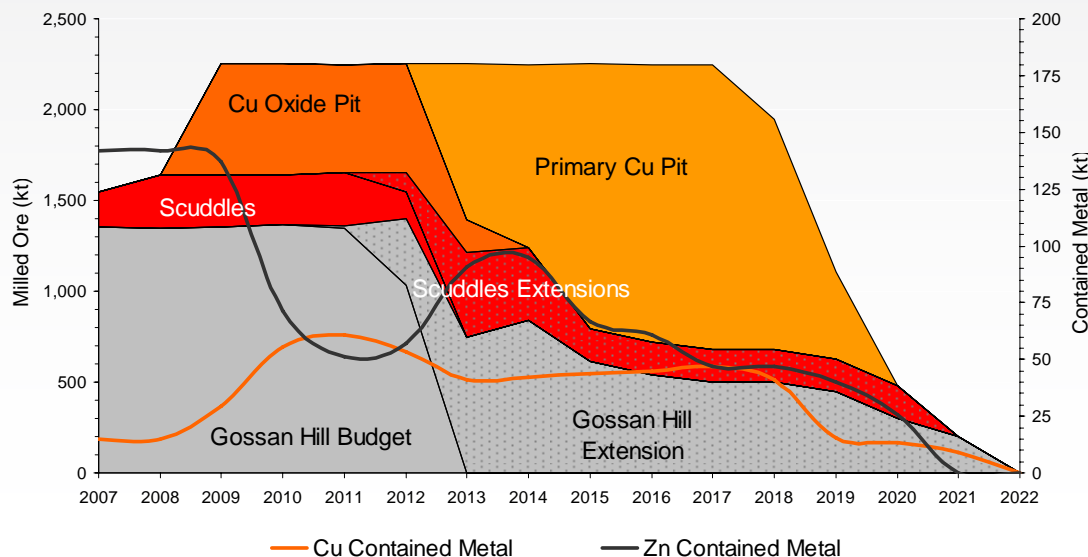
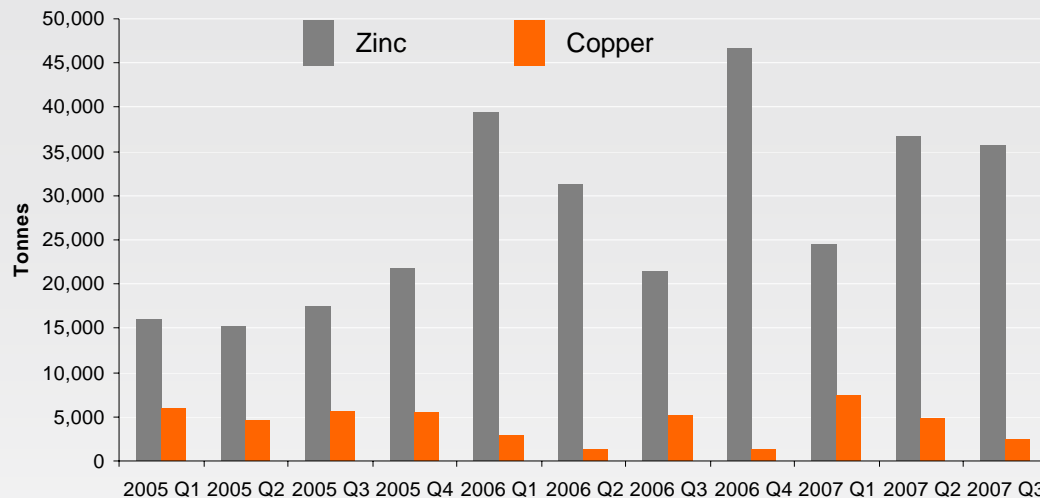
- Total cash cost US31c/lb.

Exploration

- Xantho Extensions -: 22.4m @ 16.1% zinc and 1.3g/t Au, and 6.8m @ 21.0% Zn

Expansion studies

- To extend mine life beyond 2020 begun
- Underground extensions
- Open pit developments
- Plant productivity improvements.



Mining ahead of schedule.

