



OZ MINERALS SUSTAINABILITY REPORT 2009

OZ MINERALS LIMITED ABN 40 005 482 824



OZ



2009

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ABOUT THIS REPORT

Welcome to the OZ Minerals Sustainability Report 2009.

This report details our economic, social and environmental performance and our approach to responsible corporate governance.

Caring for our people, our neighbours and the environment is central to the way we do business. OZ Minerals is committed to achieving Zero Harm by Choice, which requires us to embed a culture that ensures that the management of safety, health, environment and community comes naturally to our workforce and is a foremost consideration in every decision we make. Our key sustainability objectives are to:

- Protect and improve the safety, health and wellbeing of our employees and contractors.
- Minimise our impact on the environment.
- Ensure that the communities in which we operate receive real benefit from our activities.
- Embrace and deliver on our core values of Respect, Integrity, Action and Results.

We see this report as an opportunity to demonstrate our commitment to transparent and accountable reporting of our sustainability challenges and our progress in managing them.

REPORT SCOPE AND BOUNDARY

This report details OZ Minerals' sustainability performance for the period between 1 January and 31 December 2009. In May 2008, we released our previous sustainability report which covered assets that are no longer included in this current report.

The Company has undergone significant change since the release of our previous sustainability report in May 2008. In June 2009, several assets previously reported on were sold to China Minmetals Non-Ferrous Metals. These assets included Century, Sepon, Golden Grove and Rosebery. The sale also included an undeveloped deposit at Dugald River and Avebury which had been in a care and maintenance phase. Also in June 2009, the Martabe project in Indonesia was sold to China Sci-Tech.

Unless otherwise stated, this report covers the Prominent Hill copper-gold operation in South Australia, which started production in February 2009, and our exploration interests in Australia and Cambodia. Our Group Office in Melbourne and support offices in Australia and Asia are included in relation to energy use, greenhouse gases and employee data only.

DATA COLLECTION

Data was collected using a combination of interviews and workbooks based largely on the Global Reporting Initiative (GRI) G3 protocols. OZ Minerals measures greenhouse gas emissions using the Australian Government National Greenhouse and Energy Reporting (Measurement) Amendment Determination 2009. All monetary amounts in this document are in Australian dollars unless stated.

For information prior to the scope of this report please see the OZ Minerals' Sustainability Report 2008, available at www.ozminerals.com.

OUR READERS

While we have attempted to make this report as broadly relevant as possible, we recognise this report may not meet the needs of all of OZ Minerals' stakeholders. We believe this report may be of most interest to shareholders, the financial community, governments, non-government organisations and academics. We communicate our economic, social and environmental performance with employees and local communities on an ongoing basis through the engagement mechanisms outlined in Stakeholder engagement.

MATERIALITY

In this report, priority has been given to issues that we consider to be of material significance to our sustainability performance. We have determined these material sustainability issues based on a range of internal and external considerations.

As our main guide for report preparation we have referred to the Global Reporting Initiative (GRI) G3 Reporting Guidelines. We have focused on the core indicators and covered off supplementary indicators where we have thought they were of significant relevance to our business.

We have also reported against indicators from the Mining and Mineral's Industry Supplement as these indicators were developed by representatives from our industry and interested stakeholders.

Our sustainability policy outlines our most important sustainability issues and the position we have on those issues. We have reported against all the areas addressed by our policy. We also report in accordance with our Values and Code of Conduct.

Our materiality process is 'fit for purpose'. OZ Minerals has one major operational site, Prominent Hill, and therefore most of our consultation and feedback is gathered through meetings with interested stakeholders at this site or in the surrounding community. Our exploration division also maintains a direct dialogue with key sustainability related stakeholders. Managers from both these areas contributed to this report to ensure material issues of concern to these stakeholders are covered.

External feedback is also collected through a variety of other mechanisms. We conduct media monitoring and collect feedback from our Annual General Meetings. We have regular government and investor meetings and receive direct feedback from retail shareholders.

Internally, sustainability related issues are brought to the attention of the Sustainability Committee of the Board and detailed in Board papers. We have a sustainability incident tracking and management system. In compiling this report, surveys were distributed in an effort to collect supplementary sustainability related information that may be of interest to our stakeholders.

