OZ MINERALS LIMITED
ABN 40 005 482 824
LEVEL 29 TWO SOUTH BANK BOULEVARD
SOUTHBANK VICTORIA 3006 AUSTRALIA
GPO BOX 1291K MELBOURNE VICTORIA 3001
T 61 3 9288 0333
F 61 3 9288 0406
OZMINERALS.COM

26 November 2008

Email dean.litis@asx.com.au

Mr. Dean Litis
Principal Adviser, Issuers (Melbourne)
Australian Securities Exchange
Level 45, Rialto South Tower
525 Collins Street
MELBOURNE VIC 3000

Dear Mr. Litis,

Margin lending arrangements

I refer to your letter of 25 November and respond as follows:

1. No, but the company was aware on 18 November 2008 that a number of Mr Hegarty's shares were likely to be sold in accordance with Mr Hegarty's margin loan arrangements.

2. No (for the reasons explained in 3 below).

3. Mr Hegarty's entire shareholding (not including options) prior to the disposal of the shares comprised 27,271,224 shares. This represented approximately 0.87% of the Company's total shares on issue. Further, only a portion of Mr Hegarty's shareholding needed to be sold as a result of the call under the margin lending arrangements. For these reasons the Company did not consider the information as to the call under the margin lending arrangements and the number of shares affected to be materially price sensitive.

   In addition, on 18 November 2008, a total of 44,282,838 shares in the Company were traded. We were not aware as to whether Mr Hegarty had sold any shares on that day.

4. Not applicable.

5. Not applicable.

6. OZ Minerals has processes in place to determine whether Directors have entered into any margin loans in relation to their holdings in the Company's securities, and to determine whether these arrangements are material under ASX Listing Rule 3.1. Each Director is required to advise the Chairman of any fact or circumstance about himself, or affecting him, which, if known, may have a material impact on the Company. In addition, Directors accept that they may be

asked to provide the Company with details of any margin loans in relation to their holdings in the Company's securities that have the potential to materially affect the price of the Company's securities. From time to time, we have sought relevant information and confirmations from the Directors with a view to ensuring that the Company complies with ASX Listing Rule 3.1.

7. The Company is not aware of any information relating to the margin lending arrangements (if any) of the Directors which it considers material to the Company.

8. In each case, the size of each individual Director's shareholding is not so significant as to be material, whether or not the Director has margin lending arrangements in place.

9. Not applicable.

10. The Company is in compliance with the listing rules, including listing rule 3.1.

Yours sincerely

Francesca Lee
General Counsel & Company Secretary
OZ MINERALS LIMITED

T 61 3 92880425
F 61 3 92880270
Email: francesca.lee@ozminerals.com

ASX Limited
ABN 98 008 624 691
Level 45
Rialto South Tower
525 Collins Street
Melbourne VIC 3000

GPO Box 1784Q
Melbourne
VIC 3001

Telephone 61 (03) 9617 7842
Facsimile 61 (03) 9614 0303
Internet http://www.asx.com.au

25 November 2008

Francesca Lee
Company Secretary
OZ Minerals Limited
MELBOURNE

By email only

Dear Francesca

Oz Minerals Limited (the "Company") – Margin lending arrangements

We refer to the following.

- The Company's announcement dated 19 November 2008 ("Price Query Response") given to ASX Limited ("ASX") in response to ASX's price query letter dated 18 November 2008 (a copy of which was released to the market together with the Price Query Response).

- The Company's announcement to ASX dated 24 November 2008 attaching an Appendix 3Y in respect of the disposal of 10,000,000 Company shares held by Mr Owen Hegarty during the period 18 to 20 November 2008 (the "24 November Announcement") and which states: *Mr Hegarty has advised the Company that the sales were as the result of margin calls.*

- ASX's Companies Update no. 02/08 dated 29 February 2008 that refers to the disclosure of material information relating to the financing arrangements of entities and existence of terms of any finance arrangements that may be in place in relation to directors' shareholdings e.g. margin loans.

As you are aware listing rule 3.1 requires an entity, once it becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, to immediately tell ASX that information. The exceptions to this requirement are set out in listing rule 3.1A.

