

For personal use only



2019 Third Quarter Report Presentation

16 OCTOBER 2019



A modern
mining company

Disclaimer

Forward Looking Statements

This presentation has been prepared by OZ Minerals Limited (**OZ Minerals**) and consists of written materials/slides for a presentation concerning OZ Minerals. By reviewing/attending this presentation, you agree to be bound by the following conditions.

No representation or warranty, express or implied, is made as to the fairness, accuracy, or completeness of the information, contained in the presentation or of the views, opinions and conclusions contained in this material. To the maximum extent permitted by law, OZ Minerals and its related bodies corporate and affiliates, and its respective directors, officers, employees, agents and advisers disclaim any liability (including, without limitation any liability arising from fault or negligence) for any loss or damage arising from any use of this material or its contents, including any error or omission there from, or otherwise arising in connection with it.

Some statements in this presentation are 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 presentation. 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 presentation, whether as a result of any change in OZ Minerals' expectations in relation to them, or any change in events, conditions or circumstances on which any such statement is based.

Certain statistical and other information included in this presentation is sourced from publicly available third party sources and has not been independently verified.

All figures are expressed in Australian dollars unless stated otherwise.

This presentation should be read in conjunction with the Quarterly Report released today.

A Modern Mining Company Strategy

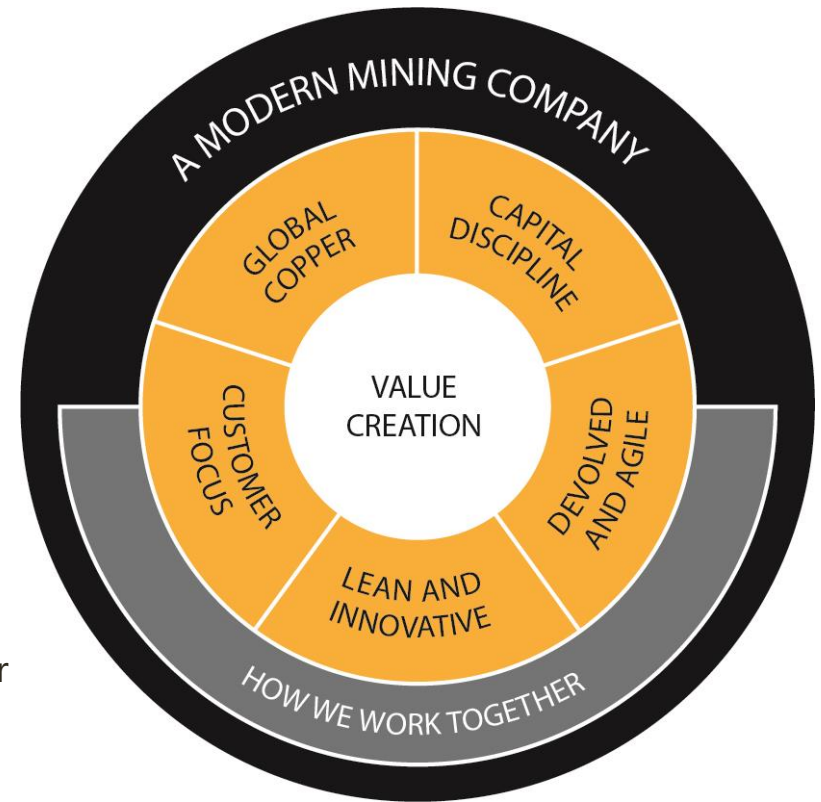
Reflecting the next phase of value creation growth

What we do

- **Global copper** – Copper as driver of value; strategic exposure to base and precious metals
- **Capital discipline** – Spending on things we need that represent best value and make a difference
- **Devolved and agile** – Embracing a devolved model to unlock discretionary effort and value; assets that easily bolt on or off
- **Lean and innovative** – Delivering bottom half cost curve and superior operating performance; lean principles to drive innovative solutions
- **Customer focus** – Leveraging global asset base to develop partnerships with customers

