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**MERRILL LYNCH GLOBAL METALS, MINING
& STEEL CONFERENCE**

May 2008



**Owen L Hegarty
Managing Director & CEO**



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VISION

To grow a major mining company.

STRATEGY

Commodities: Base and precious metals; progressive diversification.

Domain: Asia, Pacific Australia; other domains.

Assets: High margin, long-life, upside. Maintain strong pipeline of development projects.

Exploration: Strong commitment to near mine and regional exploration.

VALUES

Respect and Openness
Action and Performance

MANAGEMENT

Strong, broad management team and highly experienced Board.

MARKET STATISTICS

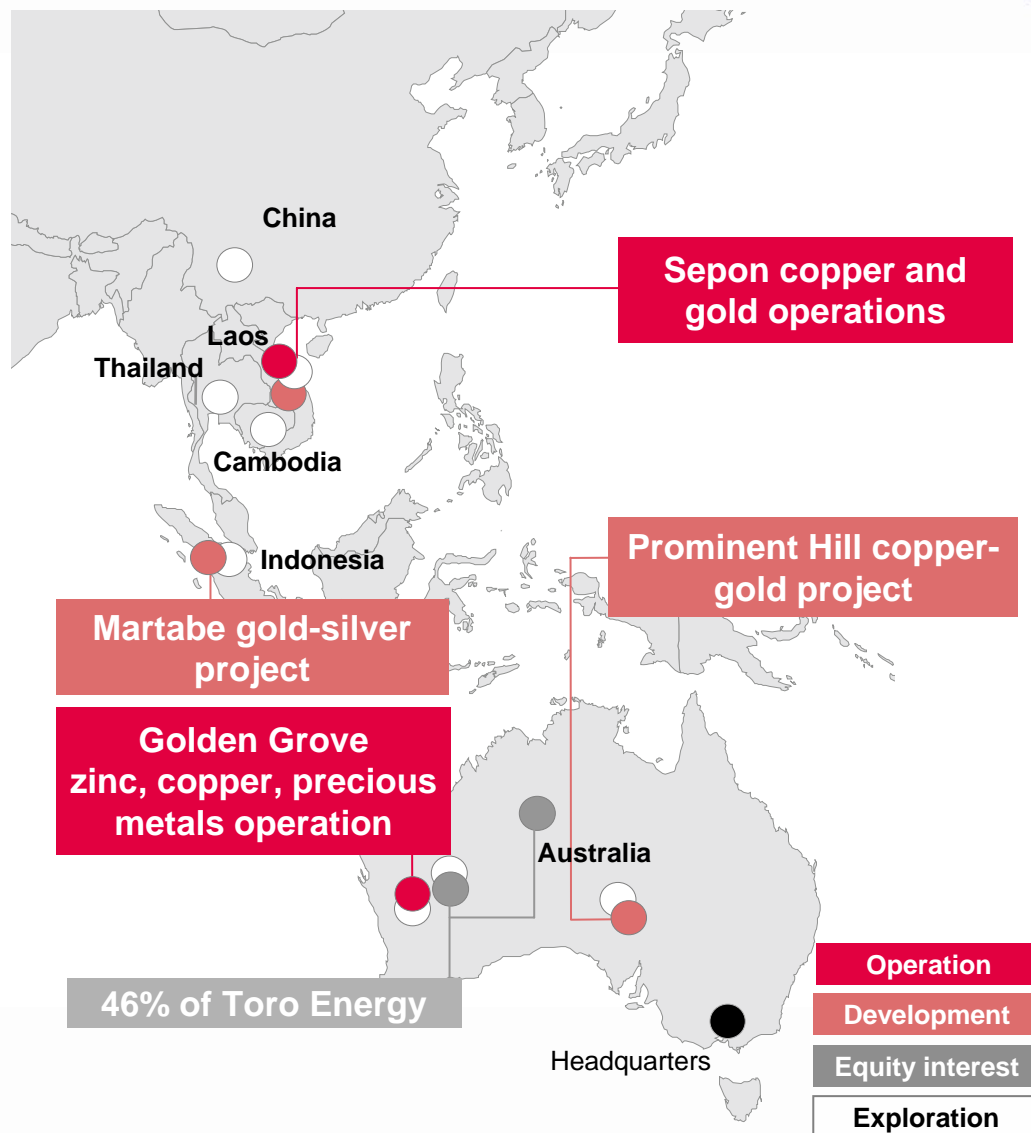
ASX-listed (OXR; S&P/ASX100)

1,566m issued shares

Average turnover; 15m/day

Share price; A\$3.58

Market capitalisation; A\$5.6 billion



NPAT A\$305.8m

EBITDA A\$595 million

- strong operating performance.
- provisional pricing impact.
- lower commodity prices and FX.

Balance sheet strength

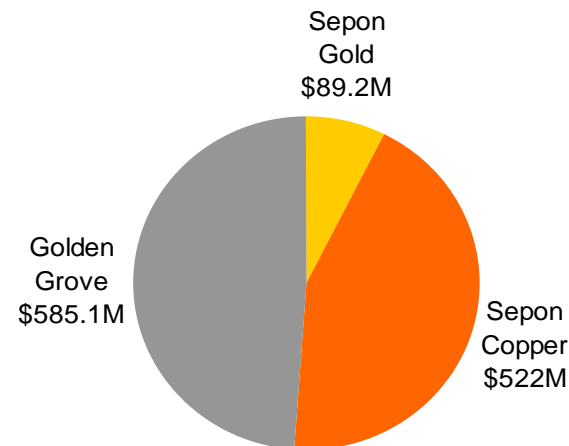
- low gearing (10%).
- no hedging.

Dividend

- 8 cps partly-franked.

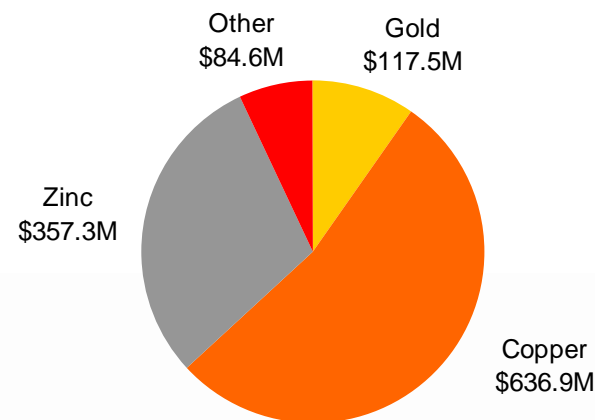
Gross Revenue By Operation

(Pre TC/RC & Royalty Incl. Sepon Premium)

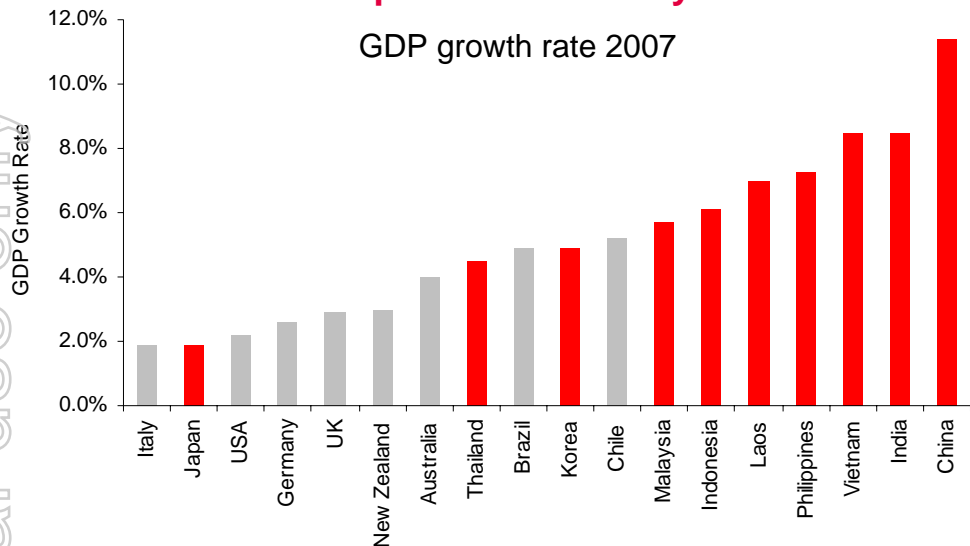


Gross Revenue By Commodity

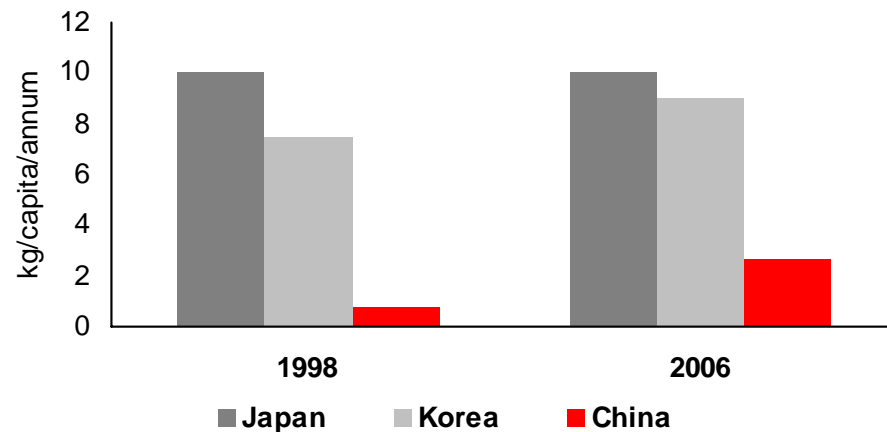
(Pre TC/RC & Royalty, Incl Sepon Premium)



