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ASX Release

Owen Hegarty – Retirement Benefits and Entitlements



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OZ Minerals today confirmed that it has finalised the benefits and entitlements to be paid to Mr Owen Hegarty in connection with his retirement as CEO and Managing Director of Oxiana.

As previously announced, Mr Hegarty retired as CEO and Managing Director of Oxiana on 20 June 2008 following the Supreme Court's approval of the merger with Zinifex. Mr Hegarty agreed to stand aside as Managing Director and CEO of Oxiana (now OZ Minerals) to allow Mr Andrew Michelmore (formerly CEO and Managing Director of Zinifex) to assume that role. Mr Hegarty was the founding CEO of Oxiana and had been the Managing Director since September 1994.

Mr Hegarty is a non-executive director of OZ Minerals and will remain as Chairman of the Integration Sub-Committee of the Board (which is expected to operate until December 2008).

In accordance with his contractual arrangements, Mr Hegarty will receive a payment equal to 6 months' of his remuneration, together with all accrued and statutory entitlements.

Additionally, the Board has determined that it is appropriate to make an ex-gratia payment to Mr Hegarty of \$8.35 million. The ex gratia payment recognises Mr Hegarty's outstanding contribution to Oxiana's growth and success over the fourteen years since 1994 and his salary compensation in recent years relative to his peers.

All of Mr Hegarty's unvested options under the Company's long term incentive program (amounting to approximately 4 million), lapse and are therefore of no value. Mr Hegarty will not receive any short term incentive payments or further equity grants in the form of retention shares.

Mr Hegarty has more than 35 years experience in the mining industry in Australia and internationally, including 24 years with the Rio Tinto Group. Mr Hegarty is a Deputy Chairman of the Minerals Council of Australia and is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). In 2005, he was awarded the AusIMM Institute Medal for his leadership and achievements in the mining industry and, earlier this month, he was awarded the GJ Stokes Memorial Award for his distinguished service to the mining industry.

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