



OXIANA LIMITED

FIRST QUARTER REPORT 2008

Owen Hegarty, Managing Director & CEO – 16 April 2008

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4. SEPON COPPER EXPLORATION
5. GOLDEN GROVE
6. PROMINENT HILL
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8. REGIONAL EXPLORATION
9. OXIANA ZINIFEX MERGER
10. SUMMARY

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- **Strong volumes and costs.**
- **Solid progress with development pipeline.**
- **Martabe approvals proceeding.**
- **Merger with Zinifex announced.**

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Underground at Golden Grove

Gold

- Record highs reached
- Oxiana increasing resources & production



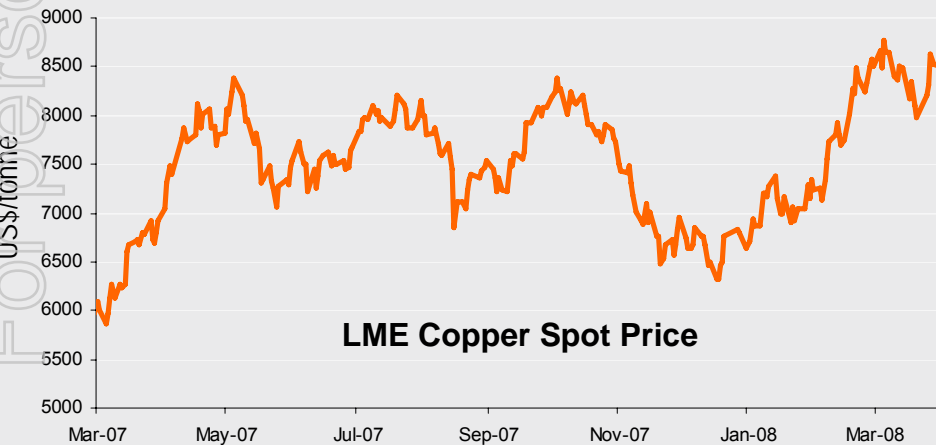
Zinc

- Inventories low
- Global growth strong



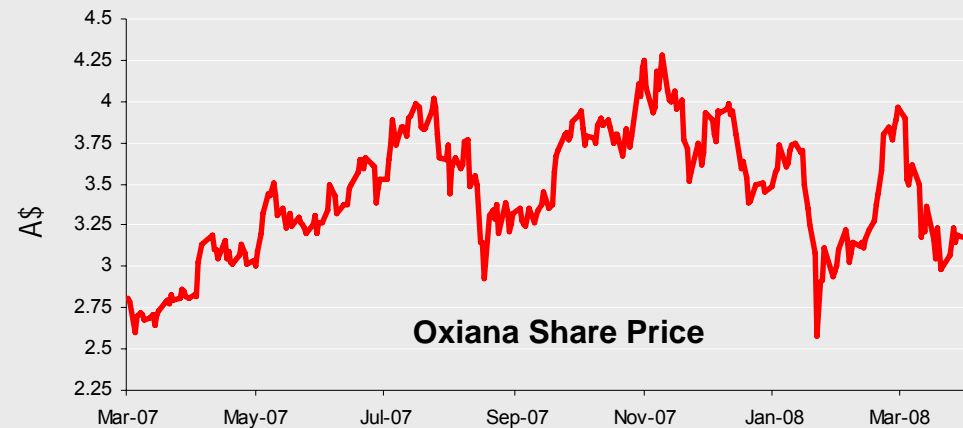
Copper

- Price on the move
- Supply lagging



Oxiana

- Market impact



Sepon Copper

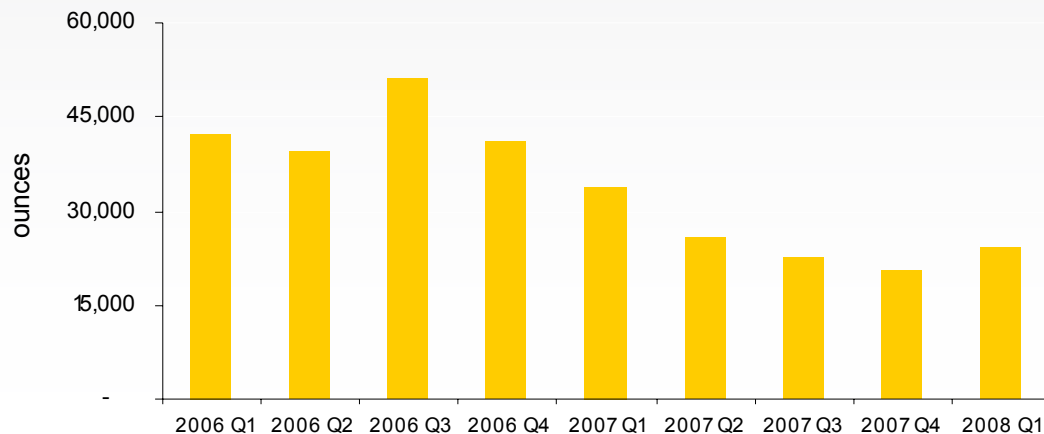
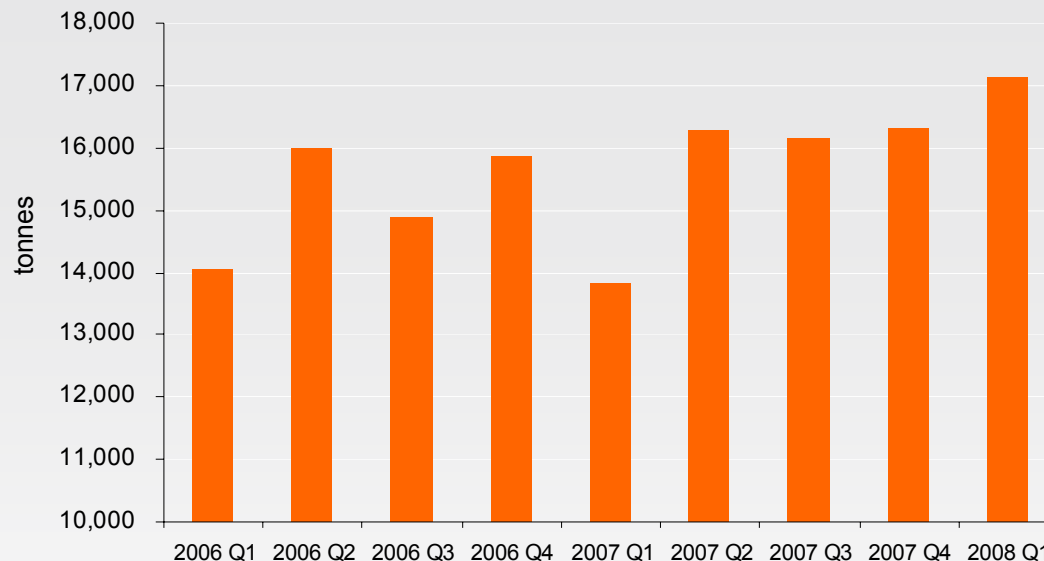
	1 st Quarter	(F) 2008
Production	17,132t	60,000t - 65,000t
Direct Cash Cost	US70c/lb	US72c/lb - US78c/lb

- Record production.
- Expansion on track – long lead items ordered.