CEO LETTER

OZ Minerals has emerged from 2009 as a vastly different company from what it was at the beginning of the year. As a result, we have the opportunity to start out as a new organisation with a prime quality asset in Prominent Hill and an experienced team which has a desire to perform, improve and grow.

In 2009, OZ Minerals sold a number of its operating, development and exploration assets in June 2009 to resolve refinancing issues. The company assets now consist of the Prominent Hill copper and gold mine in South Australia and exploration projects around Prominent Hill and in Cambodia.

We are committed to achieving Zero Harm by Choice, which is driven by a desire to make safety, health, environmental and community concerns foremost in every decision we make. Zero Harm requires OZ Minerals to adopt targets of zero for health, safety and environmental and community incidents. While these may be difficult targets, it is not practical to have any others if we wish to achieve the cultural shift required and ensure that we do not harm our people or the environments in which we work.

Our sustainability policy has been updated to reflect our goal of Zero Harm by Choice as well as incorporate the OZ Minerals values of Respect, Integrity, Action and Results.

Protecting the health, safety and wellbeing of our people, both OZ Minerals' employees and the contractors who work on our site, is our primary sustainability objective. Whilst there was a decrease in our total recordable injury frequency rate in the reporting year, we experienced a number of significant safety incidents across our business. In 2009, 26 of our people have been injured in incidents at our ongoing assets that have resulted in either lost time, medical treatment or not being able to complete their normal duties for a period.

We are determined to improve our safety performance. A core focus in achieving our commitment to Zero Harm by Choice is the enhancement and tracking of leading indicators, rather than the focus on lagging indicators such as the frequency rates mentioned previously. Leading indicators can highlight signs that there may be unsafe activities or situations developing within areas of our business, whereas lagging indicators are not necessarily useful in preventing incidents.

At the close of 2009, OZ Minerals had 331 employees and 476 contractors. Most of our workforce is now Australian based with 608 employees and contractors based at our Prominent Hill operation. Outside of Australia, we have 122 employees and contractors primarily working for our exploration division on projects mainly in Cambodia.

We have a deliberate strategy to promote a diverse workforce and have been successful in achieving a growing representation from women, local indigenous groups and from the local community in which we work.

Approximately 82 per cent of our workforce at Prominent Hill is from South Australia. Of these 18 per cent are from the region in which our operation is located – and 14 per cent are indigenous people. This high local employment rate is a direct result of a deliberate effort to ensure benefits from the mining operation are shared with local communities.

Our highly successful pre-employment training program which enables local people with no previous mining experience to acquire the skills required to gain a job at Prominent Hill is something of which we are extremely proud and will continue to invest in.

Since the launch of the program in 2006, five groups of trainees comprising 42 graduates have completed the program and taken up roles at Prominent Hill. The fifth Prominent Hill Pre-employment Training Program, completed in September 2009, was specifically organised for members of the Antakarinja community, who are the traditional owners of the land where the mine is located. Seven trainees successfully completed the program and have been placed in various roles at the Prominent Hill operation, including in the environment, exploration, geology and training departments. The next program planned for mid 2010 will comprise people from the Anangu Pitjantjatjara Yankunytjatjara (APY) lands.

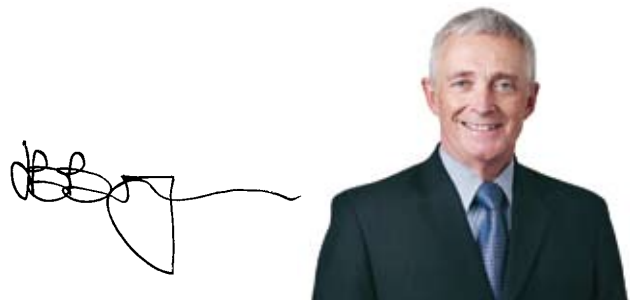
The OZ Minerals community investment program is primarily focused on areas in which we operate and therefore most of our efforts have been focused on the communities close to Prominent Hill. In 2009, we supported various local initiatives, including community rodeos and gymkhanas, and we continued our sponsorship of local football team the Coober Pedy Saints and junior football in Coober Pedy. We also continued to support the Royal Flying Doctor Service (RFDS) as an ongoing partnership with the RFDS worth \$280,000 over four years, from 2007 to 2010.