Global expansion driven by China



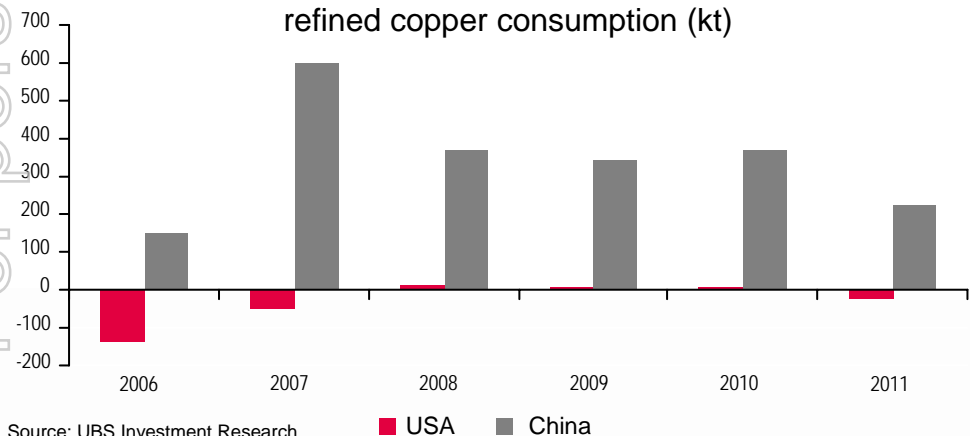
Comparative copper intensity



Source: Broker research

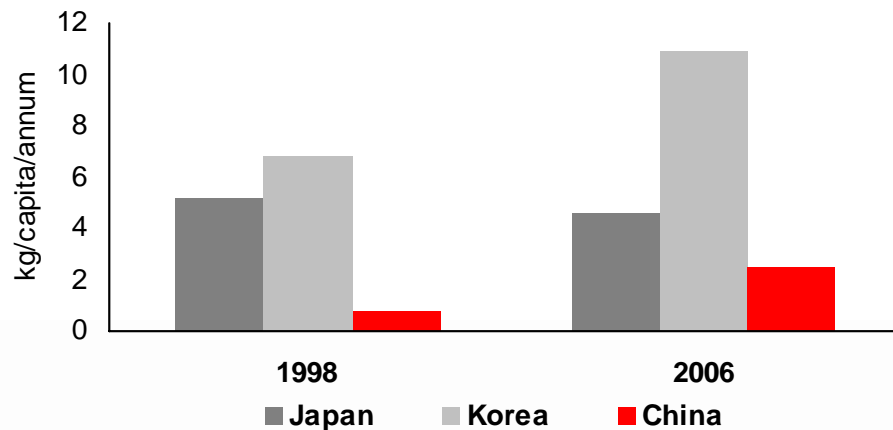
US impact minimal

Relative impact: China vs. US, incremental refined copper consumption (kt)



Source: UBS Investment Research

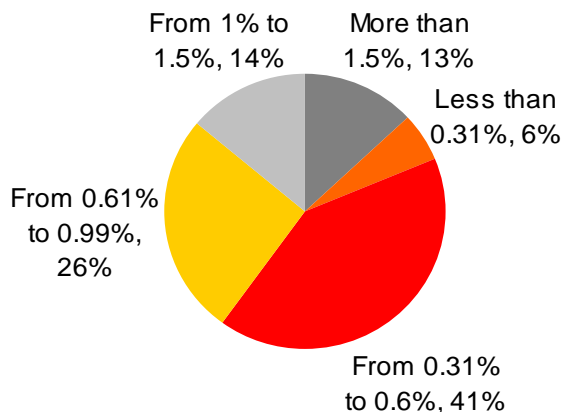
Comparative zinc intensity



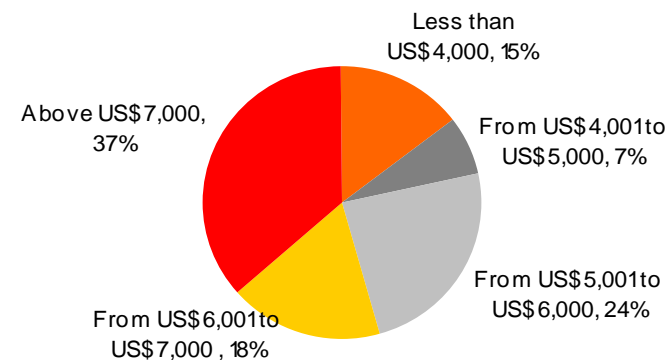
Source: Broker research

- 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.

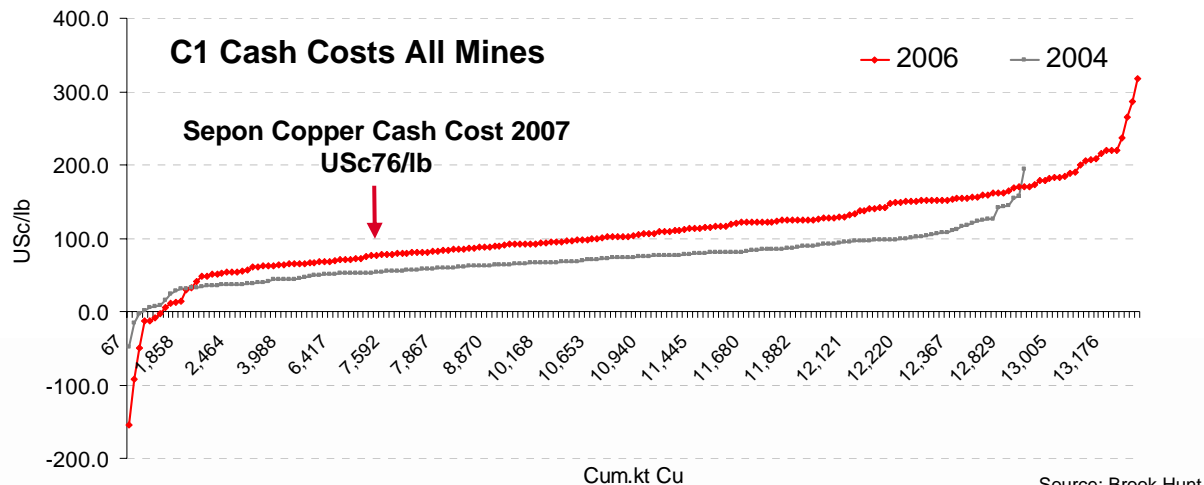
Copper grades of 66 projects



Capital costs of new copper projects



Operating costs impacted by consumables and labour costs



Building a major mining company

- Complementary assets
 - Operations
 - Exploration
 - Development pipeline.
- Highly experienced Board and management team.
- Financial strength, market position.
- Growth vision.

Schedule

- Zinifex Scheme Meeting mid June.
- Followed by final court hearing.
- Early July effective merger date.
- NewCo EGM mid July.

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Complementary asset portfolios with leverage to continued global growth



- ■ ▲ Oxiana assets
- ■ ▲ Zinifex assets
- Oxiana exploration focus
- Zinifex exploration focus