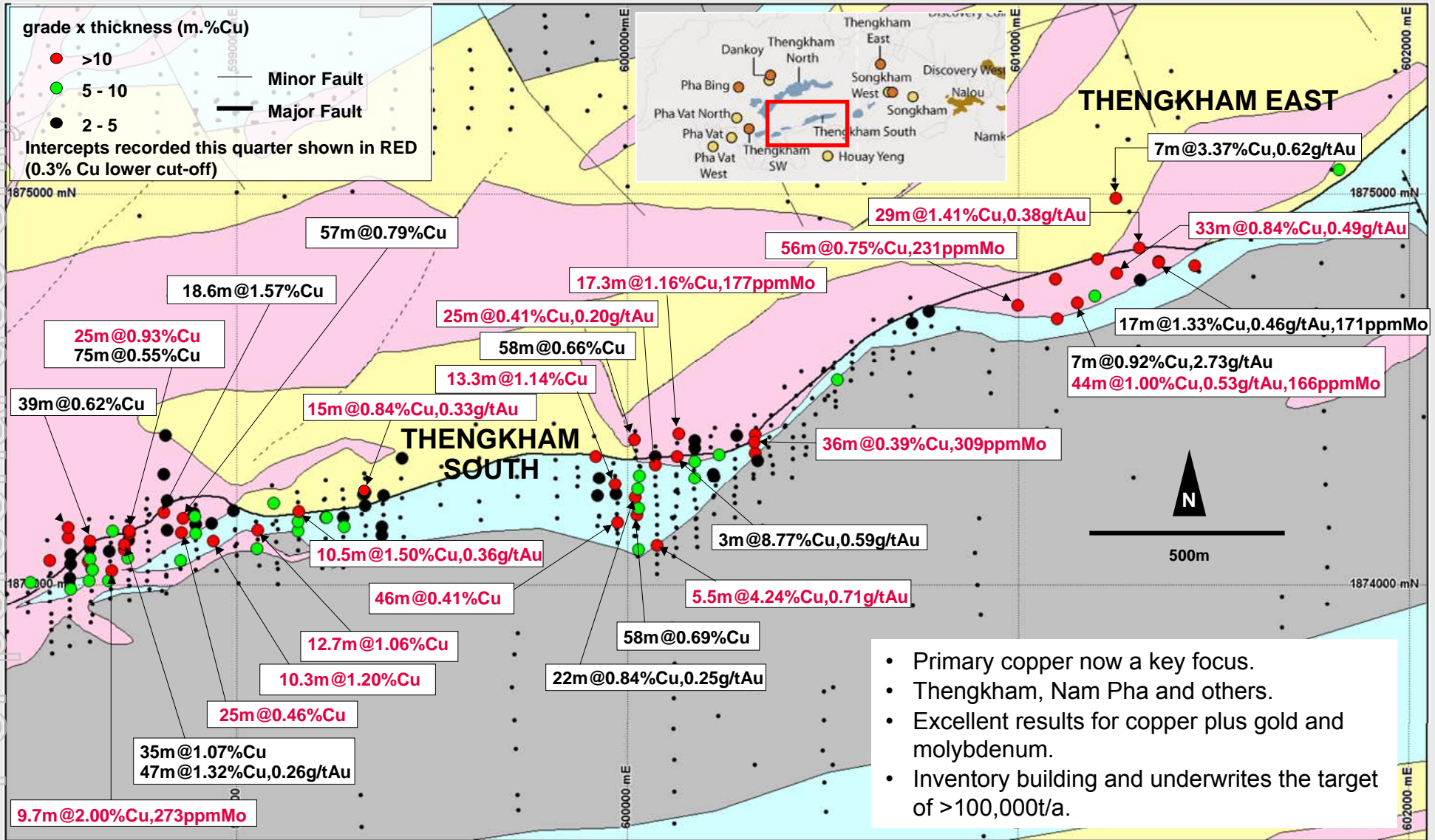
Sepon Gold

	1 st Quarter	(F) 2008
Production	24,235oz	90,000oz - 100,000oz
Direct Operating Cost	US\$489/oz	US\$450/oz - US\$500/oz

- Strong production.
- New oxide gold deposit at Houay Yeng expanding.
- Primary project progress.



Sepon – primary copper potential growing



Golden Grove Production

	1 st Quarter	(F) 2008
Zinc	18,614t	135,000t - 145,000t
Copper	7,958t	20,000t - 25,000t
Gold	6,700oz	50,000oz - 55,000oz
Silver	486,230oz	3 to 3.5Moz
Lead	1,547t	10,000t - 13,000t
Total Cash Costs	US0c/lb	