A range of environmental initiatives were implemented during the reporting period, primarily at our Prominent Hill operation. As this is a new operation, there was a focus on understanding the site's resource usage and environmental data to set baselines for future efficiency projects.

During the year we completed our first report under the Australian National Greenhouse and Energy Reporting Act 2007 (NGER). Prior to the submission of the report, a comprehensive, independent readiness assessment was conducted on the processes that OZ Minerals had developed to meet the requirements of the NGER Act. We also participated in the global Carbon Disclosure Project.

I would like to thank our stakeholders, including our employees and contractors, for their support and contribution to OZ Minerals' sustainability related achievements and I look forward to providing further updates on our sustainability performance.

We welcome any comments that you may have on our performance or on this report.



Terry Burgess
Managing Director and Chief Executive Officer

COMMITMENTS 2010

OZ Minerals' Sustainability Commitments for 2010 include targets and initiatives that represent or will result in a significant improvement in sustainability performance. We will measure our performance against the following commitments in future reports:

Corporate governance and management systems

- Audit Prominent Hill against the OZ Minerals Sustainability Standards in Quarter 2 2010.
- Launch an improved incident and action tracking system across the business.
- Leading indicators to be reviewed and modified to support our Zero Harm by Choice commitment.

Socio-economic contributions

- Create further opportunities for local and indigenous businesses at Prominent Hill.
- Continue to invest in pre-employment training for local people.

Our people

- Develop close relations with the contractors that work on our sites in relation to our sustainability objectives.
- Develop an OZ Minerals employee attraction and retention strategy.
- Continue to promote a diverse workforce.

Safety and health

- No fatalities, serious permanently disabling or lost time injuries.
- 25 per cent improvement in Total Recordable Injury Frequency Rate (TRIFR) (from 12.36 in 2009 to 9.27 by end of 2010).
- Conduct a pilot cognitive behavioural based safety program in Quarter 2, 2010.

Community relations

- No incidents with major impact on local communities.
- Establish a community investment strategy for OZ Minerals.

Environment

- No incidents with major environmental impact.
- No non-compliances with licence conditions.
- Complete water, energy and waste management plans to include data baselines and efficiency programs.

COMMITMENTS 2010 continued

PERFORMANCE SUMMARY 2009

Listed below are OZ Minerals' key performance indicators and our performance for 2009. OZ Minerals' sustainability commitments going forward are outlined in Commitments 2010.

● achieved ● in progress ● not achieved

Key performance indicator	Performance 2009	Progress
Corporate governance and management systems		
Each operation audited against the OZ Minerals Sustainability Standards	Prominent Hill audit will be conducted in 2010.	●
Incident classification and reporting processes aligned across OZ Minerals	Incident classification process aligned and embedded across the business.	●
Safety, Health, Environment and Community (SHEC) requirements in project development process strengthened	Project revised due to the significant change in the company size. SHEC requirements are now addressed on a project by project basis.	●
Specific SHEC plans in place at each operation, including lead indicators	Leading indicators have been incorporated across the business, and will be further developed as part of the Zero Harm by Choice program. Specific SHEC plans were developed for exploration and resource drilling projects.	●
Closure plans in place at all sites	Closure Plan in place at Prominent Hill, this was updated during 2009.	●
Socio-economic Contributions		
A community investment strategy developed	A strategy addressing community investment is currently being developed. Pre-Employment Program in place for long-term unemployed from the local area.	●
Our People		
Strategic plan to increase levels of employee engagement and satisfaction developed	Redevelopment of Human Resource strategy 2009–2012.	●
Performance Management System and Leadership Development Training developed and implemented	Remuneration policies and programs approved for implementation in 2010. Development of HR metrics strategy.	●
Actions to increase the percentage of women at all levels of our workforce implemented	Continued implementation of Project Unity. Commenced diversity study in partnership with University of South Australia.	●
Actions to increase the percentage of indigenous employees in our workforce implemented	Pre-Employment Program in place for long-term unemployed from the local area. Cross Cultural Awareness training in place and mentoring program developed.	●
Safety and Health		
Zero fatalities	There were zero fatalities in 2009.	●
Zero Lost Time Injuries	There were two Lost Time Injuries in 2009.	●
Improved overall safety performance	18% reduction in TRIFR (comparison of continuing operations).	●
Five Key Safety Actions Plan implemented	Majority of Five Key Actions implemented. Certain elements held over to 2010.	●
Aviation Standard fully implemented	Implementation of Aviation Standard complete.	●
Improvements arising from 2008 serious incidents fully implemented	Improvements implemented.	●
Community Relations		
Community engagement plans in place at all operations and major projects	Five year community engagement plan is in place at Prominent Hill.	●
No incidents with major impact on local communities	No community incidents were reported.	●
Environment		
Management plans in place for acid rock drainage (ARD), water management, energy/greenhouse gases	Management plans for ARD, water management and energy/greenhouse gases commenced for the Prominent Hill Operation.	●
No incidents with major environmental impact	No incidents with major environmental impact at Prominent Hill or our exploration projects.	●
Energy efficiency improvement projects implemented	Baseline assessment of Prominent Hill Energy footprint conducted.	●
No non-compliances with licence conditions	No non-compliances were reported.	●

