

11 JULY 2019

Brazil operational update

- Review completed of core Brazil assets acquired for ~A\$430¹ million in Q3 2018 encompassing:
 - Carajás copper province - Antas mine, Pedra Branca and Pantera development projects
 - Gurupi gold province - CentroGold development project
- OZ Minerals to adopt low risk, modest capital, hub strategy with processing infrastructure serving multiple small to mid-scale mines
- Antas pit closure planned for 2021
- Antas processing plant positioned to continue beyond 2021 as first Carajás hub taking ore trucked from Pedra Branca with decline development decision expected Q3 2019
- Gurupi province strengthened on CentroGold Pre-Feasibility Study
 - Potential minimum 10-year operation for low capital investment and bottom half operating costs
 - Feasibility Study and additional exploration to proceed pending lifting of CentroGold injunction
- Total Brazil acquisition value confirmed with clear pathway set out for assets to add value for modest capital outlay

OZ Minerals today provided an update on the Brazilian mining assets it acquired in the ~A\$430 million (50/50 cash, scrip) purchase of Avanco Resources Limited which was completed in Q3 2018. The project locations are set out in Figure 1 on page 3 of this release.

A key outcome of the nine-month review and concurrent drilling program is the planned implementation of a staged, low risk and capital conservative hub strategy creating a development profile commensurate with the relative size of the Brazilian assets within OZ Minerals' wider portfolio. The strategy will see copper and gold processing facilities serving multiple small and mid-sized mines in each of the Carajás and Gurupi provinces.

"The Avanco acquisition gave OZ Minerals a strategic foothold in Brazil's world-class Carajás copper province and the highly prospective Gurupi greenstone belt," said OZ Minerals Chief Executive Officer, Andrew Cole.

¹ Net of cash received

"The review focused on increasing our understanding of each asset and how value could be optimised within our existing risk framework and in line with our devolved operating model where assets operate autonomously within a strong company-wide governance framework.

Carajás province

"Mining studies underpinned by the updated Mineral Resource estimation indicate the future of the small operating copper mine at Antas to be limited. The mine is expected to be marginally cash flow positive over the remainder of its life as costs progressively reduce from 2020 following completion of the open pit cutback.

"We did not purchase Avanco for the small Antas operating mine. However it has provided us with a strong entry point into Brazil in terms of mining and process expertise. While the mine will not deliver for an extended period in its own right, Antas' quality processing facility, incumbent workforce and established presence with regulators can enable rapid value realisation through the Pedra Branca project. Antas is the foothold into the Carajás we sought as part of the acquisition.

"The continued operation of Antas' existing processing facilities will enable it to become the first Carajás province hub, processing ore trucked ~70km from the potential Pedra Branca mine.

"We are currently working on a new Pedra Branca base case which sees a potential capacity of circa 1-1.2Mtpa underground mine with ore processing taking place at the Antas Carajás processing hub. A decision is expected in Q3 2019 on starting development of the Pedra Branca decline. Further studies associated with the new base case, including transport options, will be completed before a final investment decision is considered. Depending on the positive and timely outcomes of further studies and various decision points, Pedra Branca run of mine ore trucking could begin mid-2021.

"Our foothold in the Carajás extends over 1,800 km², excluding Pantera, giving us long term exploration opportunities in a high-quality region to support our province strategy and continued operation of Antas as a core processing hub.

Gurupi province

"The potential of Gurupi province has strengthened on completion of the CentroGold Pre-Feasibility Study (PFS)² showing it to be a 10-year, low cost, open pit operation. The PFS sees CentroGold average gold production³ of 100,000-120,000 oz pa, with 190,000-210,000 oz pa in the first two years, tapering as the mine matures. Construction costs are estimated to be around US\$155 million for a project NPV of circa US\$200 million⁴.

"Importantly, CentroGold also has the potential to become a Gurupi processing hub servicing nearby deposits such as Chega Tudo, eight kilometres to the west.