Operations

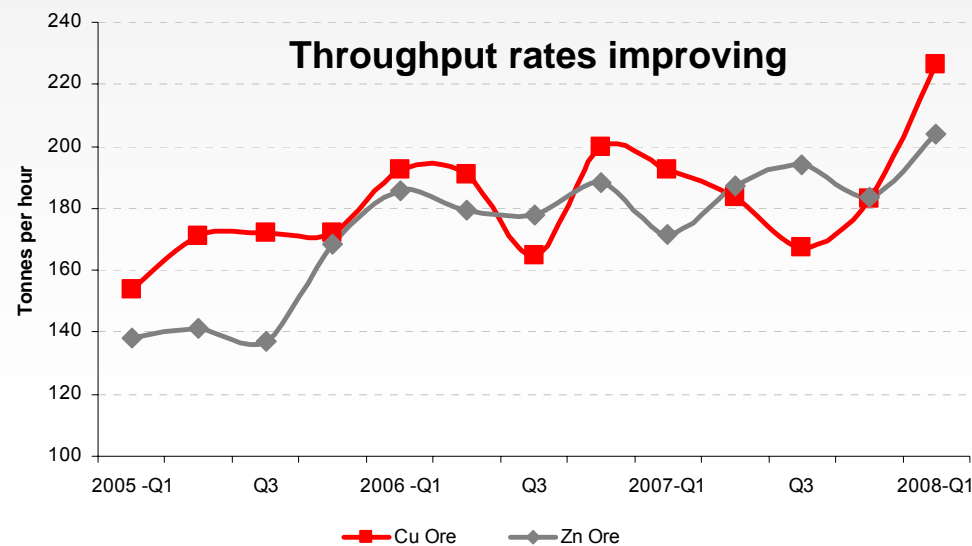
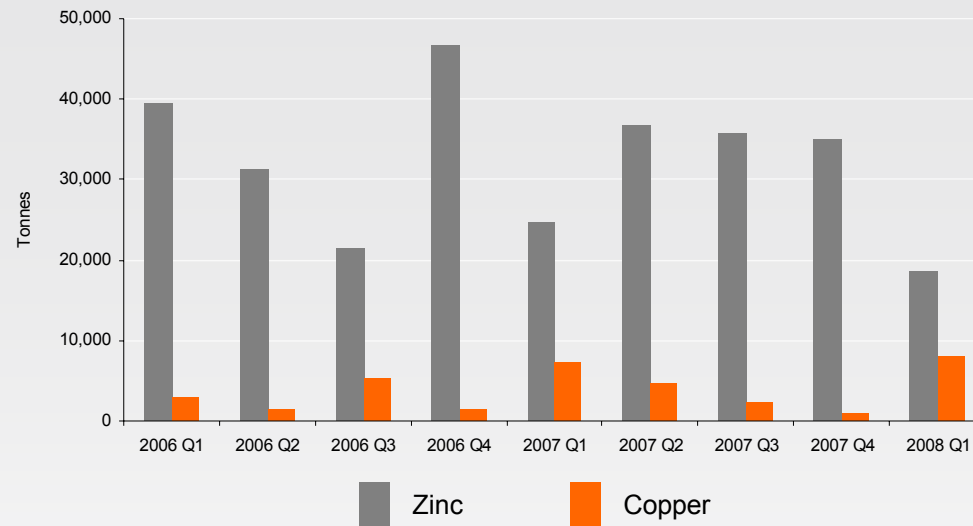
- Record mining, milling, production.

Exploration

- New Resources - zinc up 25% to 1.49Mt, copper up 32% to 748,000t.
- Deposits remain open.

Expansion studies

- Oxide/sulphide pits – drilling and permitting on track.
- Underground extensions – studies ongoing.



Prominent Hill Project Status (as of end of March 2008)

Mining & Operations 53M bcm mined to date

- Pre-strip complete, below budget
- First ore mining commenced
- All key management operations positions filled

Engineering 95% complete

Infrastructure 79% complete

- Village 100%
- Access and airstrip 100%
- Main water pipeline 100%
- Tailings facility 92%
- Powerline 76%
- Concentrate Haul Road 41%

Process plant 42% complete

- Earthworks 100%
- Concrete 93%
- Tankage 75%
- Structural steel erection 40%
- Mechanical installation 18%
- Ball mill being installed
- Crusher being installed
- SAG Mill delay