COMPANY OVERVIEW

OZ Minerals is an Australian based mining company that produces copper and gold in concentrates from the Prominent Hill mine in South Australia. OZ Minerals is also exploring for further copper and gold deposits around the highly prospective Prominent Hill area, as well as for gold in Cambodia. OZ Minerals, formerly Oxiana Limited, was renamed following the merger of Oxiana with Zinifex Limited in June 2008.

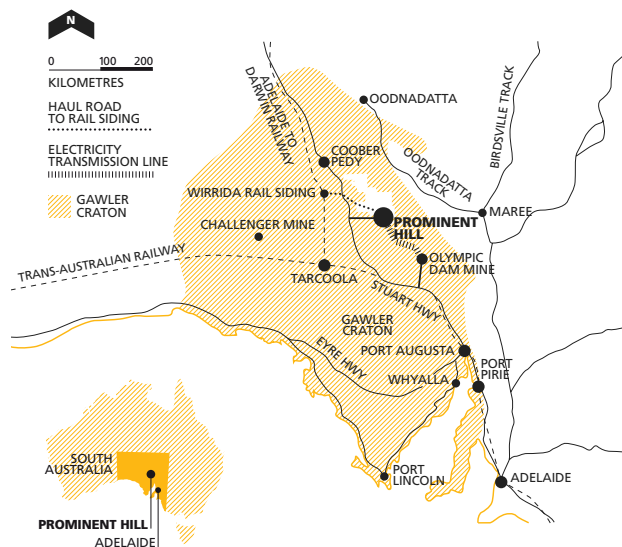
SALE OF ASSETS

At the beginning of 2009, OZ Minerals owned and operated the Century, Golden Grove, Rosebery and Sepon mining operations and various other development projects and exploration assets, including the Prominent Hill project in South Australia, which was in the final stages of construction. OZ Minerals had planned to refinance certain loan facilities towards the end of 2008 and had reasonably expected to be able to do so given its low gearing, strong balance sheet and strong revenue stream. However, there was a deterioration in the lending market over the course of the last quarter of 2008 and into 2009, which impacted upon OZ Minerals, with the result that it was not possible for OZ Minerals to reach agreement with all of the banks to achieve a refinancing. As a consequence, OZ Minerals explored all possible options to address its financial position, including cost cutting and deferral of planned capital expenditure and seeking to sell assets, as well as investigating raising new equity and raising finance from alternative sources.

In February 2009, OZ Minerals and Minmetals announced a proposal for the acquisition of all of the shares in OZ Minerals. While this would have resolved OZ Minerals' refinancing requirements, the Federal Treasurer announced in March that, due to concerns about Australia's national security interests, he would not approve Minmetals' original proposal for acquisition of OZ Minerals if it included the sale of Prominent Hill, which is situated in the Woomera Prohibited Area.

As a result of this decision and following further negotiations between OZ Minerals and Minmetals, the consolidated entity's assets, other than Prominent Hill, Martabe Project in Indonesia and certain other assets were sold to Minmetals. Additionally, the Martabe Project was subsequently sold to CST in June 2009.

