

For personal use only

OZ MINERALS SECOND QUARTER REPORT

Andrew Michelmore
Managing Director & CEO

22 July 2008



CONTENT

1. HIGHLIGHTS
2. MARKETS
3. SEPON GOLD AND COPPER
4. SEPON COPPER EXPLORATION
5. GOLDEN GROVE
6. PROMINENT HILL
7. MARTABE
8. CENTURY
9. ROSEBERY
10. AVEBURY
11. DUGALD RIVER
12. SUMMARY

For personal use only

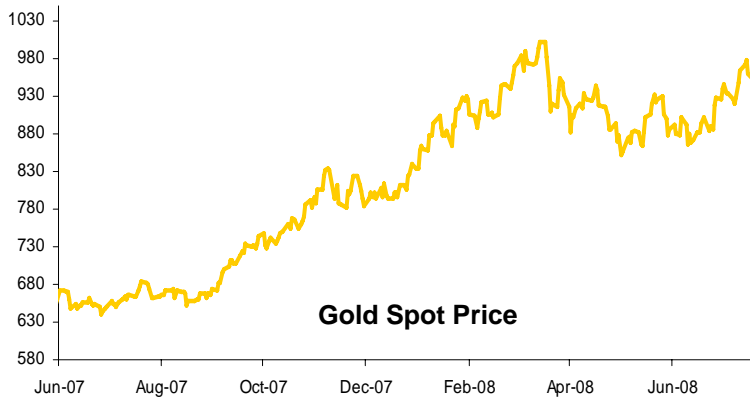
HIGHLIGHTS

- **Merger of Oxiana and Zinifex completed to form OZ Minerals.**
- **Record annual zinc production from Century.**
- **High grade copper exploration results at Sepon.**
- **Good zinc production at Golden Grove.**
- **Zinc production at Rosebery up.**
- **First nickel concentrates produced at Avebury post quarter end.**
- **Prominent Hill on schedule and budget for end of year commissioning – potential new deposit.**
- **Final mining approvals received for the Martabe gold mine in Indonesia - construction commenced.**