Overall Construction 58% complete

Current Site Workforce 1100

Costs on Target



Grinding area structure

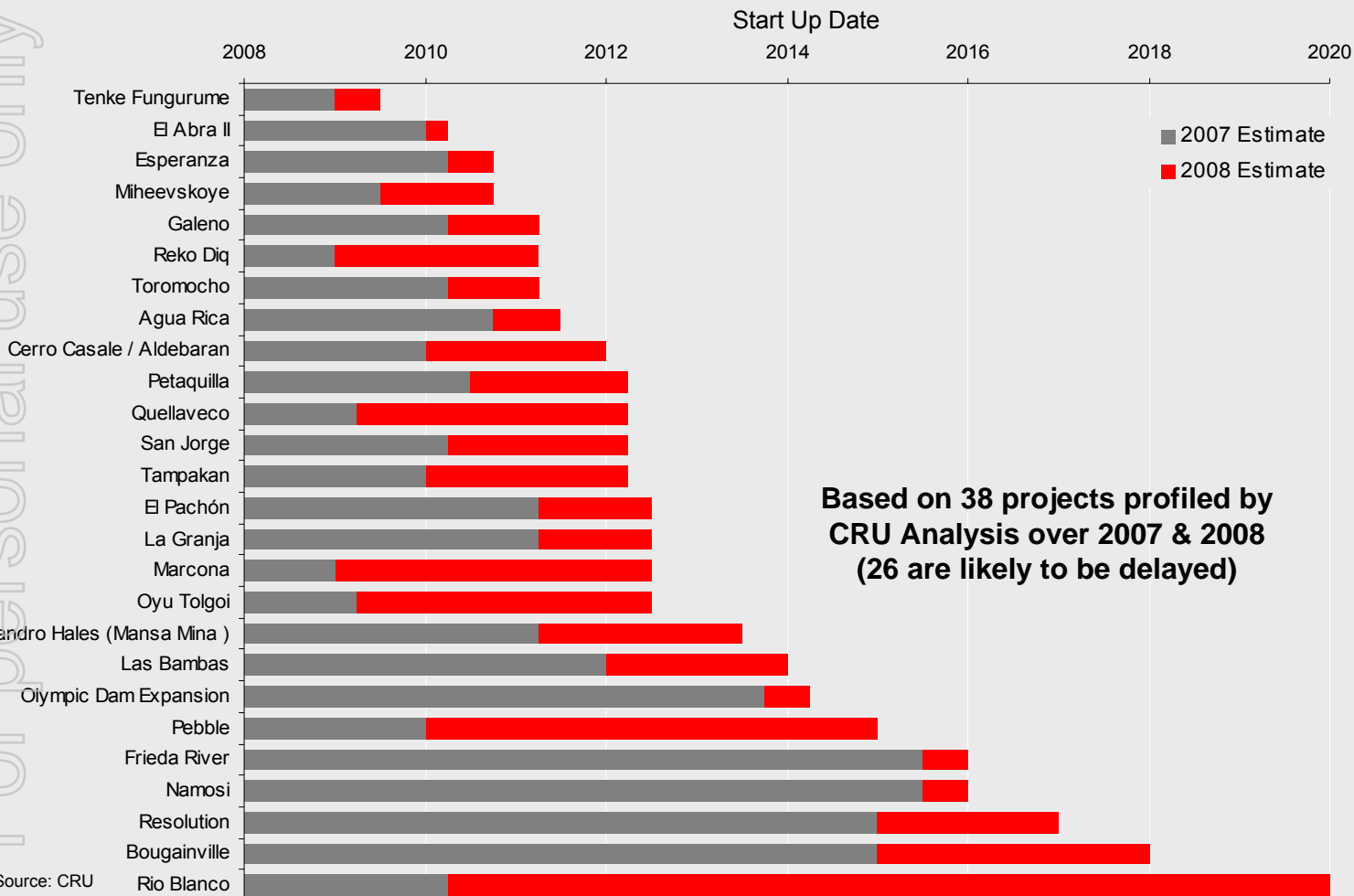


Aerial view of the Prominent Hill site.