How we work

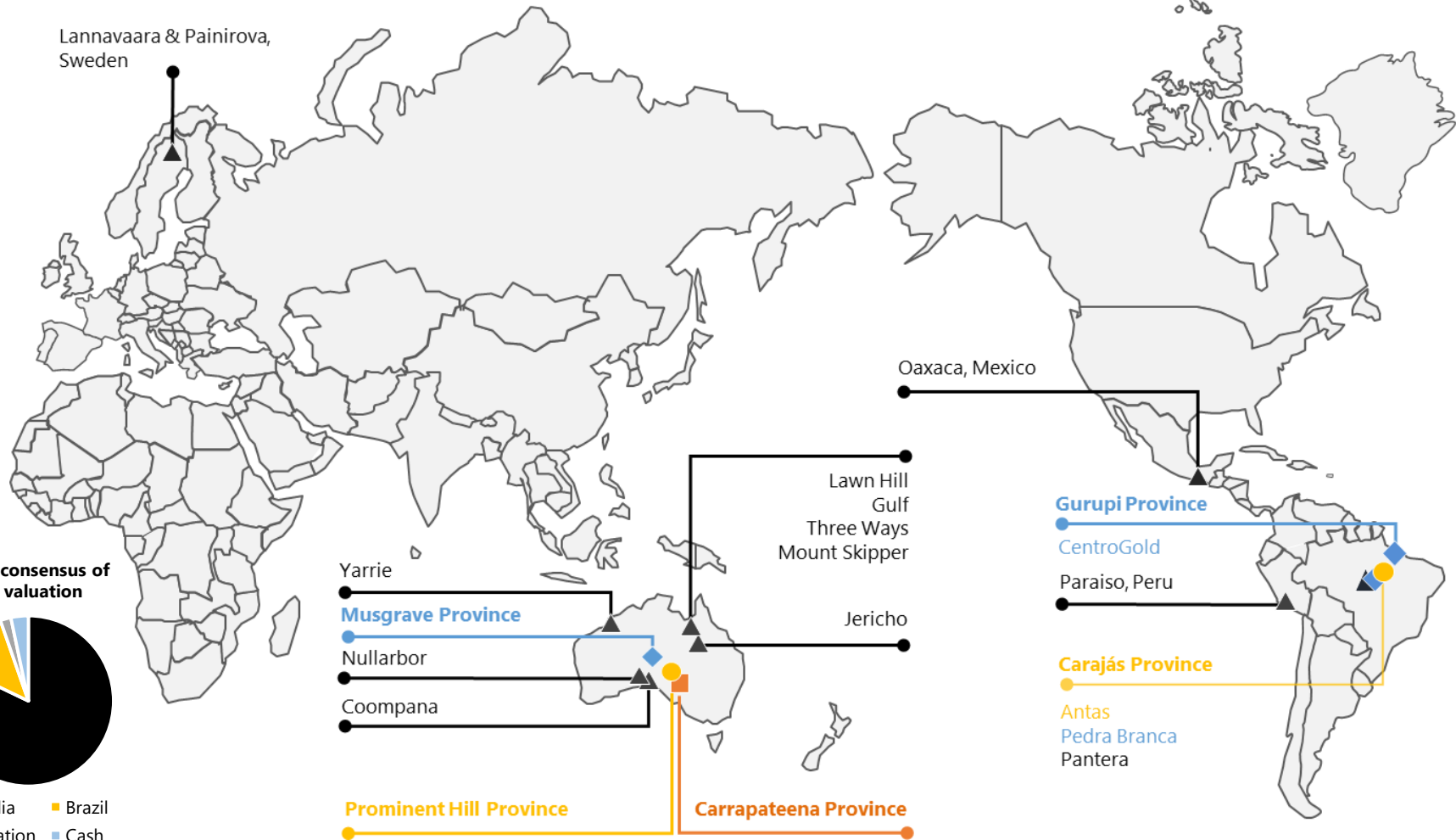
- Driving inclusion and diversity, resulting in superior performance
- Working safely, unlocking innovation, embracing change and consistently delivering
- Our people are our ambassadors