MARKETS

Gold

- Strong gold price
- Group gold production increasing



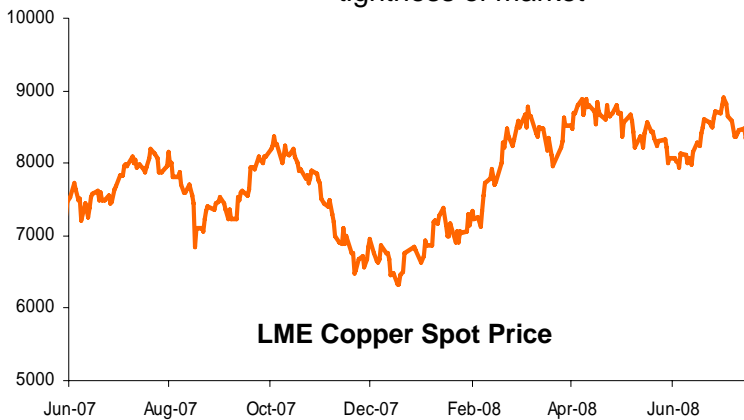
Zinc

- Supply concerns impacting market
- Mid-term outlook strong



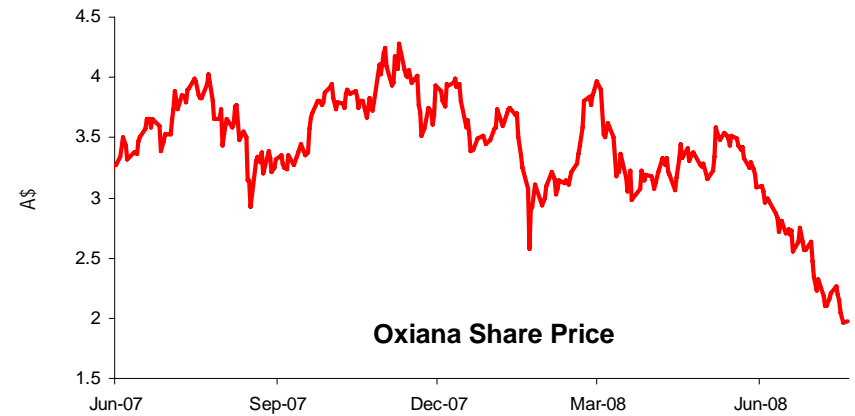
Copper

- Demand strong
- Supply disruption demonstrate tightness of market



OZ Minerals

- Poor market
- Fundamentals remain



SEPON – PRODUCTION AND COSTS

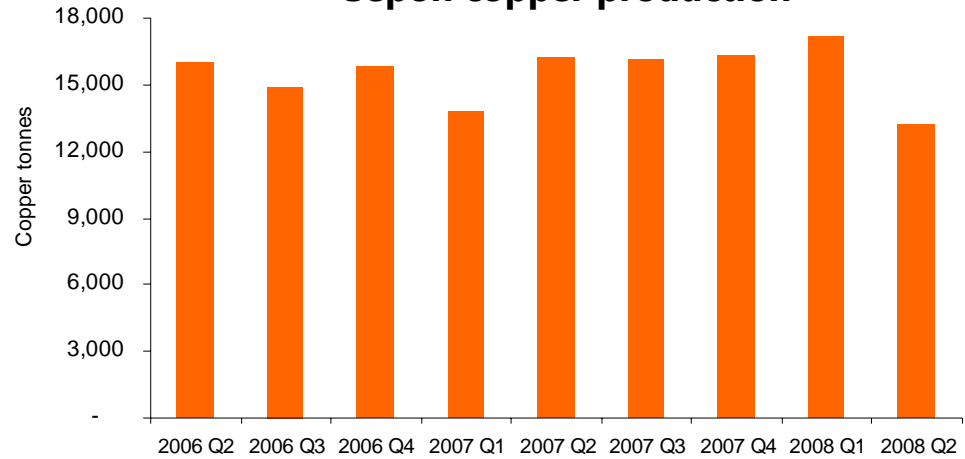
Sepon Copper

- Production impacted by small fire and 10-day shut-down.
- Forecast for full year remains intact.
- Costs up.
- Sepon copper expansion on track – long lead items ordered.
- Excellent exploration results from Thengkhamb East including 50m at 1.6%.

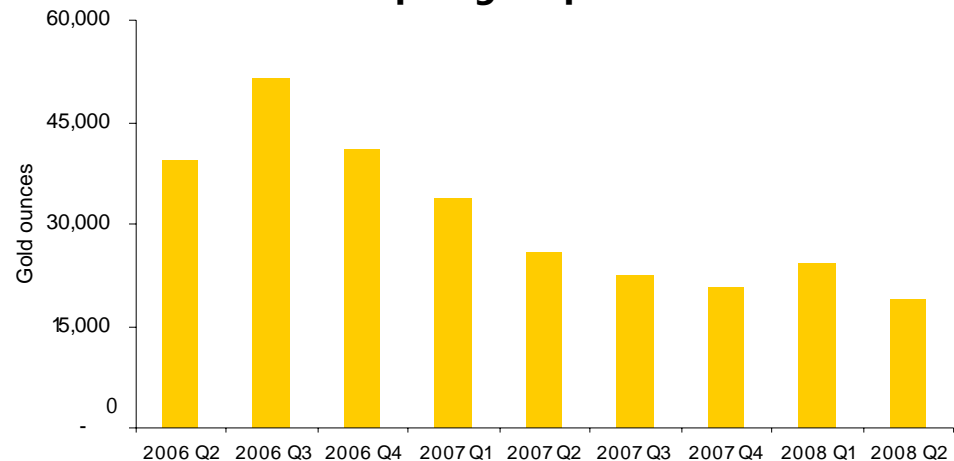
Sepon Gold

- Production steady.
- Costs up.