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• Project delays

Majority of new projects encountering delays



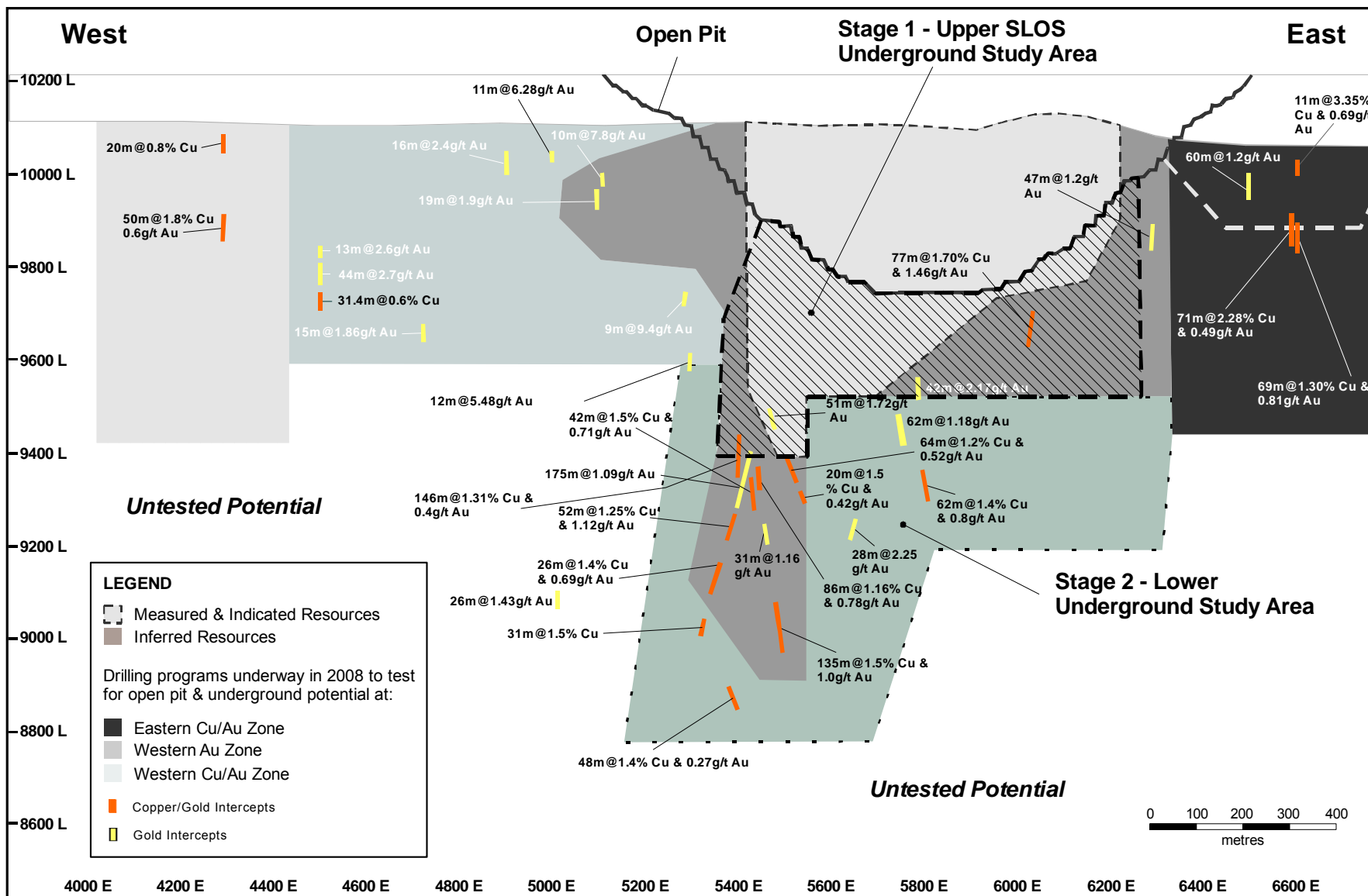
Challenges

- Fewer discoveries
- New mining domains
- Declining head-grades
- Increasing capital costs
- Project delays
- Increasing operating costs
- Continuing disruption
 - power supply
 - water supply
 - acid shortages
 - technical staff availability
 - labour availability & disputes.
 - country risk.