● Operations

Australia

1. Century (zinc/lead)
2. Golden Grove (zinc/copper/gold/silver)
3. Rosebery (zinc/lead/copper/gold/silver)

Laos

4. Sepon Copper (copper)
5. Sepon Gold (gold)

■ Projects under development

Australia

6. Prominent Hill (copper/gold)

Indonesia

7. Martabe (gold/silver)

Laos

8. Sepon Copper expansion (copper)

▲ Project pipeline

Australia

9. Dugald River (zinc/lead/silver)

Canada

10. High Lake (zinc/copper)
11. Izok Lake (zinc/copper)

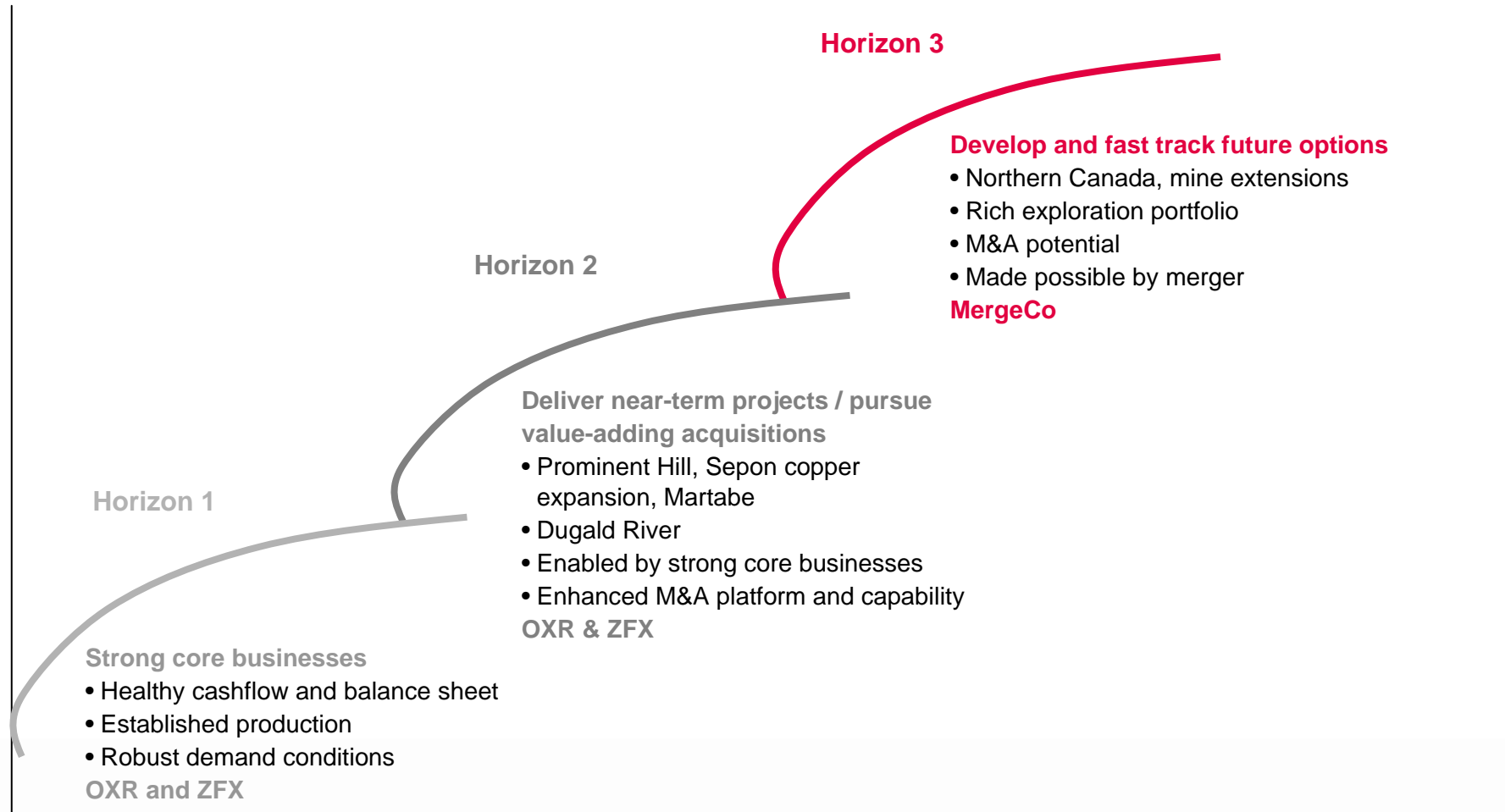
Laos

12. Sepon Gold expansion (gold)

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Clear path to creation of shareholder value

Value



Time

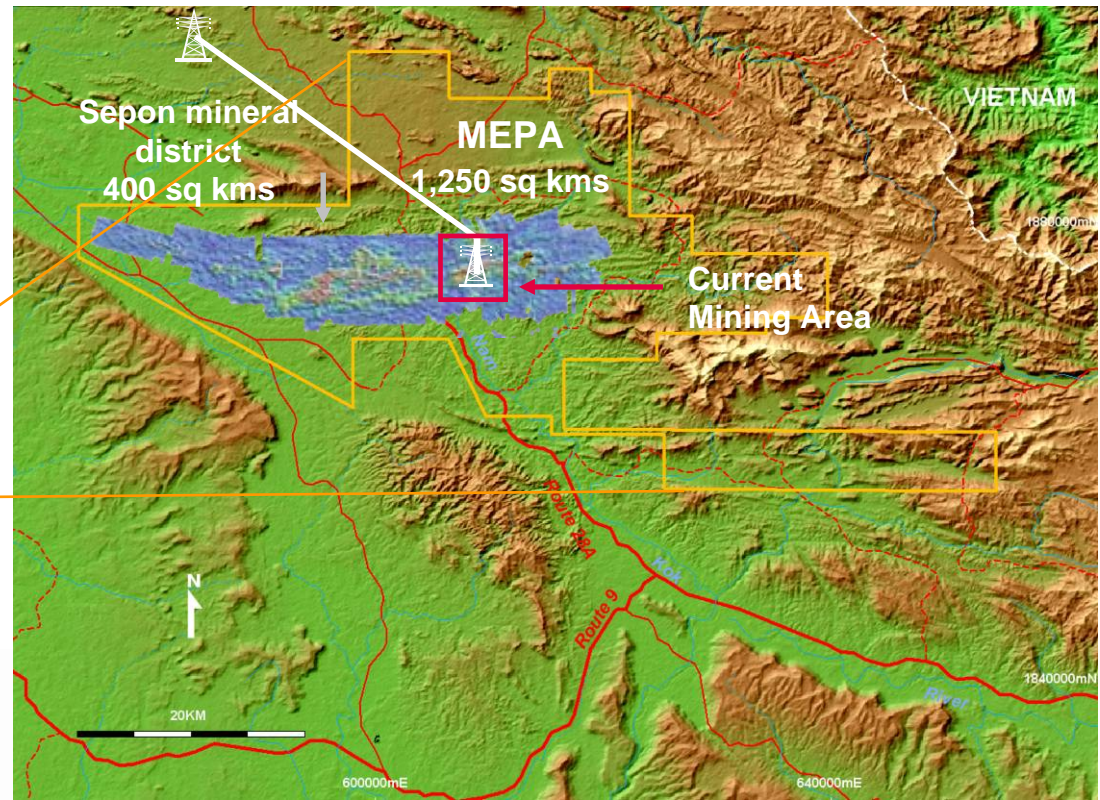
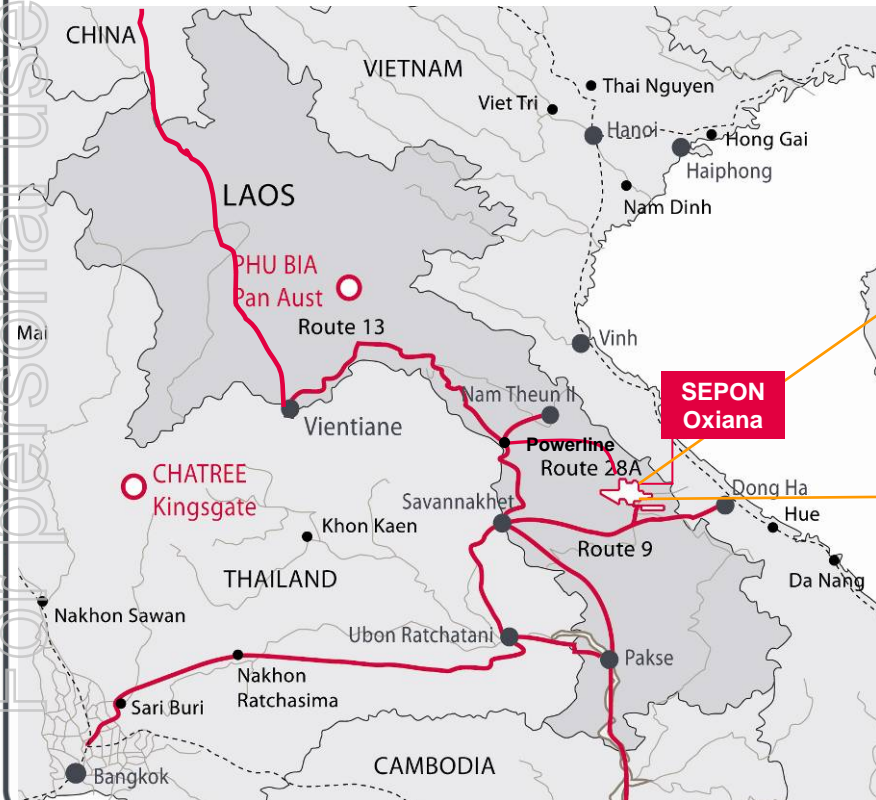
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Laos: growing mining industry

- Population - 6.3 m
- Market economy
- Strong GDP growth
- Growing infrastructure
- Priority sectors: Mining, Hydro
- ASEAN Member

Sepon: new mineral district

- Secure agreement covers exploration to production
- 50 year operating period
- Covers a new mineral district
- Developed infrastructure
- Strong community support





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Sepon copper and gold plants overview

Location: Laos

Resources: 1.6Mt copper
3.4Moz gold, 38.6Moz silver,

Mining: Open pit

Throughput: Copper 1.3Mt/a
Gold-2.2Mt/a

Plant: SX-EW copper plant
CIL gold plant

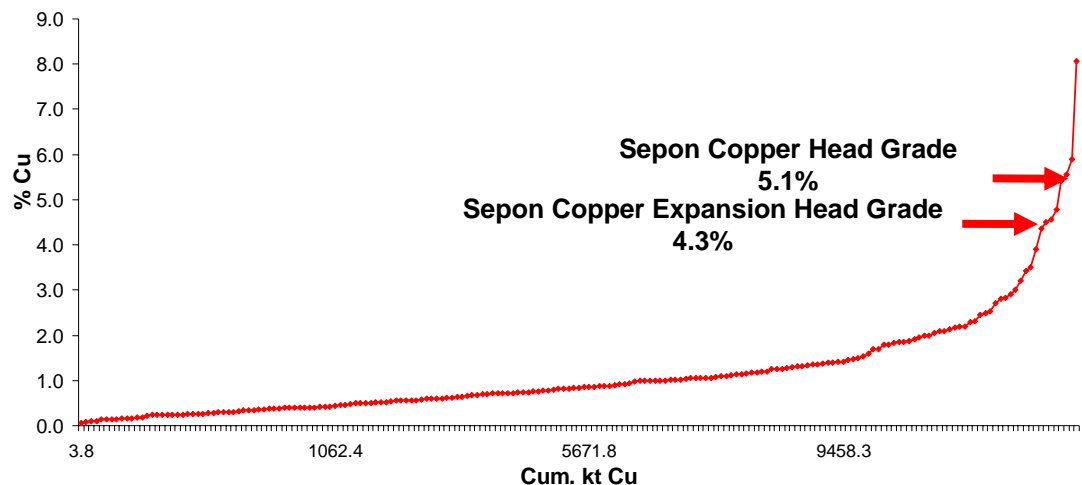
Production: 60,000t to 65,000t Copper
2008 (f) Cathodes
90,000oz to 100,000oz Gold