Sepon copper production



Sepon gold production



GOLDEN GROVE - PRODUCTION AND COSTS

Golden Grove Production

Operations

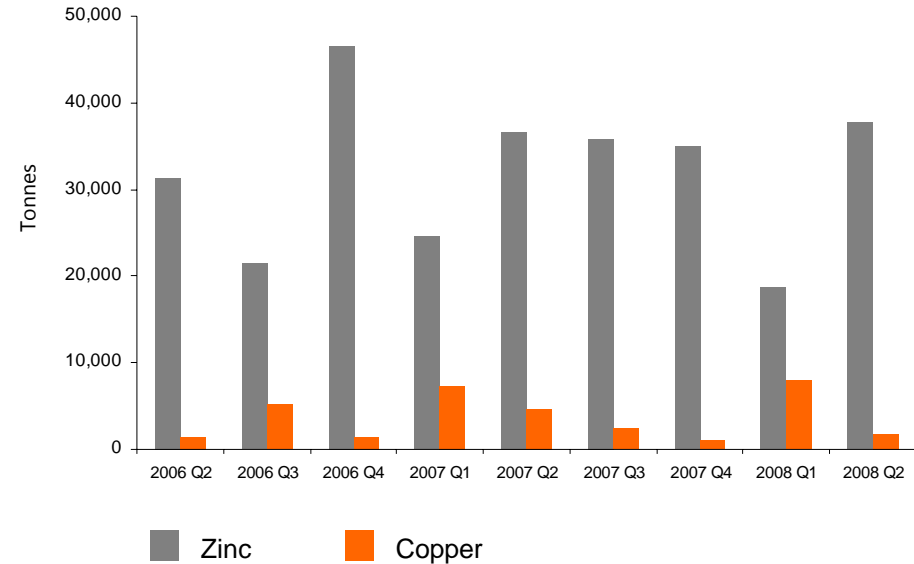
- Mainly zinc production quarter.
- Forecast revised to 130,000t to 135,000t zinc.
- Total cash costs US49c/lb.

Expansion studies

- Oxide copper pit infill drilling.
- Oxide copper pit metallurgical test work.

Exploration

- Encouraging results from regional exploration – 5.6m @ 10.7% Zn from 825.4m.



PROMINENT HILL PROJECT STATUS

(AS OF END OF JUNE 2008)

Mining & Operations

61M bcm mined to date

- Stage 1 pre-strip complete,
- Stage 2 pre-strip in progress
- Ore mining continuing
- All key management operations positions filled

Engineering

98% complete

Infrastructure

92% complete

- Village 100%
- Access road and airstrip 100%
- Main water pipeline 100%
- Tailings facility 100%
- Powerline 97%
- Concentrate Haul Road 66%

Process plant

55% complete

- Earthworks 100%
- Concrete 97%
- Tankage 98%
- Structural steel erection 73%
- Mechanical installation 42%
- Electrical installation 11%
- Ball mill installed
- Crusher being installed
- SAG Mill being installed