PROMINENT HILL



Location	Located 650 kilometres north-west of Adelaide, 130 kilometres north-west of BHP Billiton's Olympic Dam and 130 kilometres south-east of the town of Coober Pedy in the Gawler Craton of South Australia.
Product	Copper concentrate.
Mining method	Open pit.
Processing method	Conventional crushing, grinding and flotation.
2009 Production	96,310 tonnes contained copper, 75,535 ounces gold.
Production forecast p.a. (2010–2012)	100,000 – 110,000 tonnes copper. 80,000 – 90,000 ounces of gold.
Reserves*	75.7Mt @ 1.19% Cu, 0.59 g/t Au (0.9Mt Cu, 1.4Moz Au).
Resources*	Copper gold – 189.7Mt @ 1.32% Cu, 0.5g/t Au (2.5Mt Cu, 2.9Moz Au). Gold only – 78.8Mt @ 0.06% Cu, 1.4g/t Au (0.05Mt Cu, 3.4Moz Au).
Sales	Prominent Hill concentrates are shipped directly to customers in Asia and Europe via the Adelaide to Darwin railway to the Port of Darwin and then via ship. Concentrates are also transported by road to Australian local customers.

*As at 30 June 2009. (See OZ Minerals ASX Release 30/11/2009 for full statement of Mineral Resources and Ore Reserves.)

COMPANY OVERVIEW continued

EXPLORATION

OZ Minerals has 4,000km² of tenements in its own right and access to 3,000km² of tenements through the joint venture with IMX (OZ Minerals 51 per cent) around the Prominent Hill region. A priority is exploration in the large and highly prospective tenement package in order to identify further Prominent Hill style deposits.

OZ Minerals commenced exploration in Cambodia in 2006 and have an exploration office in Phnom Penh. The company currently has four exploration projects in Cambodia. The most advanced of these is the Okvau project.

EQUITY INTERESTS

OZ Minerals holds 42 per cent of Toro Energy and minority interests in several other junior miners.

INDUSTRY ASSOCIATIONS

OZ Minerals belongs to a number of business and industry associations related to our activities. These activities allow OZ Minerals to participate in the development and review of industry standards, monitor evolving best practice and comment on potential impacts of new and amended regulation.

- Asia Society Australasia Centre
- Australian Chamber of Commerce – Cambodia
- Australian Institute of Geoscientists
- Australian Institute of Mining and Metallurgy (AusIMM)
- Business Council of Australia
- Copper Development Centre, Australia
- Copper Development Centre, Singapore
- Minerals Council of Australia
- Society of Economic Geologists
- South Australian Chamber of Mines and Energy (SACOME)
- Vietnam Business Forum Mining Sector Working Group

AWARDS

During the reporting period, OZ Minerals operations received recognition for a variety of achievements and innovations. Awards, nominations and their recipients are detailed below.

Award	Awarded By
Best Investor Relations by a Company in the S&P/ASX Mid-Cap 50	Australasian Investor Relations Association (AIRA)
Best Metalliferous Mine of the Year 2009 – Prominent Hill	
Australian Mine of the Year finalist – Prominent Hill	Australian Mining Prospect Awards
Special Award for Labour Relations/ Human Capital Management – OZ Minerals Pre-employment Training Program (finalist)	Ethical Investor 2009 Sustainability Awards
OZ Minerals Carbon Footprint and Baseline Energy Efficiency Review (2nd place)	Golder Associates Global Sustainable Development Award

VALUES AND ETHICS

Our core values of respect, integrity, action and results form the basis of our commitment to sustainability and have been articulated to mean:

Respect

- For the safety of everybody in our business
- For each other as individuals
- For communities, cultures and for diversity
- For all our stakeholders
- For the environment

Integrity

- Honest, courageous and open in our communication
- Honouring commitments
- Consistently behaving in line with our values
- High standards of business ethics

Action

- Being bold, decisive and agile
- Being rigorous, responsible and accountable
- Continually improving
- Innovating to add value

Results

- Delivering on goals and objectives
- Meeting or exceeding expectations
- Aspiring for excellence
- Creating sustainable value
- Never compromising on safety and health

We have developed codes and policies to support our people in understanding specific requirements. These include the OZ Minerals Code of Conduct, Whistleblower Policy, Securities Trading Policy, Continuous Disclosure Policy, Shareholder Communication Policy and Risk Management Policy. These are made available to the OZ Minerals workforce via the intranet and are also available on the OZ Minerals website.