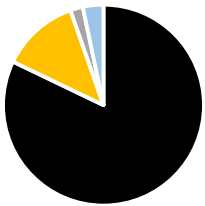
Company Snapshot

For personal use only

● Operating Mine
 ■ Mine in construction
 ◆ Study phase
 ▲ Exploration



Broker consensus of OZL valuation

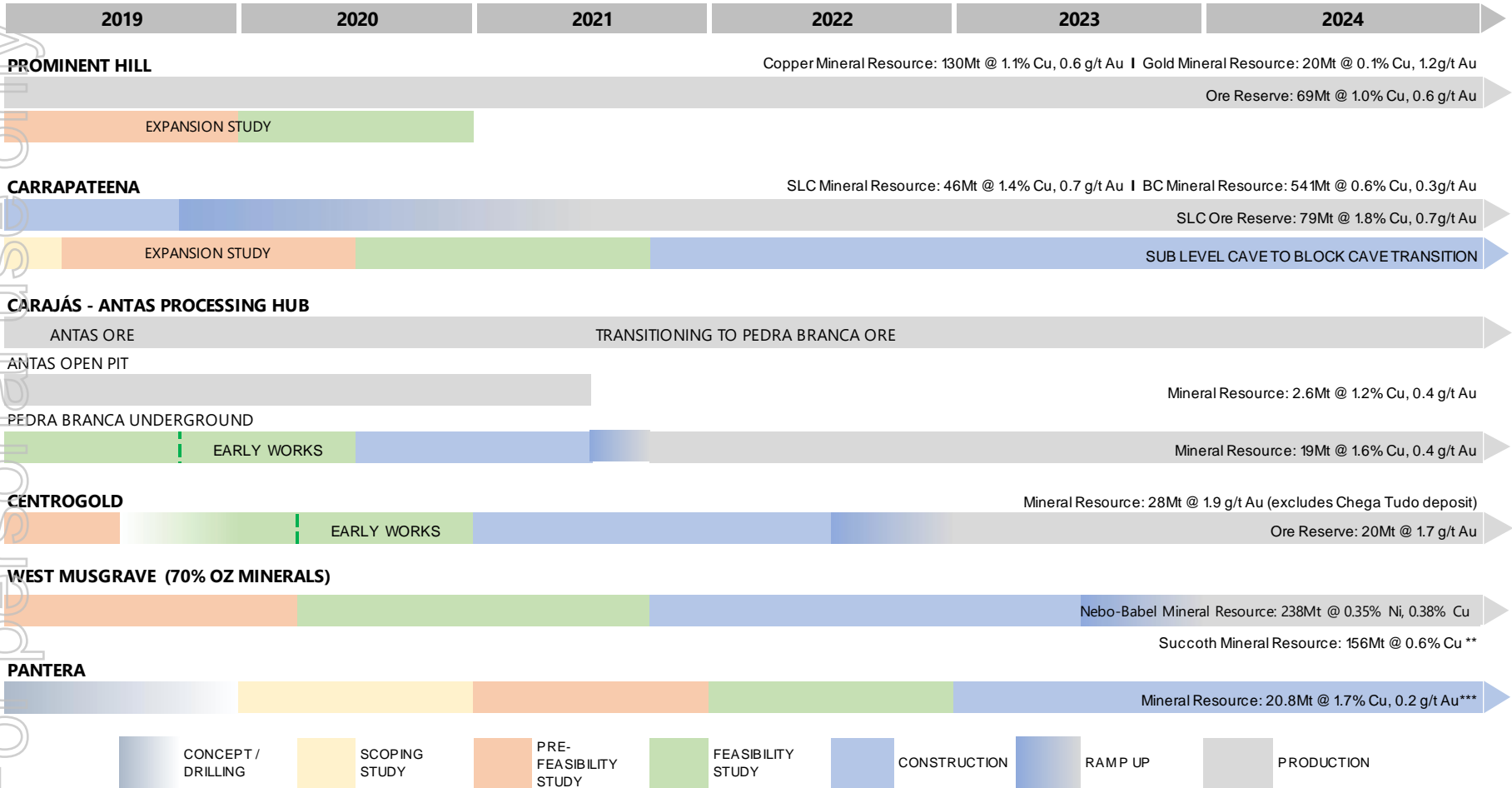


- Australia
- Brazil
- Exploration
- Cash



Asset Timeline*

Multiple projects progressing through build and study phases



* Indicative timeline assumes required study hurdles and proposed timeframes achieved.

** See Cassini Resources' ASX Release entitled "Maiden Succoth Resource Estimate" dated 7 December 2015 and available at: www.cassiniresources.com.au/investor-relations/asx-announcements

*** Refer ASX Announcement "Maiden Pantera MRE pushes Avanco's Carajás Resource Base Beyond 1 Mt of Contained Copper" released on 19 March 2018, for Competent Person's Consent, material assumptions, and technical parameters underpinning the Pantera MRE

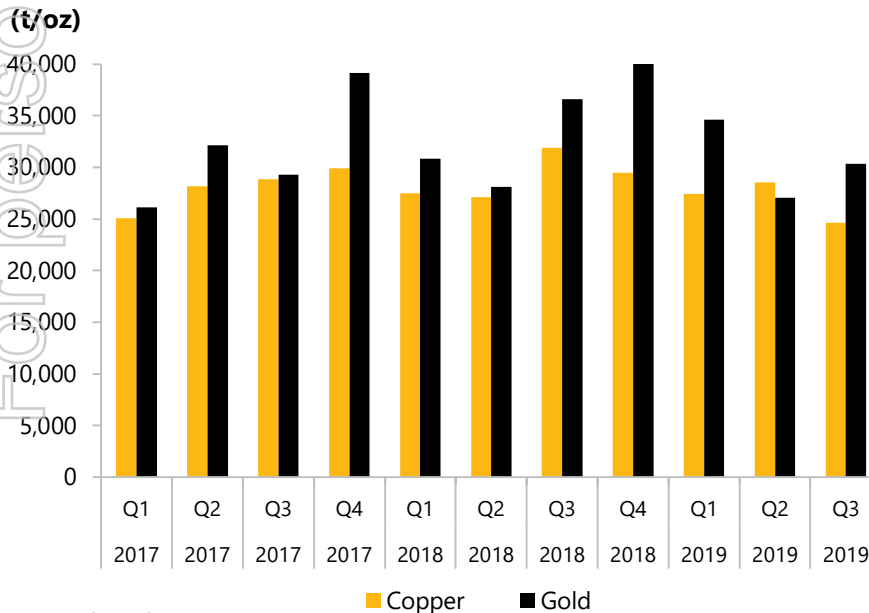
The MROR information on this timeline is extracted from the company's previously published MROR statements and are available at: www.ozminerals.com/operations/resources-reserves/. OZ Minerals confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. OZ Minerals confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement. All Mineral Resource figures are estimates.

Summary

ITEM	Q2	Q3
Contained Copper produced (t)	● 28,525	● 24,663
Contained Gold produced (oz)	● 27,072	● 30,346
All-In Sustaining Cost US c/lb	● 120	● 128
C1 cost US c/lb	● 79	● 83