"We have also recently acquired the Jiboia exploration tenements to the north of CentroGold from Kinross, expanding our presence in the Gurupi province⁵. Our total land package is now ~2,300km² along 85 km of strike length. We now have an extensive footprint in a highly prospective region, with CentroGold comprising less than 3% of the land package.

² See OZ Minerals announcement titled "Gurupi Province potential strengthened on CentroGold Pre-Feasibility Study", released on 11 July 2019 and available at: www.ozminerals.com/media/asx/; PFS level of accuracy (+/- 25%)

³ These production targets must be read in conjunction with the production targets cautionary statement on page 8

⁴ Project NPV based on LOM gold price of US\$ 1305/ oz and excludes sunk costs

⁵ Consideration of US\$375,000 and a commitment to complete a work program, including 14,000m of drilling by December 2020

Outlook

"Overall our confidence has grown in the value of the Brazil acquisition and the capacity of the assets to add value for relatively modest capital outlay. Over the past months we have also been engaging with high calibre Brazilian leaders from various sectors as we consider the formation of our in-country Advisory Board.

"The foundations are in place for a long-term sustainable position in each province in line with OZ Minerals' province strategy. The processing hubs enable us to build and grow our presence, servicing current projects and the extensive exploration pipeline, by reducing capex, accelerating projects to production and maximising the value of existing infrastructure," Mr Cole said.



Figure 1: Brazilian Assets

Background:

The ~ A\$430 million Avanco Resources acquisition in Q3 2018 gave OZ Minerals a strategic foothold in Brazil's world-class Carajás copper province and the highly prospective Gurupi greenstone belt.

The Carajás province included the small operating copper mine, Antas, the Pedra Branca advanced study project and an option to acquire the prospective Pantera project from Vale.

The Gurupi province included the CentroGold advanced study project, over which remained an historic court injunction on development. A number of prospective exploration tenements in each province were also included in the acquisition.

The nine-month review and drilling program included:

- Resource infill and extensional drilling at Antas, Pedra Branca and CentroGold
- Internal and external reviews of all Mineral Resource estimates
- Revised estimates of Antas and Pedra Branca Mineral Resources, restated CentroGold estimate at a lower cut off (CentroGold update expected Q4 2019)
- Project optimisation for CentroGold Pre-Feasibility Study, Pedra Branca Feasibility Study and the Antas operational mine plan with a focus on cost reduction
- Compilation of all disparate exploration data into a single data warehouse

Antas Resource update and guidance:

The April 2019 Mineral Resource estimate⁶ is ~74% lower in mineralisation tonnes, ~80% lower in copper metal tonnes and ~72% lower in gold ounces than the 31 December 2017 Mineral Resource for the Antas North deposit, released in the 2017 Avanco Resources Annual Report on 27 February 2018.

The key drivers for change are as follows:

- Inclusion of additional drilling data and geological mapping information which was used to update the geological interpretation and estimation parameters. The changes in geological interpretation and estimation parameters resulted in a decrease of ~4.0 million tonnes and ~55kt of copper metal outside of the constraining pit shell and an additional decrease of ~19kt of copper metal inside the constraining pit shell after application of the 0.3% copper cut-off.
- Limitation of estimated Mineral Resources to defined pit shells and zones of mineralisation with reasonable prospects for eventual economic extraction resulted in the reduction of ~2 million tonnes and ~19kt of copper metal.
- Mining depletion accounted for a reduction of ~1.5 million tonnes and ~28kt of copper metal.

Updated mining studies have resulted in the following Production guidance for Antas:

ANTAS PRODUCTION GUIDANCE	2019 (Full Year)
Payable Copper Production (tonnes)	6,000 – 6,500
Payable Gold Production (ounces)	4,200 – 4,600
Ore Mined (kt)	340 - 380
Site Sustaining Capital Expenditure (US\$ M) ⁷	7.0 – 7.4
C1 Costs (US c/lb)	240 – 280
AISC (US c/lb) ⁸	330 – 360

⁶ See OZ Minerals announcement titled "Antas North 2019 Mineral Resource Statement and Explanatory Notes as at 30 April 2019", released on 11 July 2019 and available at: www.ozminerals.com/media/asx/. Ore Reserve no longer declared.