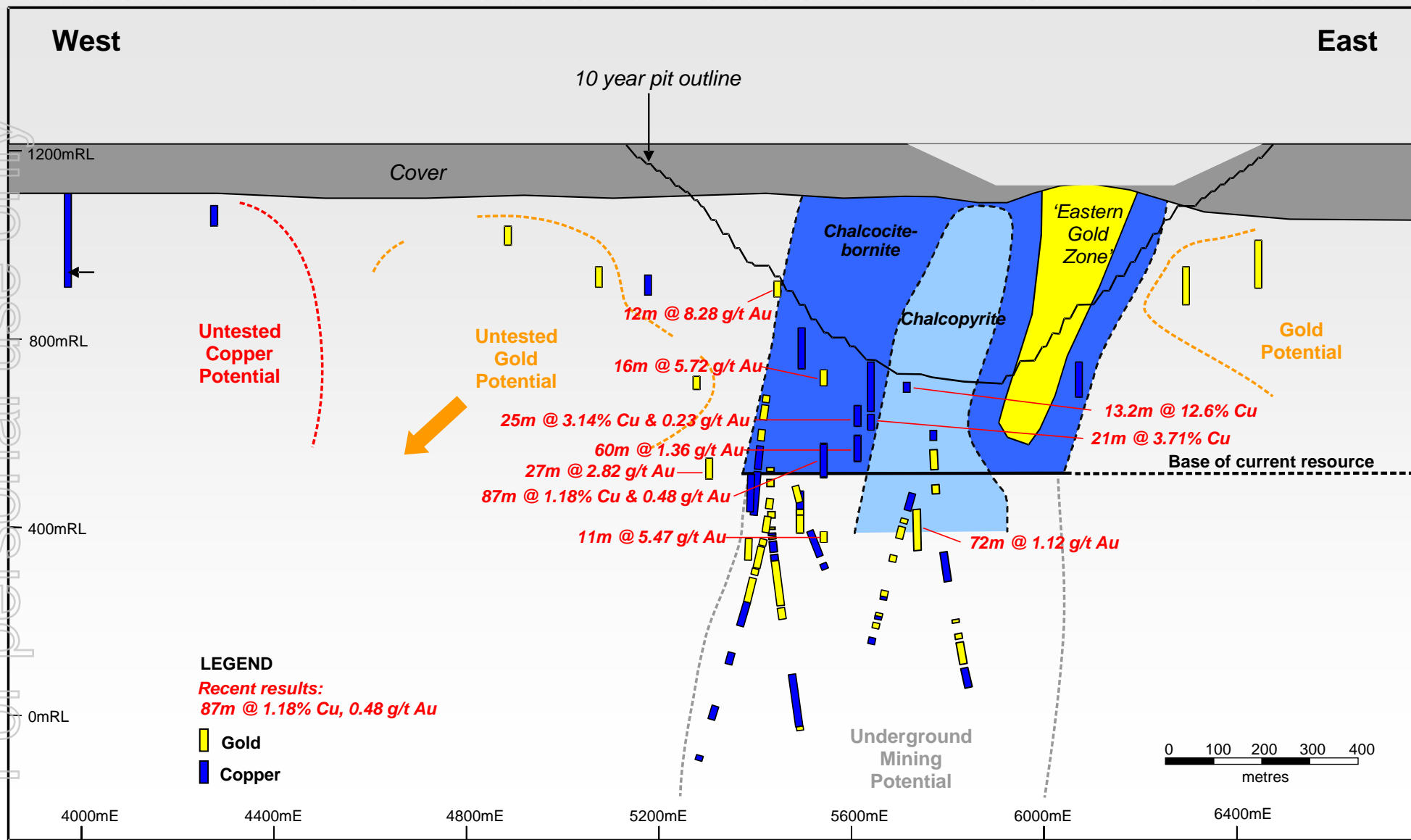
- ~ 100,000m³ mined/day
- ~ 33.5Mbcm mined to the end of the quarter

Concrete pours: mill pedestals, crusher, stockpile reclaim tunnel, concentrate storage area, flotation area.



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Prominent Hill Resource Expansion Drilling



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Purnama pit infill and extension drilling continues

Technical review continues

Geology

Mining

Metallurgy

Feasibility Study due end 2007



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Toro and Nova agreed merger

5.5 Toro shares for each Nova share

Oxiana to own 46%

**Current acceptances ~85.77% -
unconditional**

Offer extended until 26 October



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- **Strong market outlook.**
- **Production and costs to plan.**
- **Growth pipeline**
 - Prominent Hill expansion studies x 2
 - Golden Grove expansion studies x 3
 - Martabe gold feasibility study
 - Sepon copper expansion
- **Near mine exploration success.**
 - Sepon
 - Golden Grove
 - Prominent Hill
- **Regional exploration competitive advantage.**
- **Strong cash balance.**