Expansions:
Copper: By 2010
80,000t/a

Primary Gold: Feasibility study

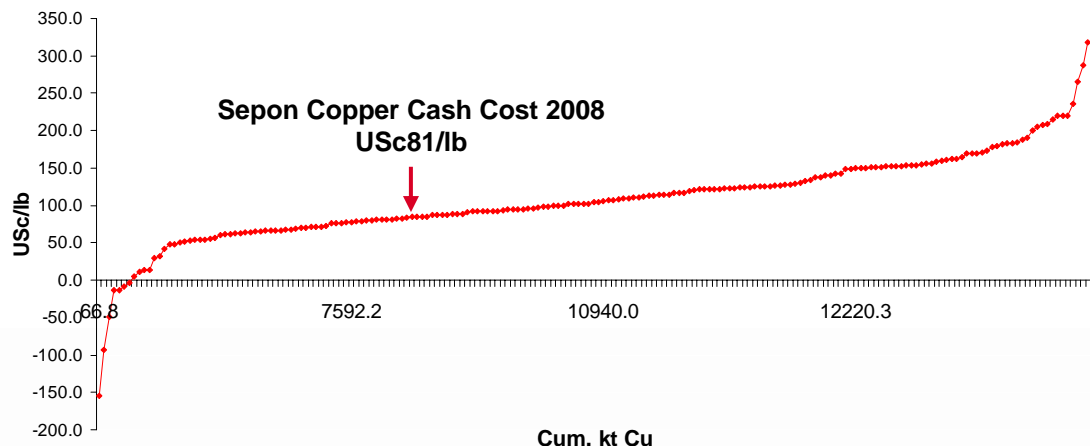
Product sales:
Copper: Thailand, Vietnam,
Malaysia, China
Gold: Perth Mint

Copper Head Grade - All Mines 2006 Actual



Source: Brook Hunt

C1 Cash Costs All Mines - 2006



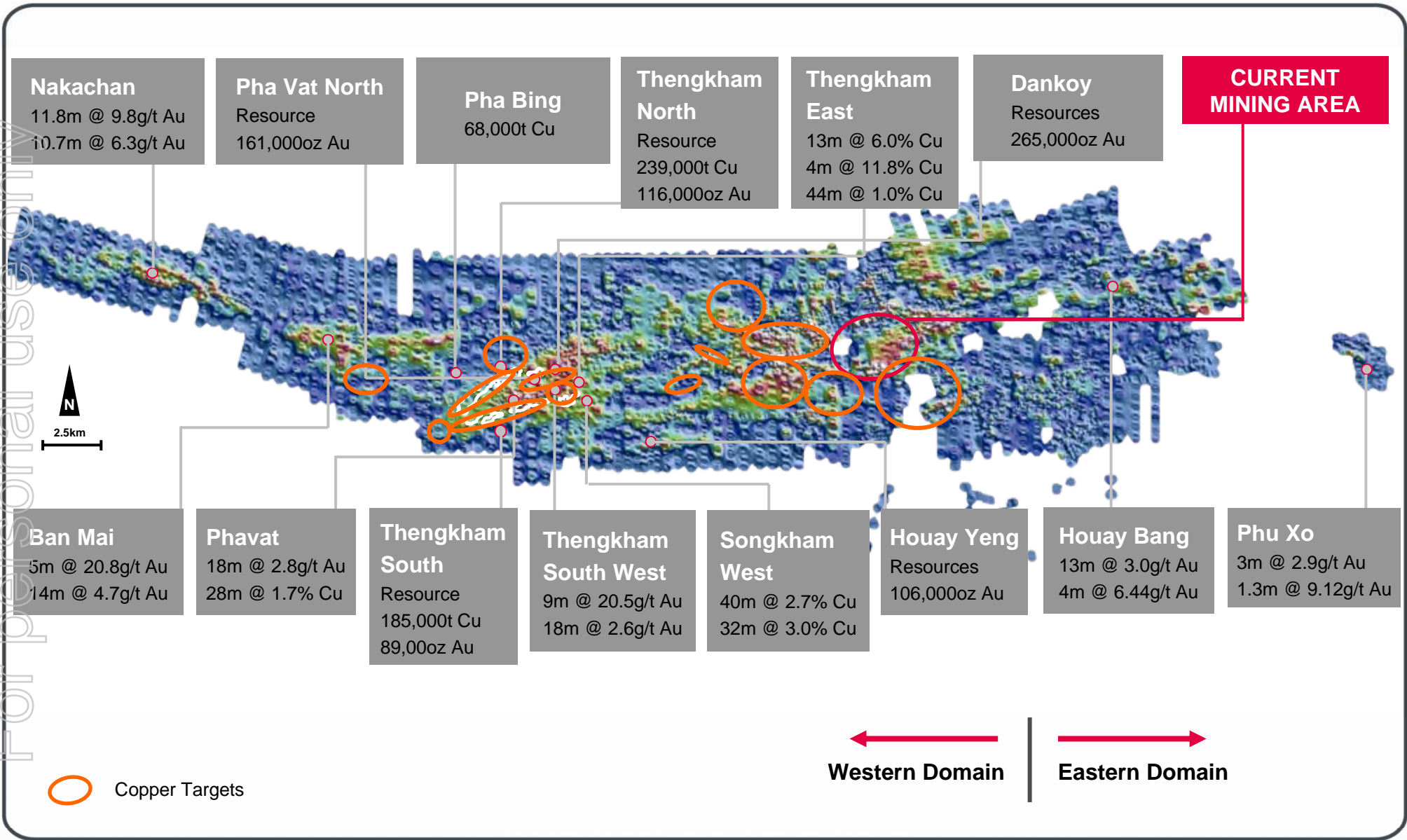
Source: Brook Hunt

- Expansion from 60,000t/a to 80,000t/a.
- First full year of expanded production 2010.
- US\$178 million capital cost.
- 10 % reduction in operating costs.
- Throughput to increase from 1.35Mt/a to 2Mt/a.
 - New primary crusher.
 - Additional 8 CCD tank train.
 - Leaching capacity additions.
 - 24 new electro-winning cells.
 - Plus debottlenecking projects.
- Design to support future expansions.
- Target >100,000t/a.

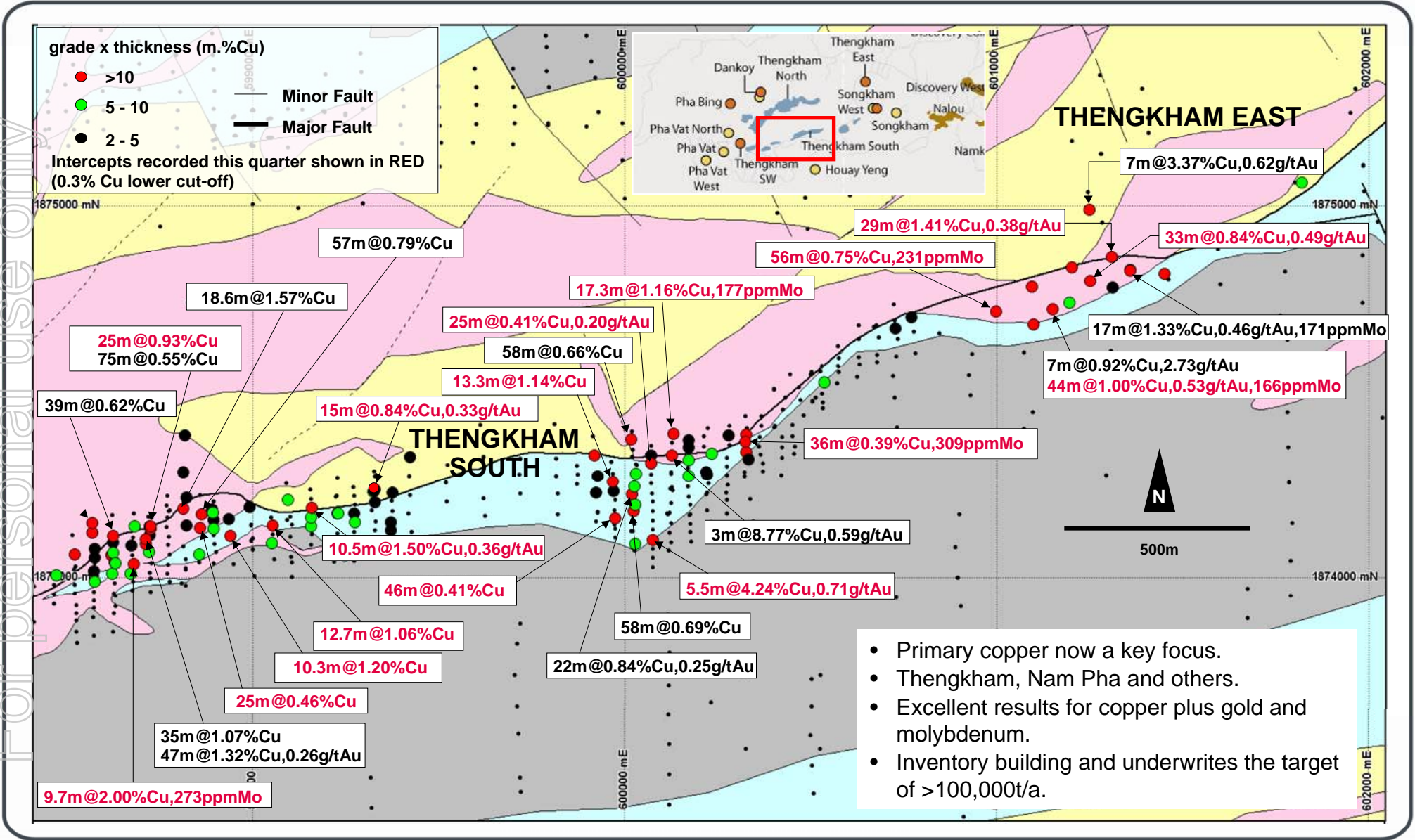


Engineering image of part of the expanded copper plant.

Sepon - a major mineral field – 1.6Mt copper, 3.8Mt gold and growing



Sepon – primary copper potential



- Primary copper now a key focus.
- Thengkhamb, Nam Pha and others.
- Excellent results for copper plus gold and molybdenum.
- Inventory building and underwrites the target of >100,000t/a.