I would also like to draw your attention to the definition of "aware" in Chapter 19 of the listing rules. This definition states that:

> *"an entity becomes aware of information if a director or executive director (in the case of a trust, director or executive officer of the responsible entity or management company) has, or ought reasonably to have, come into possession of the information in the course of the performance* of their duties as a director or executive officer of that entity."

Furthermore, paragraph 18 of Guidance Note 8 states:

> *"Once a director or executive officer becomes aware of information, he or she must immediately consider whether that information should be given to ASX. An entity cannot delay giving information to ASX pending formal sign-off or adoption by the board, for example."*

Listing rule 3.1A sets out an exception from the requirement to make immediate disclosure, provided that each of the following are satisfied.

> *"3.1A.1 A reasonable person would not expect the information to be disclosed.*
>
> *3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential.*
>
> *3.1A.3 One or more of the following applies.*
>
> - *It would be a breach of a law to disclose the information.*
> - *The information concerns an incomplete proposal or negotiation.*
> - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure.*
> - *The information is generated for the internal management purposes of the entity.*
> - *The information is a trade secret."*

ASX's Companies Update no. 02/08 states the following:

> *"Where a director has entered into margin loan or similar funding arrangements for a material number of securities, ASX advises that listing rule 3.1 (PDF 204 KB), in appropriate circumstances, may operate to require the entity to disclose the key terms of the arrangements, including the number of securities involved, the trigger points, the right of the lender to sell unilaterally and any other material details. Whether a margin loan arrangement is material under listing rule 3.1 is a matter which the company must decide having regard to the nature of its operations and the particular circumstances of the company."*

Having regard to the above definition, listing rule 3.1 and Companies Update 02/08 ("Companies Update"), we ask that you answer the following questions.

1. At the time the Company provided ASX with its Price Query Response, was the Company aware that Mr Hegarty had disposed of shares in the Company on 18 November 2008 as a result of margin lending arrangements and/or that as a result of Mr Hegarty's margin lending arrangements, the right of the lender to sell his shares unilaterally had been triggered as a result of the Company's share price (the "Information")?

2. If, at the time that the Price Query Response was provided to ASX, the Company was aware of the Information in respect of Mr Hegarty, did the Company consider that the Information was material to the Company?

3. If, at the time that the Price Query Response was provided to ASX, the Company was aware of the Information, and the Company did not consider that it was material, please advise the basis on which the Company did not consider the Information to be material to the Company.

4. If the answer to question 1 is "no", please advise when the Company became aware of the Information in relation to Mr Hegarty's margin lending arrangements.

5. If, subsequent to the release of the Companies Update, the Company became aware of information, including the respective trigger points, the right of the lender to sell unilaterally and any other material details in respect of any, or all, of the Directors margin lending arrangements, please advise when it became aware of the information.

6. In the light of the guidance contained in the Companies' Update, please advise what steps were taken by the Company in order to ascertain whether information in relation to the margin lending arrangements including the respective trigger points, the right of the lender to sell unilaterally and any other material details of any or all of the Directors, whether considered individually or collectively, was material to the Company.

7. In the light of the guidance contained in the Companies' Update, if the Company is aware of any information in relation to the margin lending arrangements of any director, other than Mr Hegarty, please advise whether the Company has considered whether that information is material to the Company?

8. If the Company is aware of any information in relation to the margin lending arrangements of any director, other than Mr Hegarty, and does not consider that information is material, please advise the basis on which the Company does not consider that information to be material to the Company.

9. If the Company is aware of any information in relation to the margin lending arrangements of any director, other than Mr Hegarty, and the Company considers that information to be material, please advise why that information has not yet been released to the market.

10. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by return e-mail. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, no later than 1.00pm EDST on Wednesday 26 November 2008.

Please note that ASX reserves the right, under listing rule 18.7A, to release this letter and the Company's response to the market. Accordingly, it would be appreciated if you would prepare your response in a form suitable for release to the market and separately address each of the questions asked.

If you have any queries in relation to the above please let me know.

Yours sincerely

Sent by electronic means without signature

Dean Litis
Principal Adviser, Issuers (Melbourne)