⁷ Includes ~\$2 million related to tailings dam lift and plant improvements and ~\$5 million related to costs of the cut back to reach the bottom of the pit

⁸ Includes costs of cutback which is scheduled to complete in 2019

Carajás Province next steps:

Antas

- Continue near mine exploration drilling - Antas Underground, Antas South and near mine targets
- Develop permitting strategy associated with Pedra Branca ore processing to enable first Carajás processing hub

Pedra Branca

- Complete optimisation work and further studies including transport and ore pre-concentration
- Pedra Branca decline development decision expected Q3 2019
- Mine development decision pending decline decision and study outcomes
- Province Resource extension and exploration drilling to commence based on Interpreted Pedra Branca extensions

Pantera

- Continue drilling
- Environmental review
- Consider realising Vale option

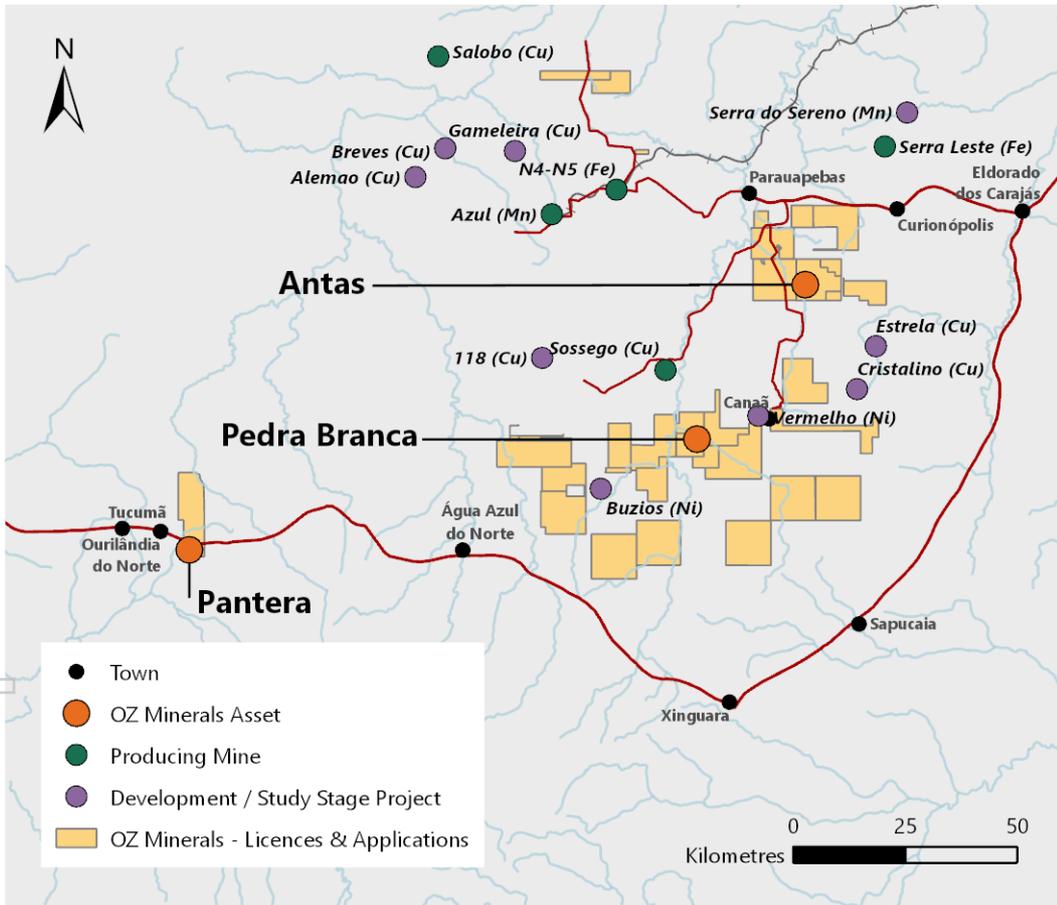


Figure 2: Carajás Province – operations, known deposits and OZ Minerals' tenements