Indonesia:

World class deposits Top global producer
Key supplier to Asia High prospectivity

Martabe project

Close to Trans-Sumatran highway.
Port access.
Good relationship local government and community.
Introduction to Indonesia

Tenement: 1,600Km2 Contract of Work

Project status: Approval
Construction start Q4 2008

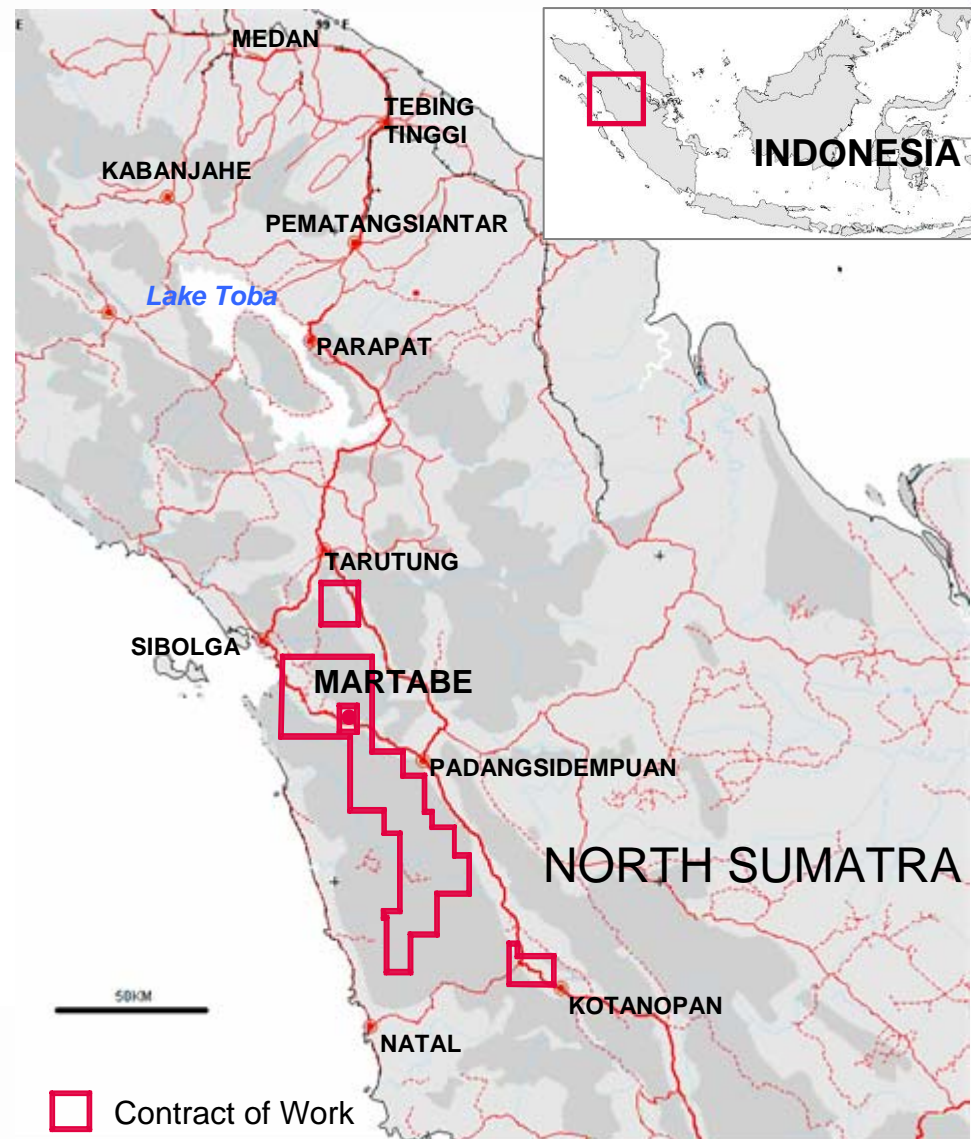
Resource base: 6Moz gold, 60Moz silver

Processing: CIL

Production: 200,000oz/a gold, 2Moz/a silver

Schedule start: End 2009

Exploration upside



Martabe - a significant mineral district

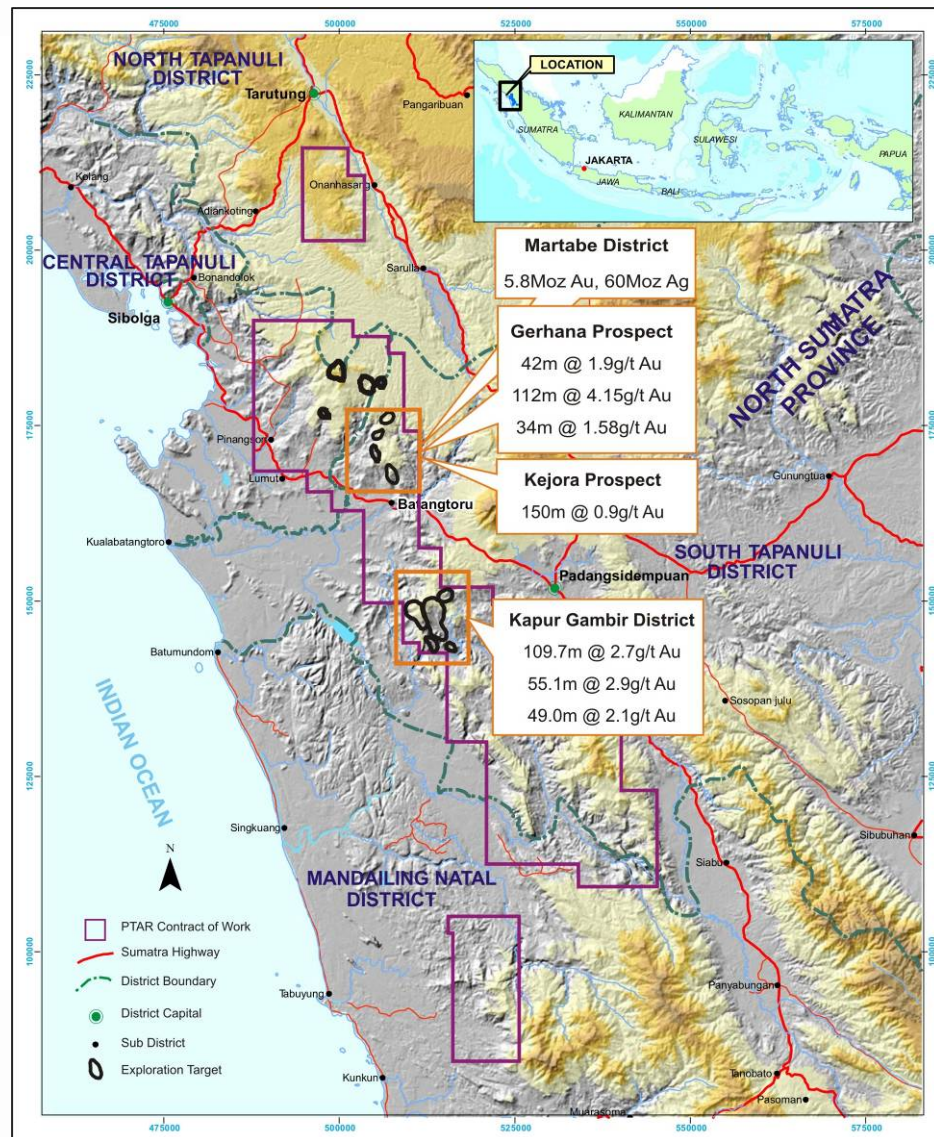
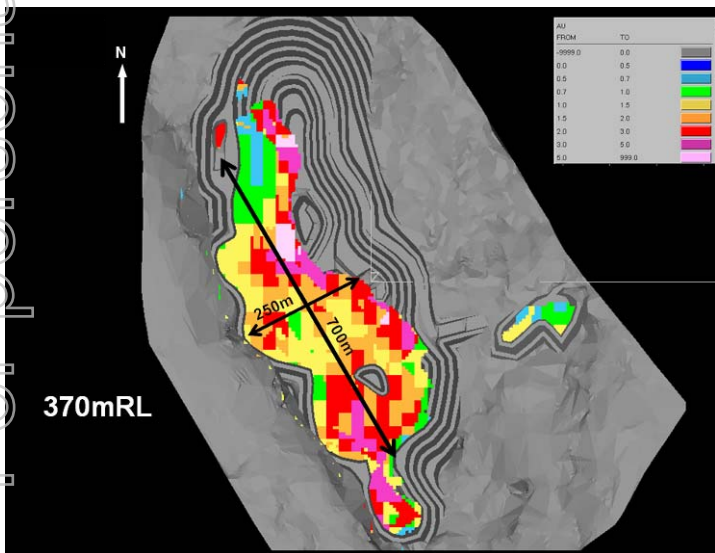
Significant upside.

Purnama pit (4.4Moz) extensions.

Baskara (1.2Moz) and Pelangi (0.4Moz) extensions.

Multiple prospects in larger 1,600km² COW area.

- Gerhana, Kejara prospects closer to Martabe
- Kapur-Gambir district, 30km to SE.
- Plus additional regional targets.