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Prominent Hill Resource Expansion Drilling

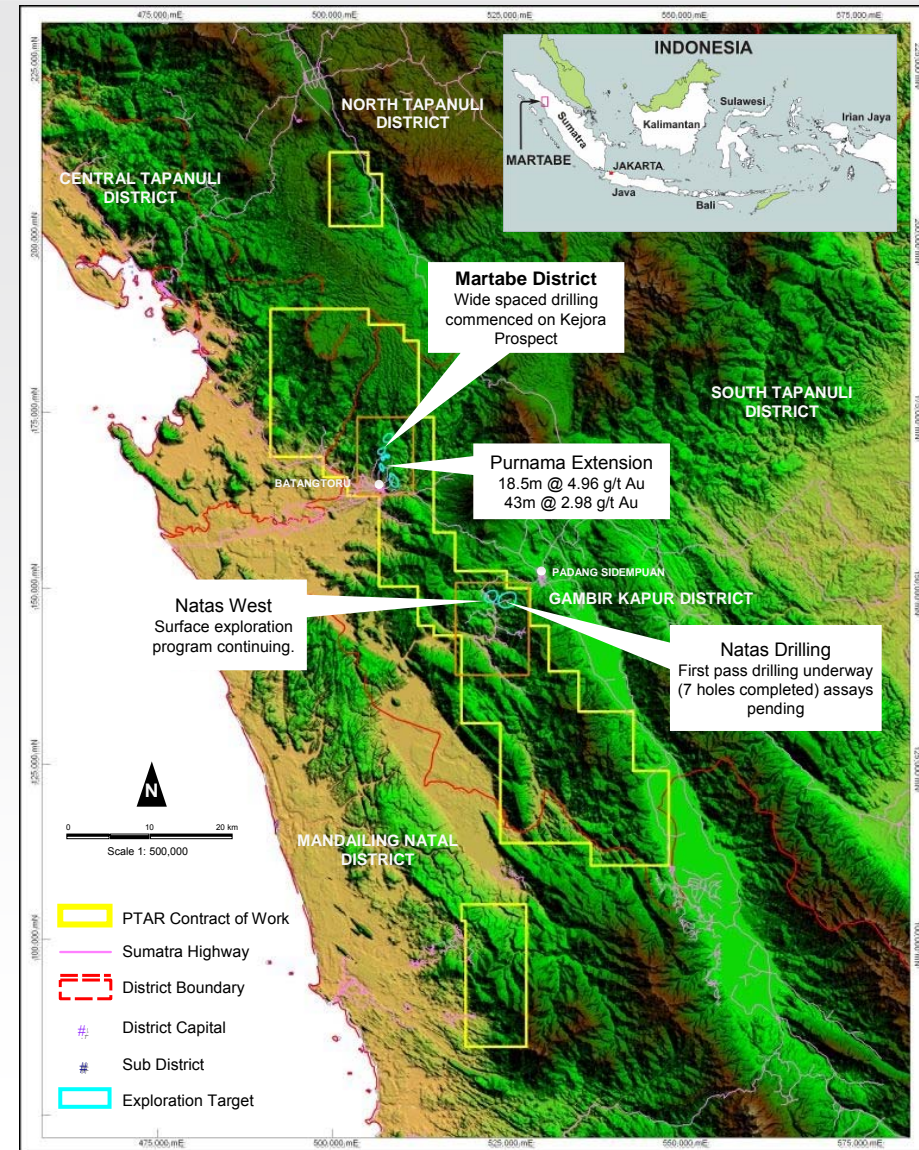
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- Final approvals proceeding on schedule.
 - AMDAL approved.
 - Feasibility study approved.
 - Application for final construction permit.
- Preferred EPCM contractor named.