Overall Construction

72% complete

Current Site Workforce

1180

Costs on Target

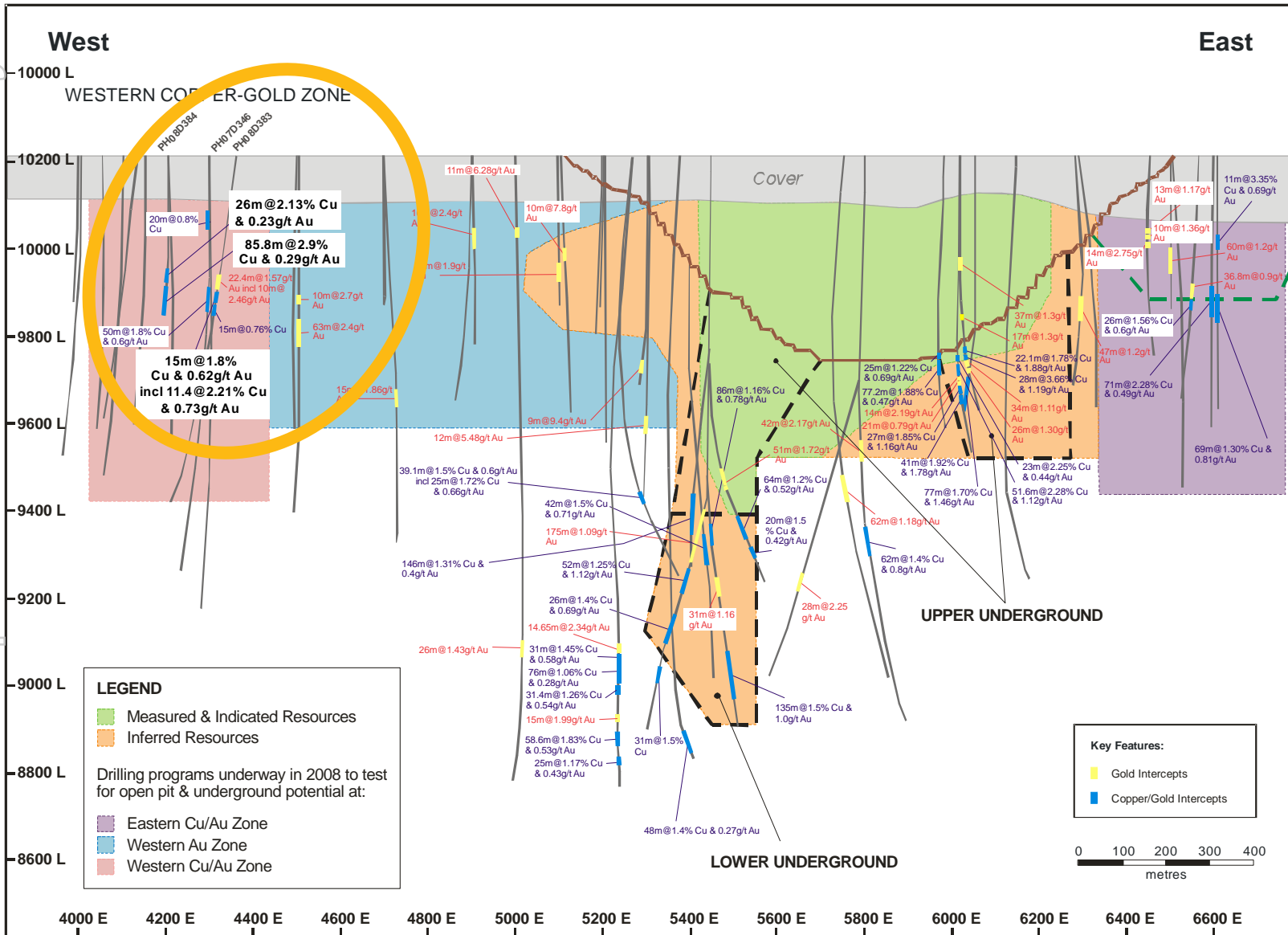


Process Plant



Ball Mill

PROMINENT HILL – POTENTIAL NEW DEPOSIT



For personal use only

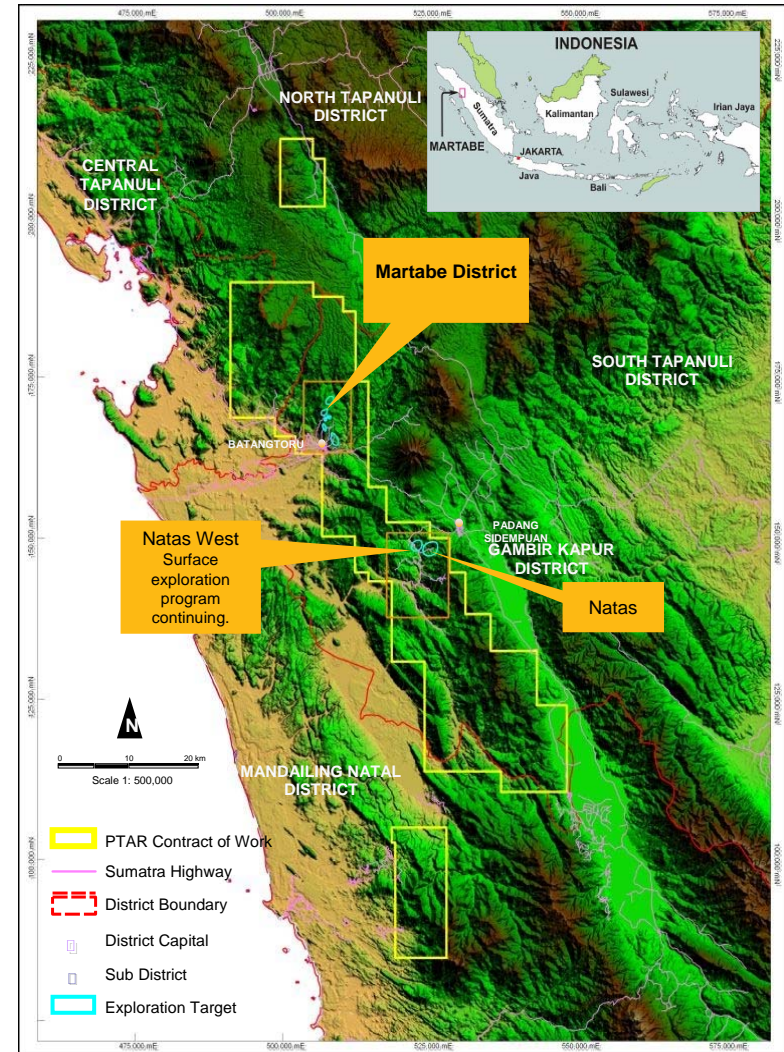


MARTABE – APPROVAL

- Final approvals received.
- Engineering underway.
- Construction commenced.
- Tendering for major plant & equipment.

PT Antam Agreement

- MOU with PT Antam Tbk – joint venture for exploration, development and operation of Indonesian projects.
- Experienced, established partner.
- Part of OZ Minerals Indonesian strategy.
 - Antam to acquire 10% for US\$66.5million.
 - Option to acquire a further 10%.
 - Option to acquire a further 5%.