● Favourable to annual guidance ● Unfavourable to annual guidance

CONTAINED COPPER AND GOLD PRODUCED



CARRAPATEENA CONSTRUCTION NEARING COMPLETION

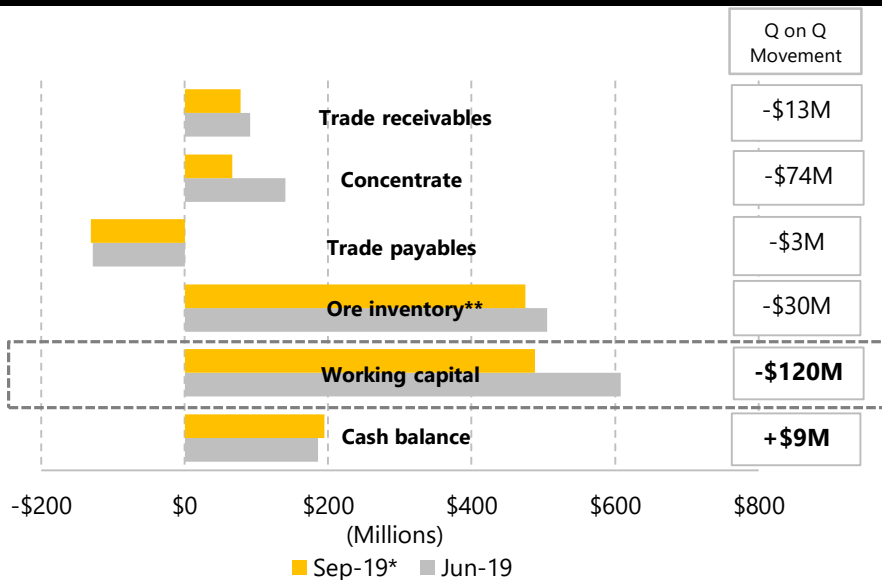
- / Carrapateena first saleable concentrate on schedule for November
 - / ~180,000 tonnes of development ore stockpiled
 - / Underground development advanced beyond fifth production level
 - / Site connected to grid power network
 - / Minerals processing plant in completion and commissioning phase
- / Prominent Hill production on track; full year C1 cost guidance lowered with strong year-to-date cost performance
- / West Musgrave studies pursuing value-add opportunities; Loesche Mill testing confirms significant reduction in power consumption and elimination of grinding media costs
- / Pedra Branca initial early works to progress; Brazil Advisory Board established
- / Cash balance at \$195 million following \$150 million investment into Carrapateena and \$26 million interim dividend payment

UPCOMING ACTIVITY

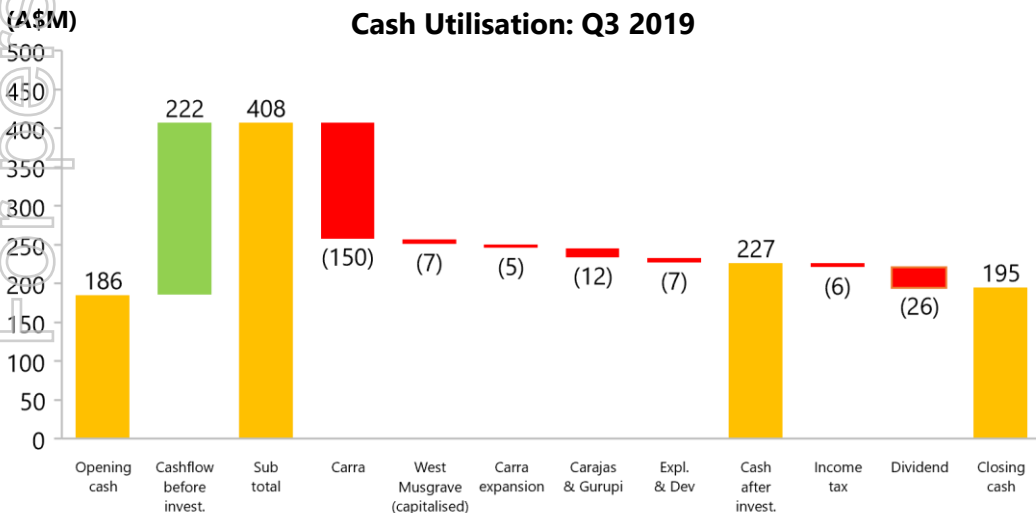
- / Carrapateena first saleable concentrate
- / Prominent Hill and Carrapateena Mineral Resource and Ore Reserve updates; CentroGold Mineral Resource update
- / Drilling: Antas Near Mine / Regional, CentroGold, Nullarbor, Pedra Branca extension, Mount Woods

Cash Generation

WORKING CAPITAL MOVEMENTS - QUARTER



Cash Utilisation: Q3 2019



CASH MOVEMENTS*

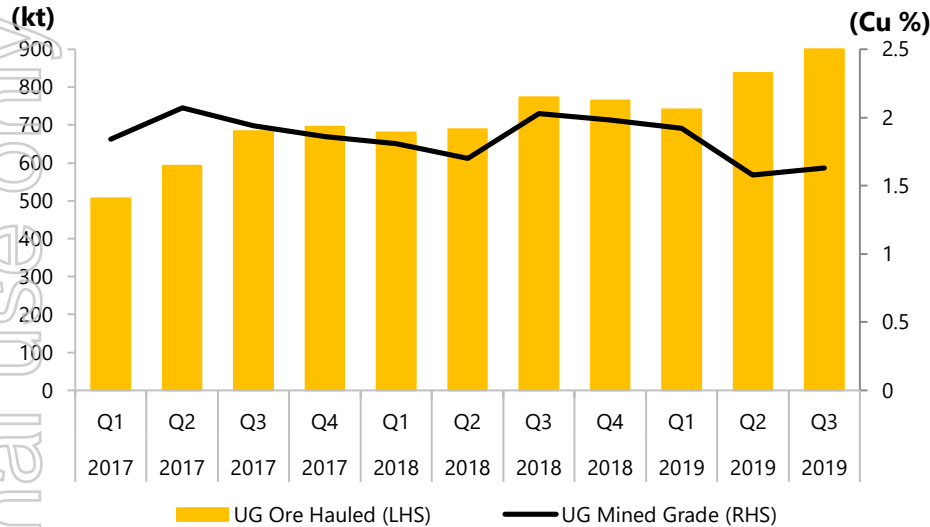
- / Cash balance of \$195 million at 30 September
- / Concentrate inventory decrease of \$74 million following deferral of shipments into Q3 to align with customer requirements
- / Trade receivables decrease of \$13 million due to timing of receipts from customers
- / Net ore inventory reduction of \$30 million following open pit pit processing
 - / Net ore inventory movement of \$30 million made up of a non-cash ore drawdown of \$34 million and a \$4 million Net Realisable Value (NRV) increase
- / Carrapateena project cash investment of \$150 million (\$159 million of capital expenditure)