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Golden Grove - high grade VHMS, significant upside

Location: Western Australia

Resources: 1.2Mt zinc, 0.6Mt copper, 0.8Moz gold, 38.9Moz silver

Mine: Underground, sublevel open stoping

Throughput: ~1.7Mt/a

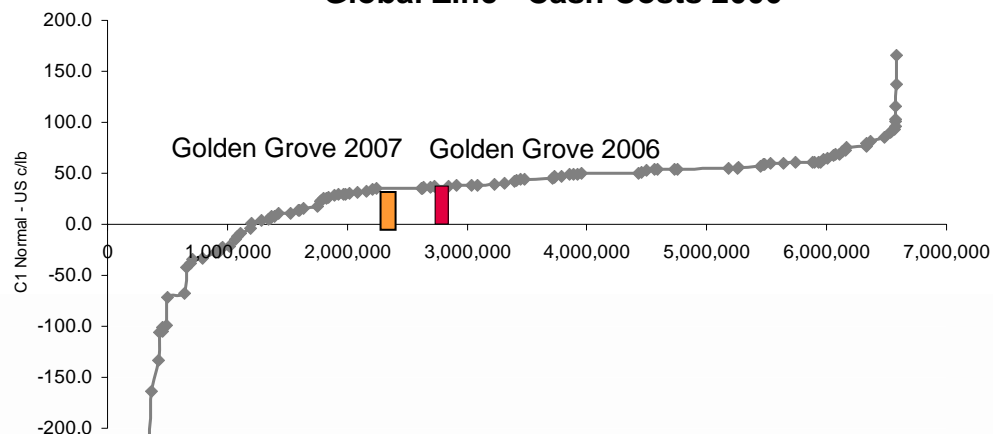
Product: Zinc concentrate, Copper concentrate,
High Precious Metals concentrate

Production: 135,000t to 145,000t zinc
2008 (f) 20,000t to 25,000t copper
3Moz to 3.5Moz silver
50,000oz to 55,000oz gold
10,000t to 13,000t lead