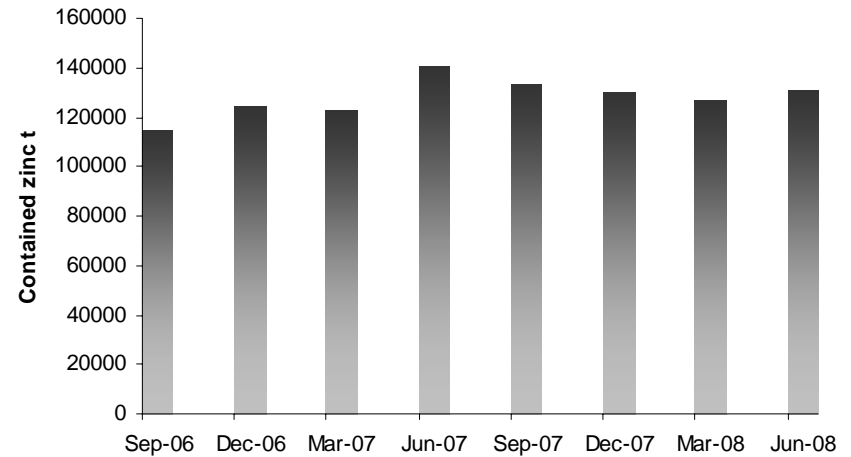


CENTURY

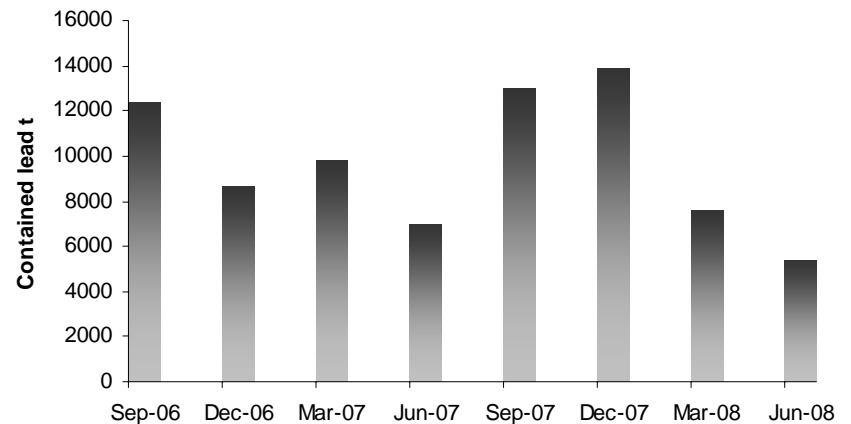
For personal use only

- Record production for full year 07/08 – 521,472t zinc.
- Mine improvement – increased recoveries, stable operations, improved availabilities.
- Zinc production up for quarter.
- Lead for the quarter lower due to lower grades and stockpiling.

Century - Zinc concentrates



Century - Lead concentrates

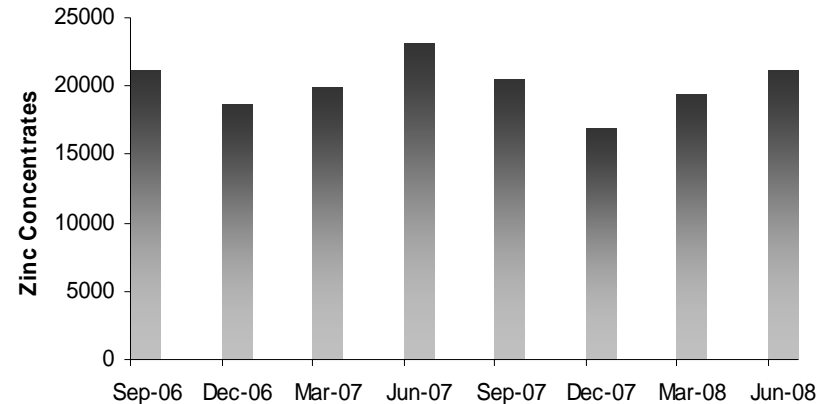


ROSEBERY

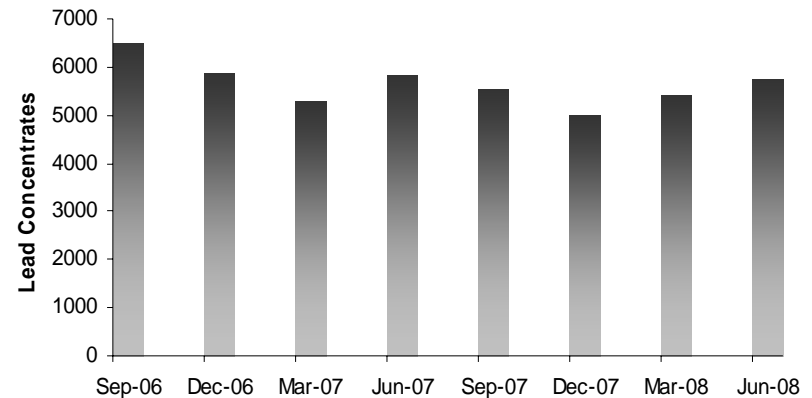
For personal use only

- Zinc production 6% lower for full year 07/08 at 77,925t.
- Solid zinc production of 21,088t for the quarter.
- 'Horizons' drilling continues to encourage.

Rosebery - Zinc concentrates



Rosebery - Lead concentrates



AVEBURY

- Acquisition of Allegiance Mining 100% complete.
- Commissioning proceeding successfully.
- First nickel concentrates produced in July.
- First sales August 08.
- Exploration underway.



DUGALD RIVER

- Feasibility study continues.
- Drilling program underway.
- Metallurgical test work on going – results favourable.
- TSF, power-line, infrastructure planning and design.
- Tenders for major plant and equipment.
- Production target:– 2010-11
- Output target 200,000 tonnes zinc and 40,000 tonnes lead per annum.



SUMMARY

- Integration proceeding well.
- Operations performing well.
- Avebury now producing.
- Prominent Hill to be producing by year-end.



For personal use only

For personal use only

THANK YOU

WWW.OZMINERALS.COM