UPCOMING ACTIVITY

- / Growth capital expenditure will see cash balance reduced by year end
- / Ore inventory balance to progressively reduce with processing of Prominent Hill open pit ore stockpiles to mid-2023

Prominent Hill

UNDERGROUND ORE HAULED AND GRADE



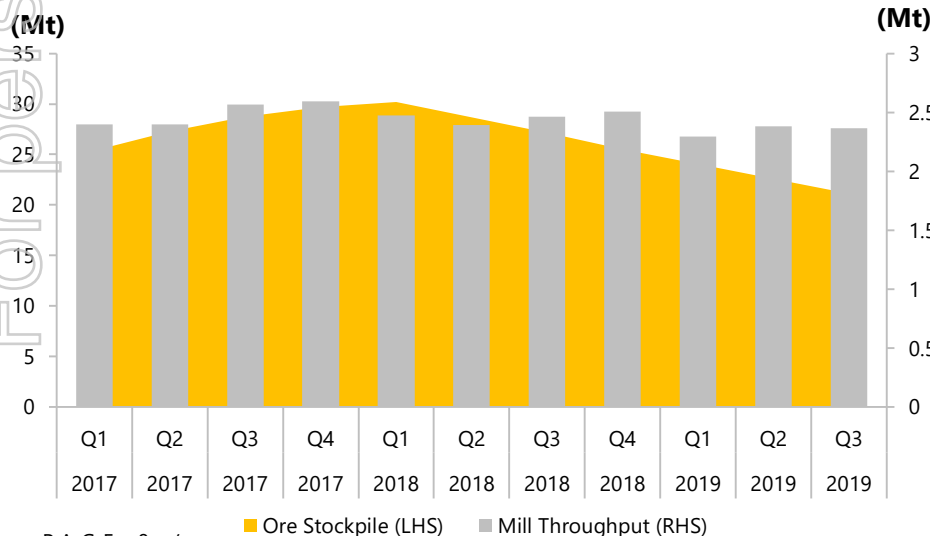
OPERATIONAL DELIVERY

- ✓ Copper and gold production on track for annual guidance
- ✓ Underground mine produced 899kt of ore at 1.63% copper, with strong grades to be maintained through Q4
- ✓ Underground haulage run rates of ~3.8Mtpa achieved during July and August; September performance reduced following Department of Defence Woomera activities and isolated stope oversize issues
- ✓ Underground ore movement guidance revised to 3.3Mt – 3.5Mt for the full year

PROJECTS & STUDIES

- ✓ Phase one underground expansion diamond drilling completed; progression of second phase of drilling to commence in Q4
- ✓ Vertical shaft comprising a skip hoisting system preferred expansion haulage method; scenarios ranging up to 8Mtpa being considered
- ✓ Regular grade gold stockpiles to be brought forward to the start of 2020 in place of low grade copper stockpile; gold recoveries expected to increase to ~77% from ~71% for the 2020 calendar year

STOCKPILES AND MILL THROUGHPUT



EXPLORATION POTENTIAL

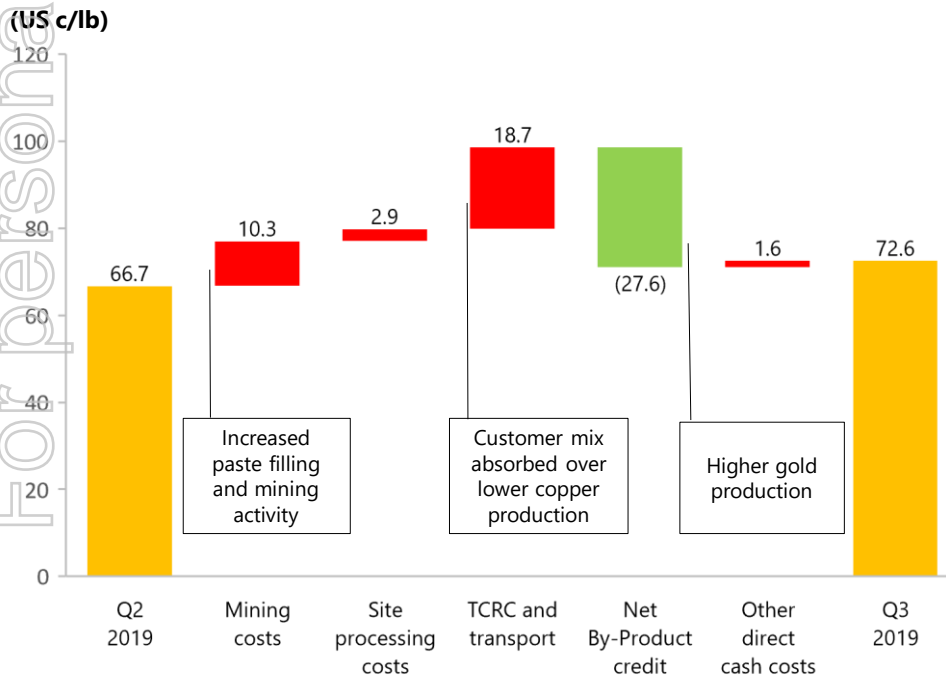
- ✓ Explorer Challenge target drilling to commence early Q4
- ✓ Assay data to be live streamed to select group of data scientists to enable near real time drill result prediction