The Code of Conduct describes standards for appropriate ethical and professional behaviour for all directors, employees and contractors working for OZ Minerals. The Code provides policy on compliance with the law, protection of OZ Minerals' interests, conflicts of interest, use of knowledge and information, respect for company property, receiving gifts (including entertainment or gratuities), professional behaviour, fair dealing and compliance with the relevant health, safety, community and environmental policies, procedures legislation and standards. Breaches of the Code are taken seriously by OZ Minerals and may be reported with the support of the Whistleblower Policy.

OZ Minerals is committed to ensuring concerns regarding illegal conduct or malpractice can be raised in good faith without being subject to victimisation, harassment or discriminatory treatment, and to have such concerns properly investigated. The Whistleblower Policy provides a mechanism by which all employees can confidentially report improper or illegal conduct without fear or discrimination.

To safeguard against insider trading, the company's Securities Trading Policy prohibits directors and employees from trading the company's securities if they are aware of any information that would be expected to have a material effect on the price of Company securities. The policy also establishes 'black out periods' during which directors and employees must not trade in the company's securities.

The policy also prohibits directors, executives and employees from entering into any hedging arrangement over unvested securities issued pursuant to any share scheme, performance rights plan or option plan.

The Continuous Disclosure Policy outlines OZ Minerals' process for disclosure that has been established to ensure compliance with OZ Minerals' continuous disclosure obligations under the listing rules (Listing Rules) of the Australian Securities Exchange (ASX) and the Corporations Act.

Shareholder communications will at all times be governed by OZ Minerals' obligations under the Corporations Act and the ASX Listing Rules, in particular the continuous disclosure obligations. This policy outlines OZ Minerals' commitment to provide timely, accurate and compliant information to shareholders about OZ Minerals to enable them to exercise their rights as shareholders in an informed manner. The purpose of this policy is to promote effective communication with shareholders by providing them with access to the latest information about OZ Minerals and to make it easier to participate in general meetings.

The Risk Management Policy outlines OZ Minerals' commitment to the effective management of risk, which is central to our continued growth and success. Our aim is for risk management to become embedded into all our business systems, mining operations and exploration activity. See Risk management for more detail.

For more information, please refer to our Corporate Governance Statement in the OZ Minerals Annual Report.

CORPORATE GOVERNANCE

OZ Minerals' approach to corporate governance is to have a set of values and behaviours that ensure transparency and fair dealing and protect stakeholder interests.

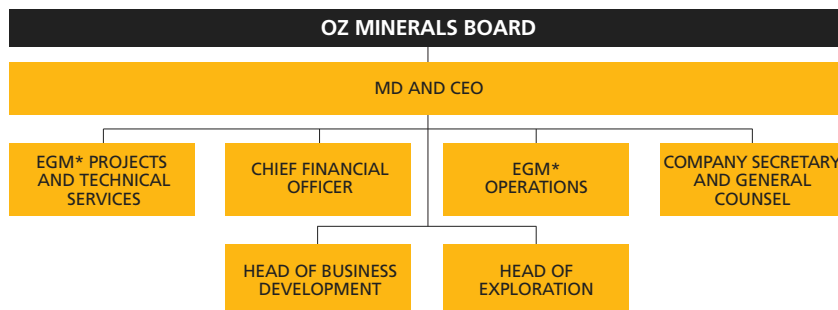
The Board is committed to following the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Recommendations). The Board and management regularly reviews the company's policies and practices to ensure that the company continues to maintain and improve its governance standards following the ASX Corporate Governance Council Corporate Governance Principles and Recommendations (ASX Recommendations).

The specific aspects that support the implementation of this approach are described in our Annual Report in accordance with the ASX Recommendations. Details of the main policies of corporate governance adopted by OZ Minerals and referred to in this report and the Annual Report are also available on the company's website www.ozminerals.com.