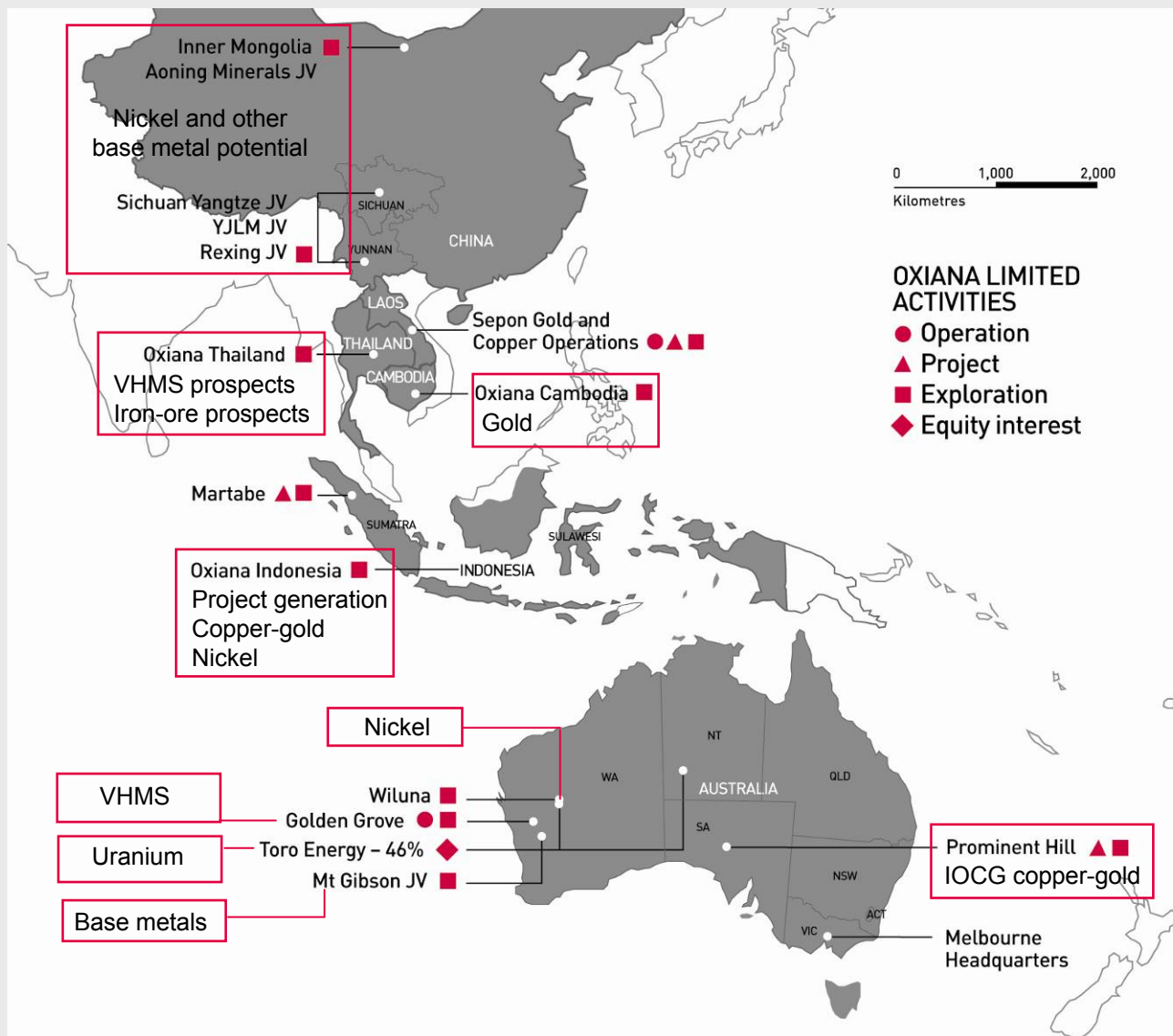
Martabe

- Large resource base – 6Moz gold, 60 Moz silver.
- Production 200,000oz/a gold, 2 Moz/a silver.
- First production – end 2009.
- US\$310 million capital cost
- Exploration
 - Purnama pit extensions, Baskara and Pelangi deposits, new mine prospects.
 - Targets in COW area – 2,563km²
- Leverage into rest of Indonesia.



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A strong platform to deliver superior growth

• **Complementary:**

- Operations
- Development pipeline
- Exploration.

• **High quality assets.**

- **Experienced and committed Board and management team.**
- **Strong cash flows and balance sheet.**
- **Enhanced market position.**
- **Platform for further growth.**

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Record production quarter

- Sepon copper.
- Golden Grove copper.
- Production on track to meet guidance.

Development pipeline

- Prominent Hill end 2008.
- Martabe final approvals.
- Sepon copper expansion.
- Golden Grove open-pit and underground expansions.
- Prominent Hill underground scoping study.

Exploration success

- Primary copper at Sepon.
- Oxide gold at Sepon.
- Prominent Hill near mine.
- Golden Grove Resources upgraded.
- Cambodia – encouraging gold results.
- Indonesia new nickel project.
- China – new, high potential Nickel JV.

Corporate

- Major merger announcement.





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