Prominent Hill Cost Performance

ITEM	Q2	Q3
All-In Sustaining Cost US c/lb	108	117
C1 costs US c/lb	67	73

● Favourable to annual guidance ● Unfavourable to annual guidance

C1 COST ANALYSIS



COST PERFORMANCE

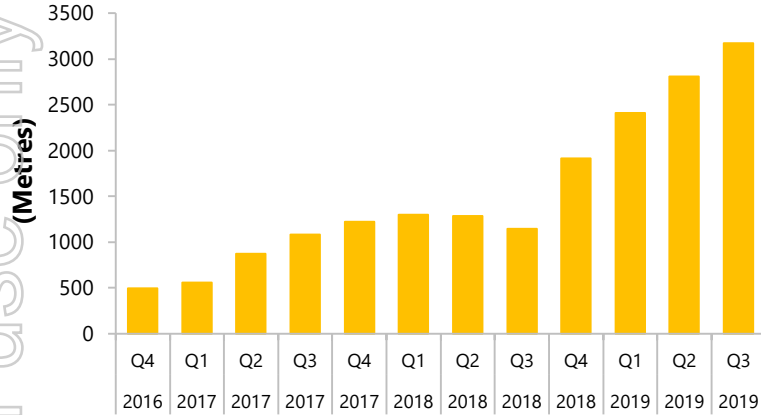
- Q3 All-In Sustaining costs of US 117 c/lb; C1 costs of US 73 c/lb
- Q3 production costs higher as a result of increased paste filling and unit mining costs impacted by lower grade copper processed
- Higher TCRC and transport costs due to changes in customer mix absorbed over lower copper production
- Higher gold production resulted in higher gold by-product credits, largely offsetting the impact of higher unit production and realisation costs

UPCOMING ACTIVITY

- Prominent Hill cost guidance for 2019:
 - C1 cost guidance lowered to US 62c-67c/b (from US 75c-85c/lb) following sustained year to date performance
 - All-In Sustaining Costs expected at the bottom of the guided range of US 110c-120c/lb

Carrapateena

QUARTERLY DEVELOPMENT METRES



UNDERGROUND CRUSHER CHAMBER



OPERATIONAL DELIVERY

- / Carrapateena on schedule for first concentrate in November; ~180,000 tonnes of development ore stockpiled
- / Total decline development on track at 18,300 metres (4,573 metres to face of Tjati decline); vertical depth below surface at 662 metres
- / Production drilling commenced on first production level; decline development beyond the fifth production level access
- / Underground crusher chamber excavation completed on schedule with civil works well progressed
- / Minerals processing plant progressed to completion and commissioning phases
- / Site energised from the state grid power network; staged energisation of the plant underway
- / Stage 1 of the northern well field commissioned and supplying water to site

PROJECTS & STUDIES

- / Team progressing fundamental caving and infrastructure studies
- / Investigation of technology opportunities such as mine to mill digitalisation and the use of renewables and production electrification to further unlock the value of the province
- / Expansion studies to support Carrapateena Mineral Resource and Ore Reserve updates

EXPLORATION POTENTIAL

- / Field work focused on the Maslins geophysical anomaly; infill gravity and Magneto-Telluric (MT) surveys conducted with detailed interpretation and modelling underway



A modern mining company

For personal use only

Carajás

For personal use only

PEDRA BRANCA RESOURCE INFILL DRILLING



PEDRA BRANCA SITE



OPERATIONAL DELIVERY

- / High calibre Advisory Board established in Brazil adds to strategic depth and capability of local management team
- / Q3 Antas production of 1,563 tonnes of copper and 1,502 ounces of gold; 2019 gold production guidance raised to 5,400-5,800 ounces
- / Planned western cutback halted in favour of lower cost wall steepening and double benching approach to access deeper ore
 - / 2019 site sustaining capital costs revised to A\$4 – A\$5 million (from A\$10 – A\$10.5 million)
 - / 2019 All-In Sustaining costs revised to US310 – US340 c/lb (from US330 – US360 c/lb)

PROJECTS & STUDIES

- / Pedra Branca initial early works to progress, including decline preparation and operational readiness activities
 - / Feasibility study focus on final mine design, pre-concentration trials and tailings studies utilising the Antas open pit
 - / Resource infill drilling continued with 2,148m completed during Q3