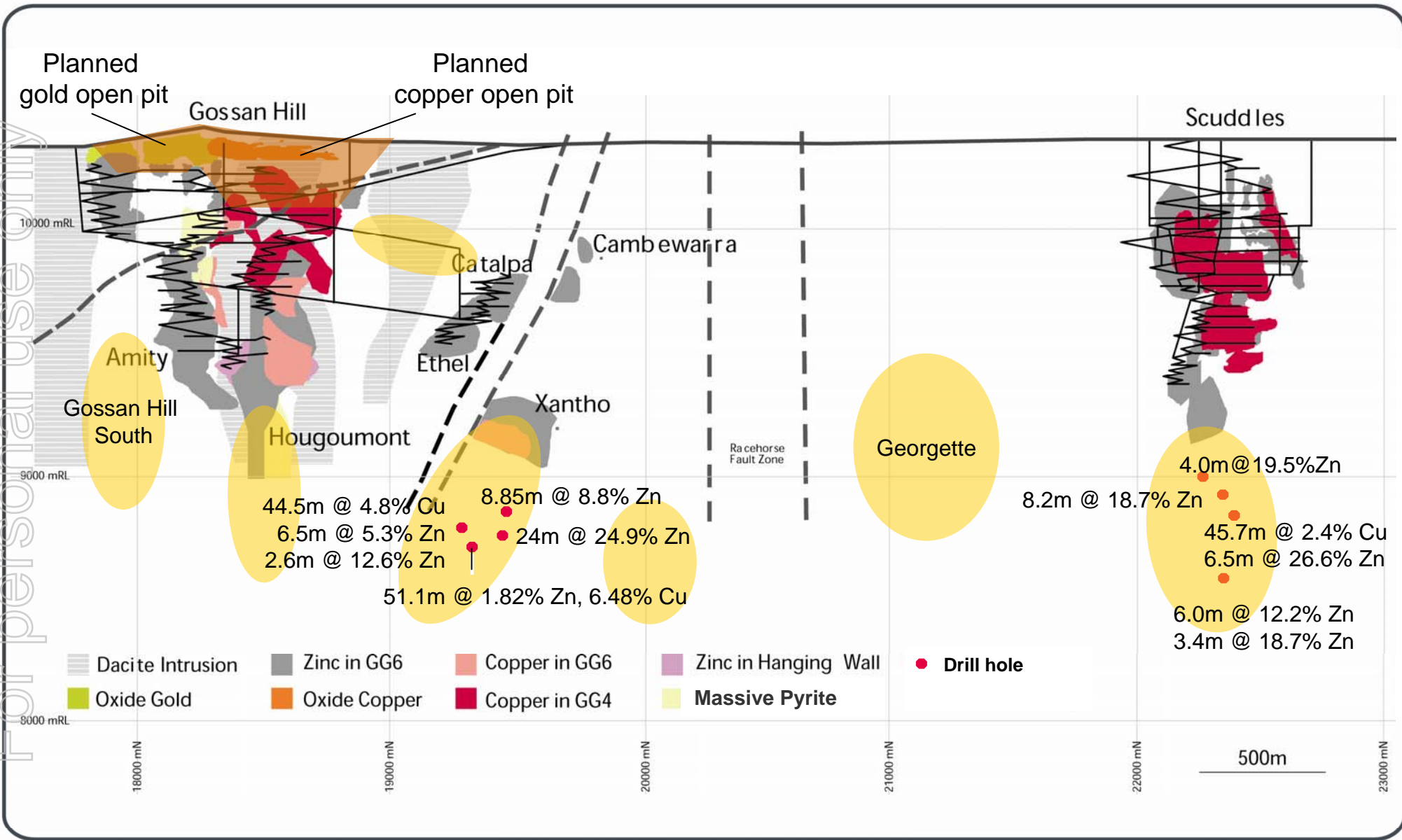
Product sales: Asian smelters



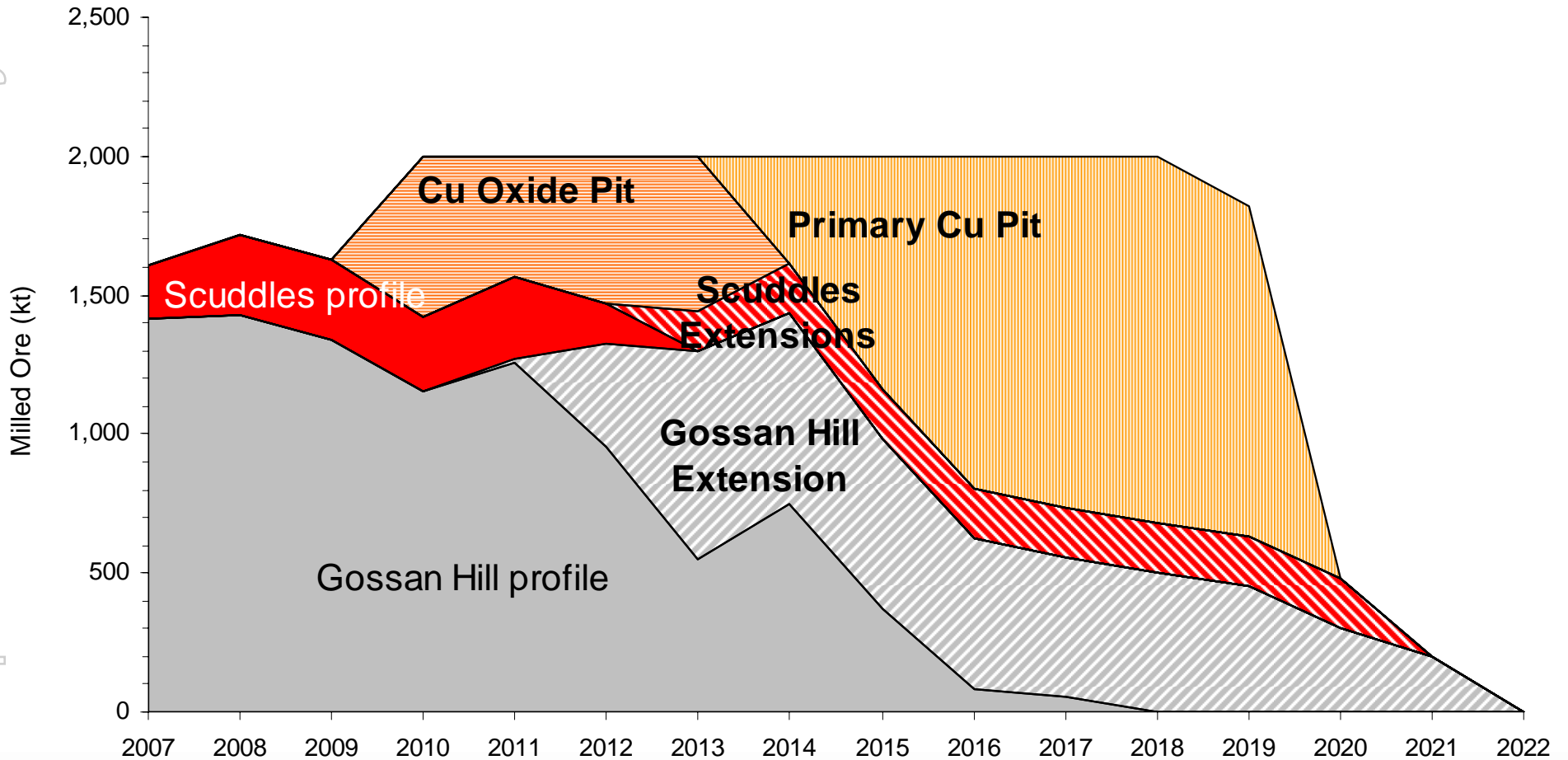
Global Zinc - Cash Costs 2006



Golden Grove – 1.5Mt zinc and 750,000t copper



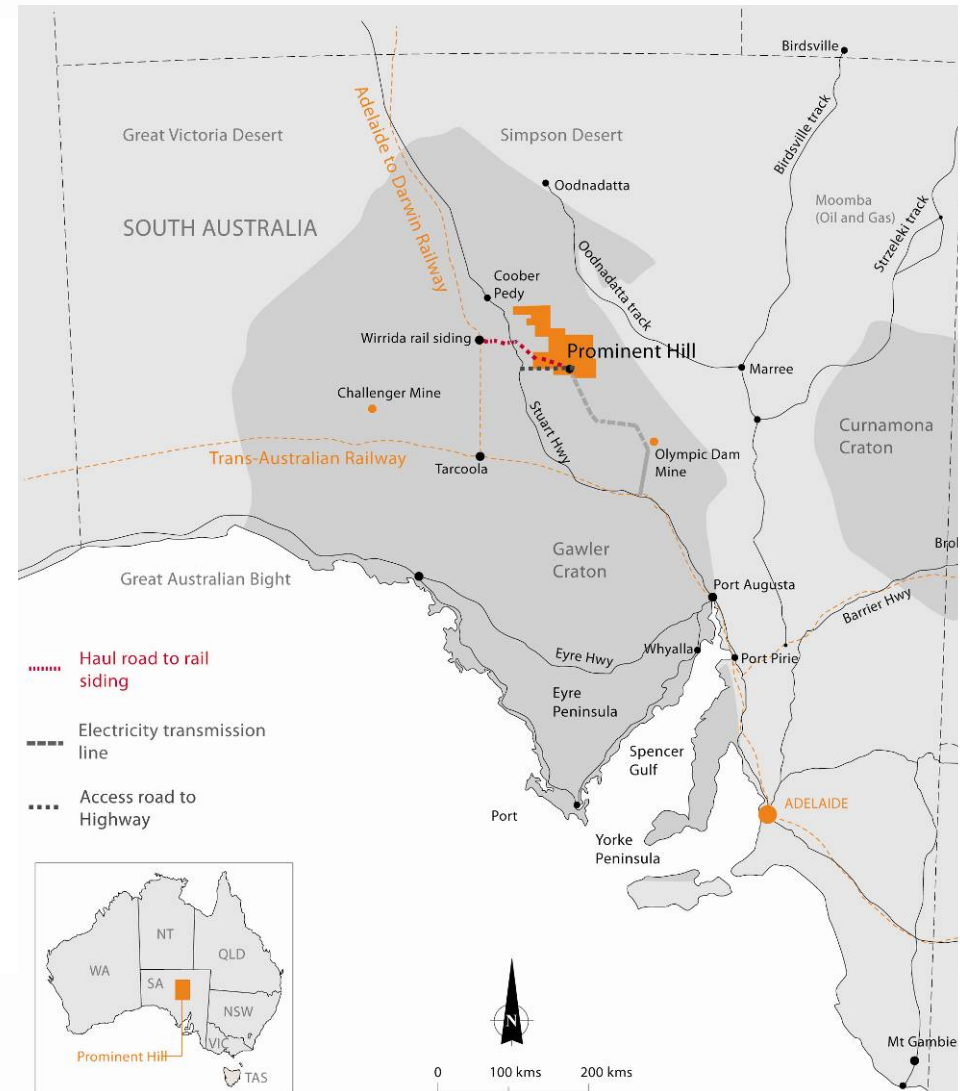
A longer life with higher throughput at Golden Grove



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Prominent Hill - world's next significant copper-gold mine

Status:	Under construction
Mining type:	Open pit
Resource base:	1.9Mt copper, 3.7Moz gold
Plant:	8Mtpa crush, grind, flotation
Production:	
2009(f)	110,000t to 120,000t copper
	75,000oz to 85,000oz gold
Product:	High grade copper concentrate
	45% Cu, 19g/t Au, 57 g/t Ag LOM
Cash cost:	85c/lb LOM
Capital cost:	A\$1.08 billion
First production:	Fourth quarter 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

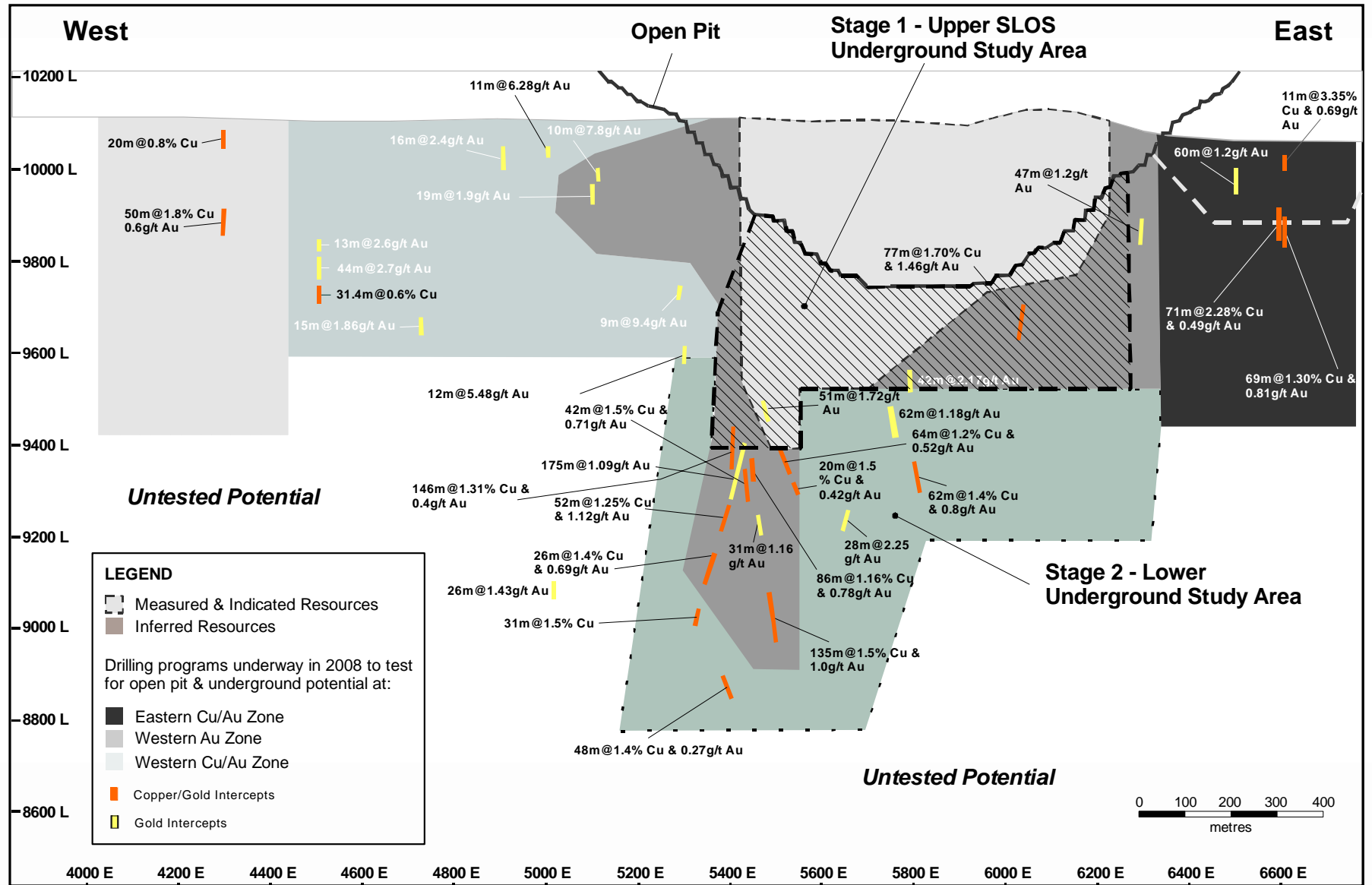
Costs on Target



Ball Mill installation



Aerial view of the Prominent Hill site.



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Excellent potential for more 'Prominent Hills'

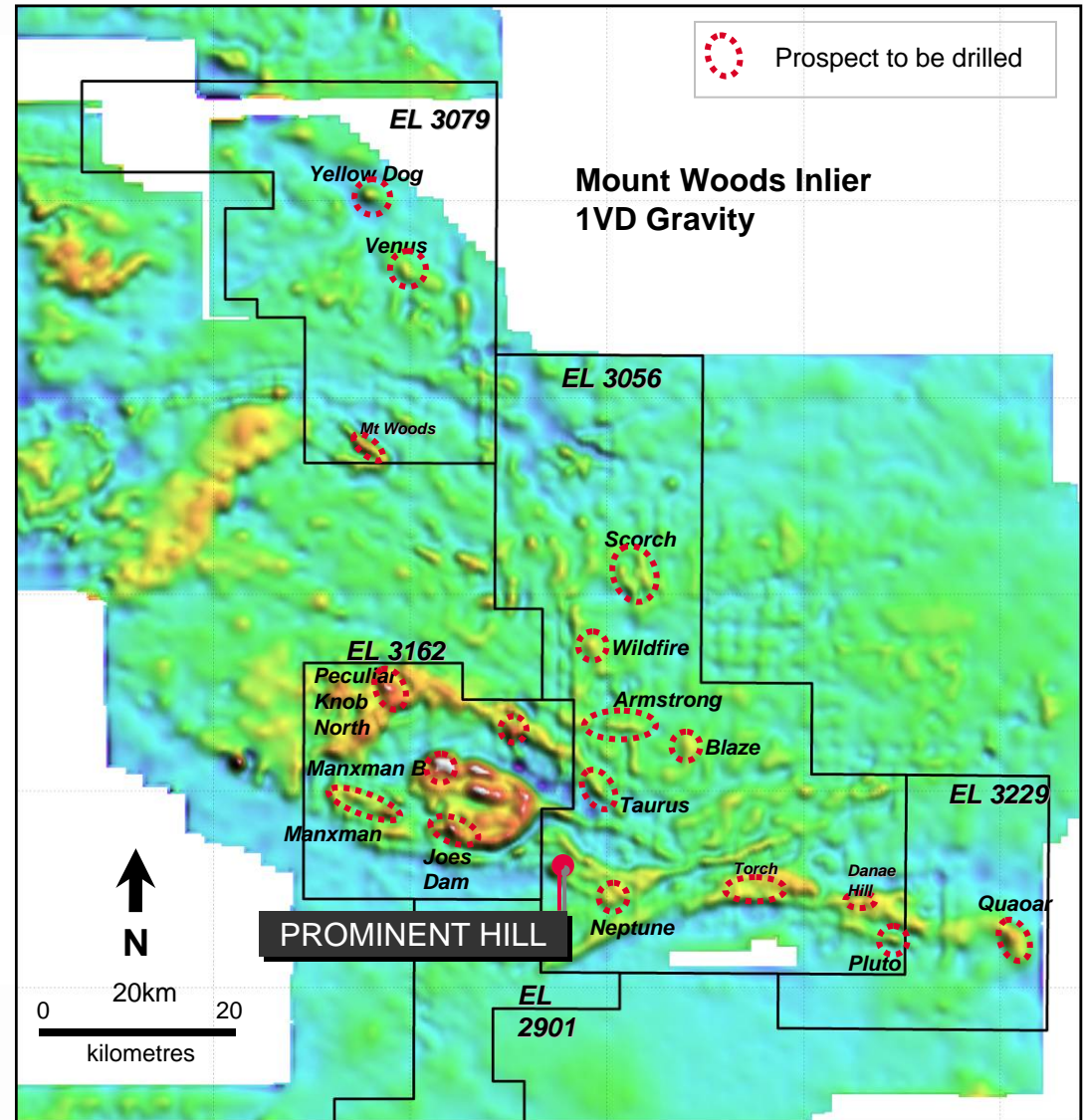
4,175km² of highly prospective tenements.