Gurupi Province next steps:

CentroGold

- Lifting the injunction following recent engagement and site visits by various authorities
- Village relocation planning
- Update Mineral Resource – Q4 2019
- Progress to Feasibility Study

Province

- Develop province development and exploration plan

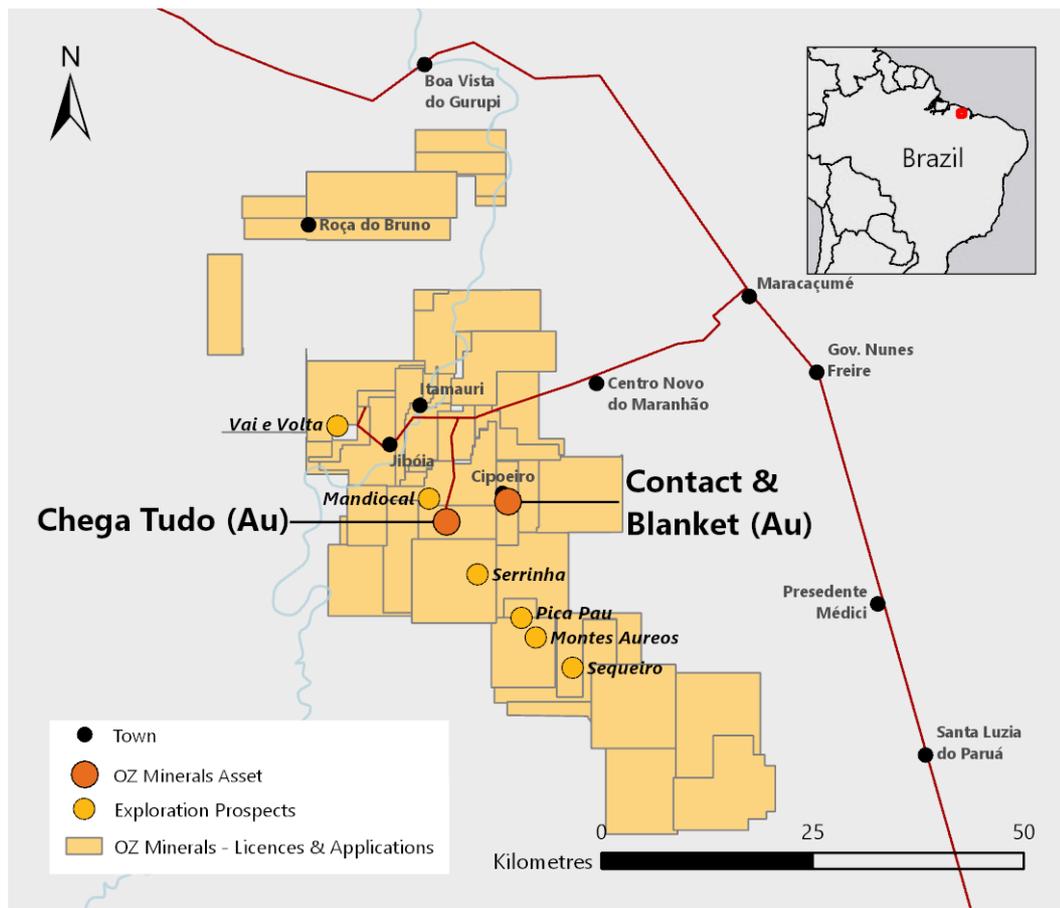
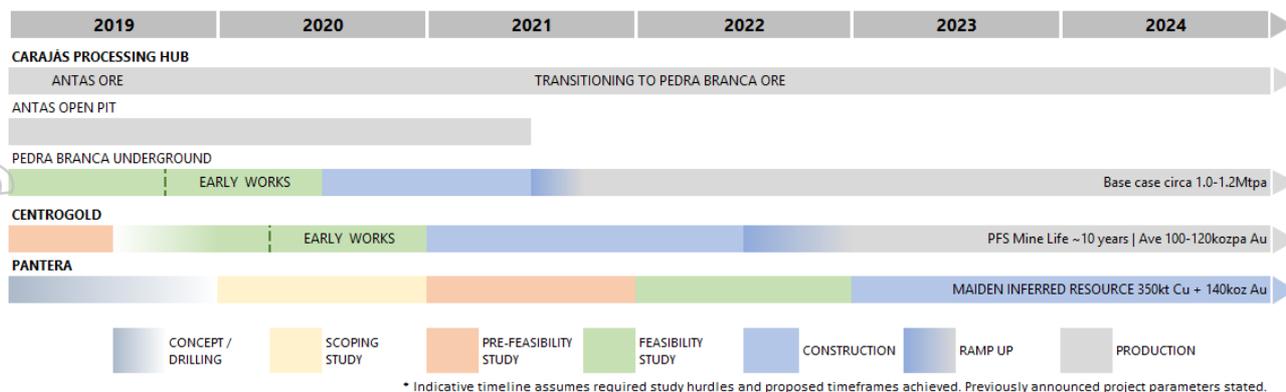