EXPLORATION POTENTIAL

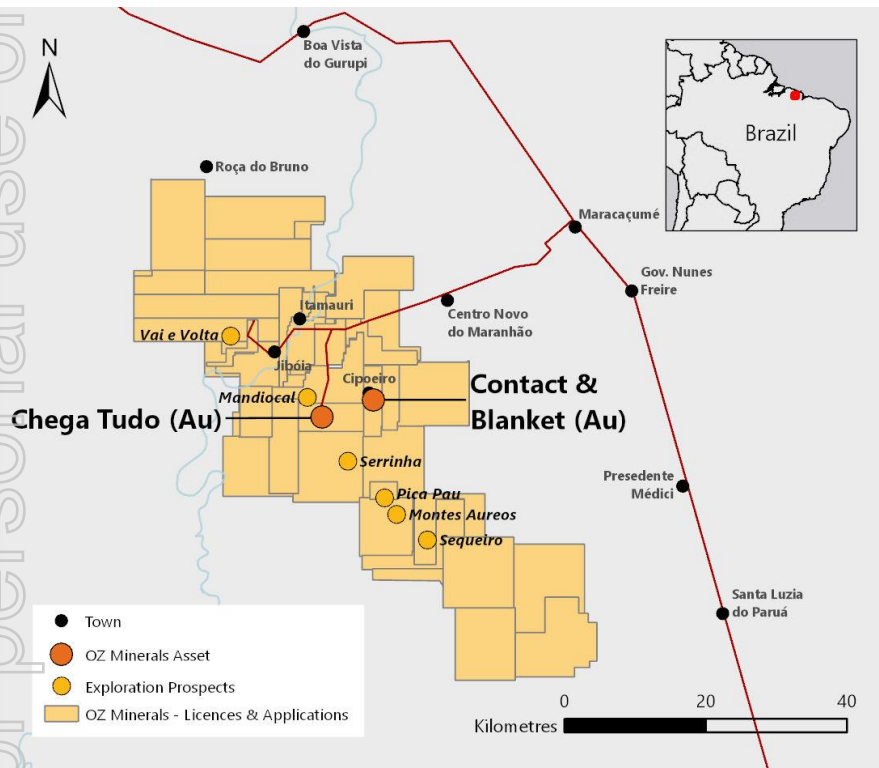
- / Drilling focused on prospects in the vicinity of the Antas Mine
 - / Several drill holes at the Clovis prospect intersected copper bearing structures with a total of 16 holes for 3,200m completed; final results expected Q4
 - / Two holes drilled on the Aguas Boas Norte prospect; assay results expected Q4



A modern mining company

Gurupi

GURUPI PROJECTS AND TENEMENTS



PROJECTS & STUDIES

- / Activities focused on permitting and village relocation planning for the CentroGold project
- / Village relocation activities involving face to face interviews and aerial surveying completed in Cipoeiro and have expanded to the wider mining lease
- / Final assessment report from INCRA (the Colonization and Rural Reform Institute) remains in progress following site visits; injunction removal continues to be targeted by end of 2019
- / Feasibility Study and further regional exploration to begin following injunction removal

EXPLORATION POTENTIAL

- / Drilling continued at the Pica Pau prospect with a further two holes completed for ~400m; samples dispatched and assay results awaited
- / Fieldwork continued at the Jibóia project with geological mapping / sampling undertaken; construction of a new base camp continued

West Musgrave

LOESCHE MILL PILOT PLANT DRY GRINDING



DESERT DUST UP EVENT



PROJECTS & STUDIES

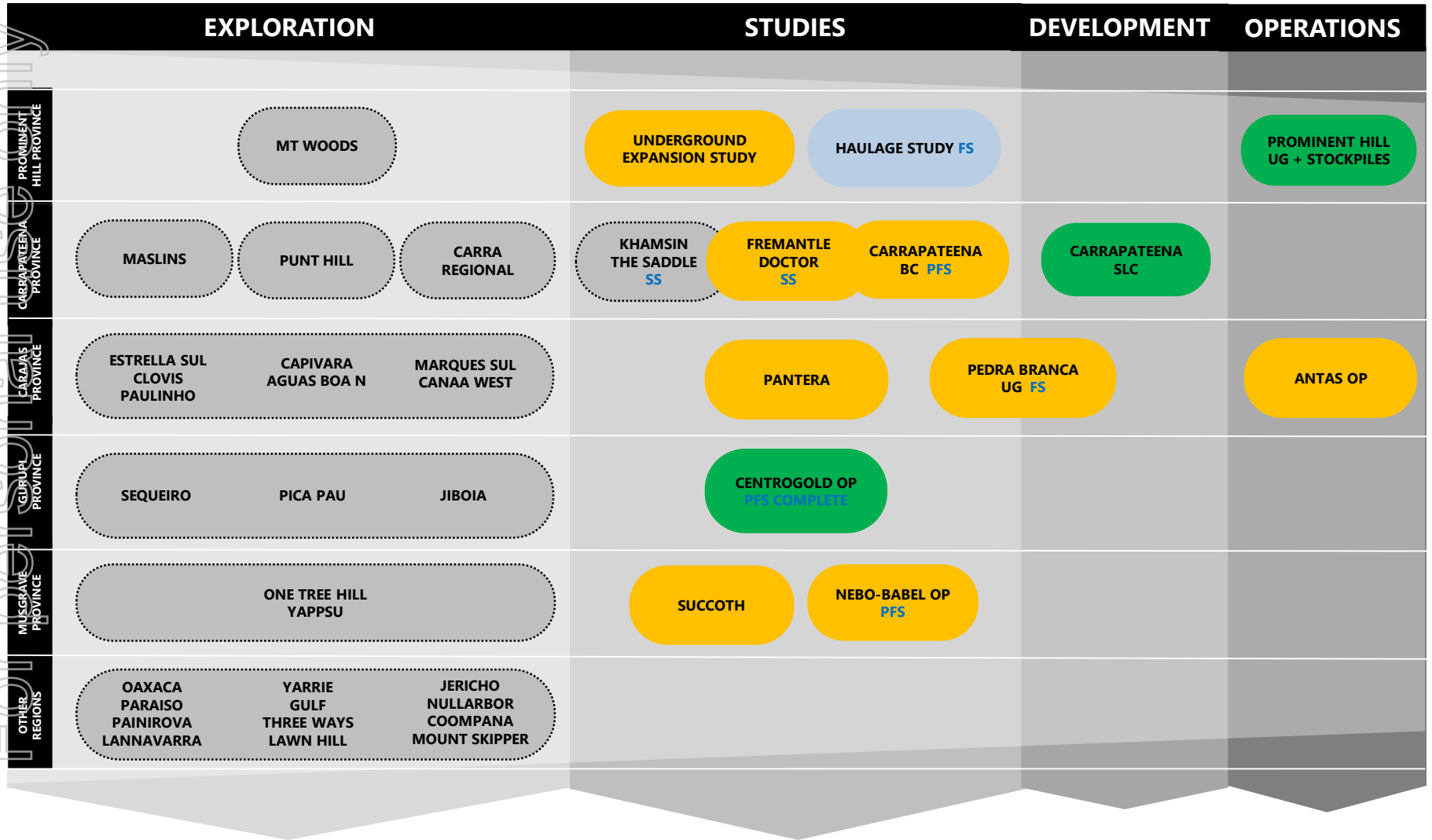
- / Second Loesche Mill pilot plant with new ore type confirmed previous findings of a significant reduction in power consumption and elimination of grinding media costs relative to traditional SABC grinding circuit
- / Continued development of key opportunities in Loesche Mill, Remote Operations, Power, Flotation Cell Technology, Logistics, and Mining Optimisation
- / Preparation for flotation circuit pilot plant in Canada in early Q4 to confirm metallurgical assumptions
- / Infill drilling completed for current phase of project; Mineral Resource update being prepared to support maiden Ore Reserve with improvement in resource classification anticipated
- / Team volunteered at the Desert Dust Up event with school children from the local Ngaanyatjarraku Shire
- / Further study update and maiden Ore Reserve planned for release early 2020