Remains under explored.

Detailed gravity surveys undertaken

Multiple Prominent Hill style targets

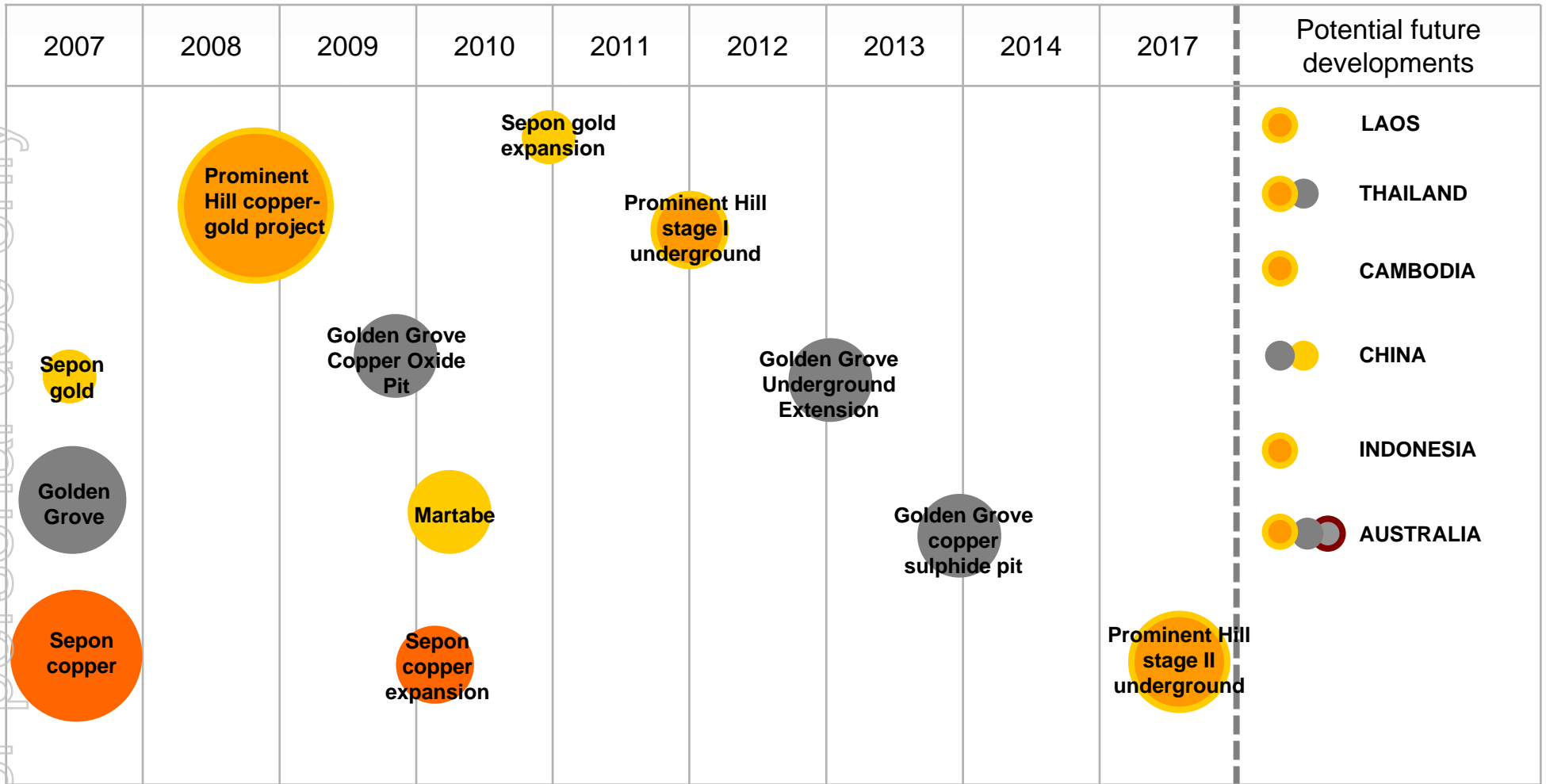
25 targets, drill testing underway.



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Development pipeline

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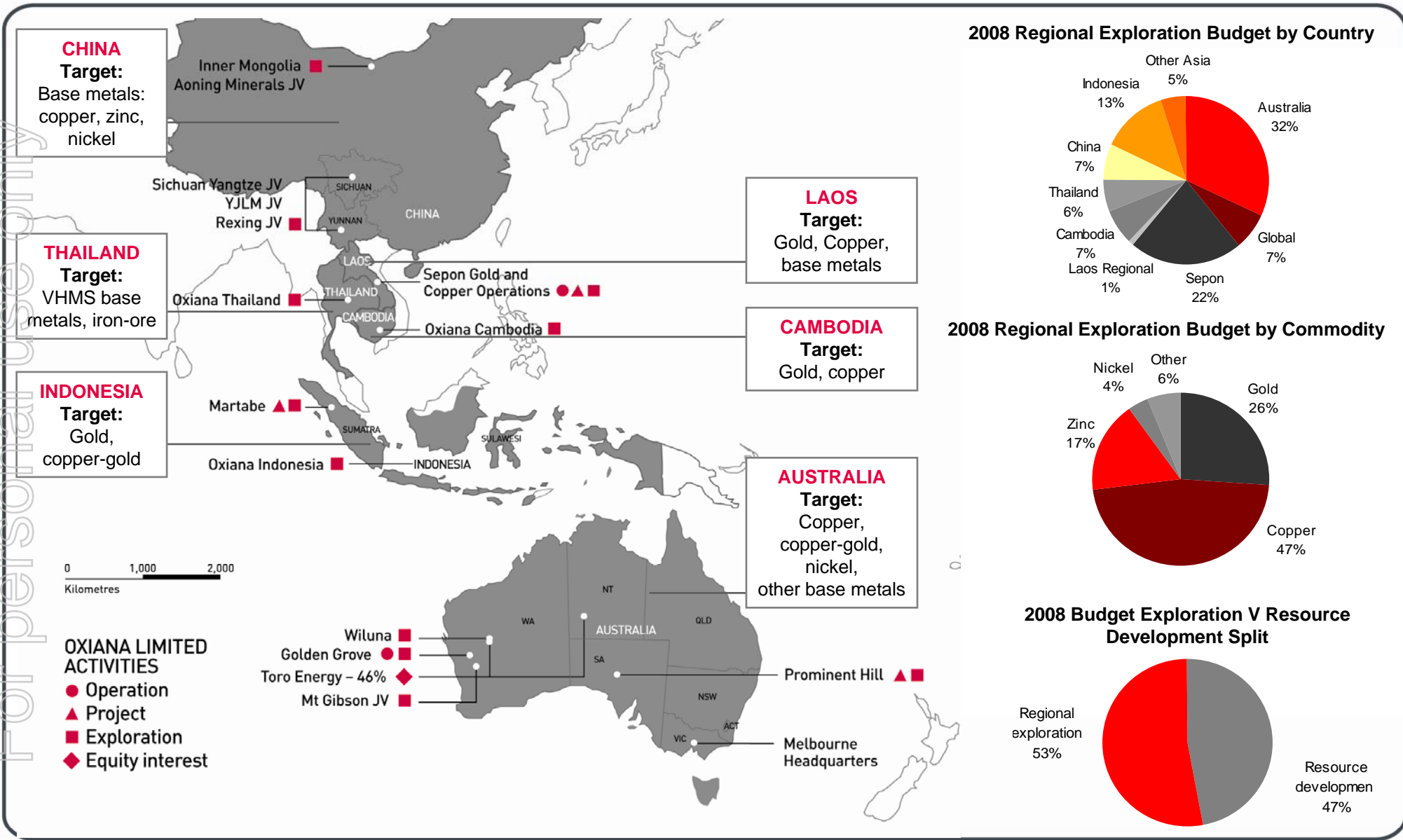


Potential future developments

- LAOS
- THAILAND
- CAMBODIA
- CHINA
- INDONESIA
- AUSTRALIA

- Gold
- Copper
- Copper-gold
- Other base metals
- Uranium

Exploration competitive advantage



Oxiana has:

- High quality operations
- Strong development pipeline
- Regional competitive advantage
- Major exploration commitment
- Financial strength
- Skilled and committed workforce

Continued growth through:

- Improving operations
- Expanding operations
- Discovering new resources
- Developing new resources
- Business development

- MAJOR
- MINING
- COMPANY.



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● **THANK YOU**

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