Figure 3: Gurupi Province - CentroGold project and OZ Minerals' tenements

Indicative Brazil projects timeline



This release is informed by other documents also being released today:

- Antas Mineral Resource estimate
- Pedra Branca Mineral Resource estimate
- CentroGold Pre-Feasibility Study
- CentroGold Mineral Resource Estimate and Maiden Reserve

The above Mineral Resource updates are OZ Minerals' first published Mineral Resource Estimates for Brazil and they report material updates from the pre-acquisition previously published Estimates.

For further information, please contact:

Investors

Tom Dixon

T 61 8 8229 6628

M 61 450 541 389

tom.dixon@ozminerals.com

Media

Sharon Lam

T 61 8 8229 6627

M 61 0438 544 937

sharon.lam@ozminerals.com

Forward Looking Statements

Some statements in this document may be forward-looking statements. Such statements include, but are not limited to, statements with regard to capacity, future production and grades, projections for sales growth, estimated revenues and reserves, targets for cost savings, the construction cost of new projects, projected capital expenditures, the timing of new projects, future cash flow and debt levels, the outlook for minerals and metals prices, the outlook for economic recovery and trends in the trading environment and may be (but are not necessarily) identified by the use of phrases such as "will", "expect", "anticipate", "believe" and "envisage".

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be outside OZ Minerals' control. Actual results and developments may differ materially from those expressed or implied in such statements because of a

number of factors, including levels of demand and market prices, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, operational problems, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or regulation.

Given these risks and uncertainties, undue reliance should not be placed on forward-looking statements which speak only as at the date of the document. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, OZ Minerals does not undertake any obligation to publicly release any updates or revisions to any forward looking statements contained in this document, whether as a result of any change in OZ Mineral's expectations in relation to them, or any change in events, conditions or circumstances on which any such statement is based.

Production Targets Cautionary Statement

The Production Targets referred to in this ASX release for the CentroGold asset are based on 85% Probable Ore Reserves and 15% Inferred Mineral Resources.

The modifying factors used in the estimation of the Ore Reserve were also applied to the Mineral Resources in the generation of the production target.

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production targets will be realised.

The Ore Reserve and Mineral Resource estimates underpinning the production targets were prepared by a Competent Person in accordance with the JORC Code 2012.

The material assumptions used in the estimation of the production targets and associated financial information can be found in the OZ Minerals announcements titled "Gurupi Province potential strengthened on CentroGold Pre-Feasibility Study" and "CentroGold Project Combined 'Blanket' and 'Contact' Mineral Resource as at 06 May 2019 and Ore Reserve as at 24 June 2019 Statement and Explanatory Notes", released on 11 July 2019 and available at: www.ozminerals.com/media/asx/