EXPLORATION POTENTIAL

- / Aeromagnetic survey for 3978 line kms undertaken at the One Tree Hill prospect and a further four holes drilled for 1,486m
- / Infill drilling completed on one section at the Succoth prospect to confirm geological interpretation with two holes for 852.9m completed

Growth Pipeline

Operations, projects and a growing pipeline of opportunities



FS: Feasibility Study
PFS: Pre-Feasibility Study
SS: Scoping Study

Other Study

No Resource estimate

Resource estimate

Reserve estimate



A modern mining company

2019 Key Milestones

For personal use only

Business Area	Milestone	2019			
		Q1	Q2	Q3	Q4
Prominent Hill Province	Haulage Feasibility Study update			✓	
	Updated Mineral Resource and Ore Reserve Statement				
Carrapateena Province	Province expansion Scoping Study	✓			
	First commercial concentrate production				
	Updated Mineral Resource and Ore Reserve Statement				
Carajás Province	Antas Mineral Resource and Ore Reserve update + 2019 guidance		✓		
	Pedra Branca Mineral Resource update		✓		
	Pedra Branca early works decision			✓	
Gurupi Province	CentroGold Pre-Feasibility Study		✓		
	CentroGold Mineral Resource update				
Musgrave Province	Mineral Resource update for Nebo-Babel	✓			
	70% earn-in to project		✓		
	Pre-Feasibility Study update			✓	

✓ Milestone completed

2019 Guidance

Guidance refined as we approach year end



GUIDANCE	2019			
	PROMINENT HILL	CARRAPATEENA	ANTAS	TOTAL
Copper Production (tonnes)	95,000-105,000	2,000-4,000	6,000-6,500	103,000-115,500
Gold Production (ounces)	115,000-125,000	3,000-6,000	5,400-5,800 ↑	123,400-136,800 ↑
Underground Ore Movement (Mt)	3.3-3.5 ↓			
Underground Sustaining Capital Expenditure (A\$M)	50-60			50-60
Site Sustaining Capital Expenditure (A\$M)	12-15	2-3 ↓	4-5 ↓	18-23 ↓
Growth Capital Expenditure (incl. mine development) (A\$M)	35-45	540-570 ^{3,4}		575-615
AISC (US c/lb) ²	110-120	-	310-340 ↓	120-130 ↓
C1 Costs (US c/lb) ²	62-67 ¹ ↓	-	240-280	75-80 ↓
Exploration (A\$M)				25-30 ↓
Project studies and drilling commitments to next stage gate (A\$M)				95-100⁵ ↑

¹ US dollar denominated C1 costs for Prominent Hill will benefit by US1.5c per US1c reduction in the AUD/USD exchange rate.

² AUD/USD of 0.71 has been used in converting A\$ costs to US\$ for C1 and AISC guidance.

³ Additional commissioning expenditure of A\$40-A\$45 million in 2019 will be offset on sale of concentrate from commissioning ore in Q1 2020.

⁴ Carrapateena growth capital expenditure includes pre-production capital (A\$495-A\$515 million) and mine development and underground infrastructure spend (A\$45-A\$50 million).

⁵ Project studies and drilling costs of A\$95-A\$100 million reflects anticipated expenditure on Board approved studies to their next milestone. It is expected ~65% of project studies and drilling expenditure will be expensed in the current year.

For personal use only