STRUCTURE AND RESPONSIBILITIES

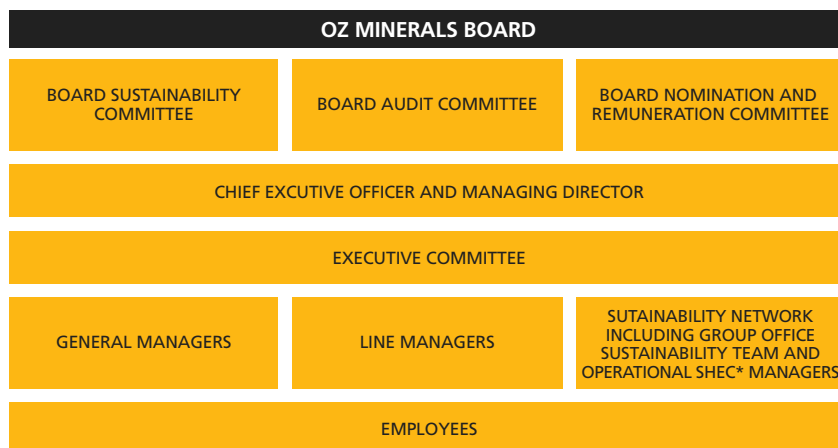
The following diagrams illustrate OZ Minerals’ organisational structure and key responsibilities for sustainability performance within all levels of the business.

OZ Minerals’ organisational and management structure



*Executive General Manager

OZ Minerals’ sustainability governance



*Safety, Health, Environment and Community

Board and committees

Responsibility for our strategic approach to sustainability lies with the OZ Minerals Board. The Board strives to ensure that it is comprised of strongly performing individuals of utmost integrity whose complementary skills, experience, qualifications and personal characteristics are suited to OZ Minerals’ needs.

OZ Minerals’ Constitution provides for a minimum of three and a maximum of 15 directors. At the beginning of 2010, there were nine directors. Two directors will retire in April 2010. Apart from the CEO, all directors are independent non-executives.

To facilitate the execution of its responsibilities, the Board’s Committees provide a forum for a more detailed analysis of key issues. The current Board committees are the Audit Committee, Sustainability Committee and the Nomination and Remuneration Committee.

The Sustainability Committee’s role is to assist the Board in the effective discharge of its responsibilities in relation to safety, health, environmental and community issues across the company and the oversight of risks relating to these issues.

A profile of each Director, including their skills, experience, relevant expertise and special responsibilities is available in our Annual Report.

Senior management

Responsibility for OZ Minerals business processes and sustainability performance lies with the CEO, Terry Burgess, supported by the executive management team. The CEO’s performance is measured against detailed key performance indicators (KPIs) relating to values and governance, economic and sustainability performance. This forms the basis of remuneration and short-term incentives (STIs).

These KPIs cascade through to all of the CEO’s direct reports, whose performance is measured against KPIs relating to economic and sustainability performance within their particular area of responsibility.

Special responsibilities lie with the Executive Committee. All OZ Minerals’ general managers are accountable for values and governance, economic and sustainability performance within their particular area of responsibility.

SUSTAINABILITY POLICY

The revised OZ Minerals Sustainability Policy, released in December 2009, details our commitments to economic management, sustainability management and responsible corporate governance. The policy is supported by our core Values – Respect, Integrity, Action, Results – which underpin the behaviour of all OZ Minerals employees and contractors. More detailed requirements are outlined in our Sustainability Management Standards. The policy describes our commitment to Zero Harm by Choice, which requires us to embed a culture that ensures that the management of safety, health, environment and community comes naturally to our workforce and is a foremost consideration in every decision we make.

To achieve Zero Harm by Choice, we have established the following sustainability objectives:

- Protect the health, safety and wellbeing of our employees and contractors.
- Minimise impact on the environment.
- Ensure that the communities in which we operate receive real benefit from our activities.
- Embrace and deliver on our core values of Respect, Integrity, Action and Results.

For a copy of the OZ Minerals Sustainability Policy, please refer to our website www.ozminerals.com.

SUSTAINABILITY MANAGEMENT STANDARDS

The OZ Minerals Sustainability Management Standards are a comprehensive set of standards for the management of the safety, health, environmental and social aspects of our business. These standards apply to all phases of mine life and are subject to periodic review to ensure they continue to meet the needs of our company, as well as aligned with industry best practice standards such as the Minerals Council of Australia's ('MCA') Enduring Value. Alignment with these standards is measured through regular audits.

OZ Minerals Sustainability Standards are divided into four sections:

Integrated Management System Standards – overall management framework

- IMS-01 Program Commitment and Leadership
- IMS-02 Planning and Decision Making
- IMS-03 Risk and Opportunity Management
- IMS-04 Document Control and Records Management
- IMS-05 Legal and Other Requirements
- IMS-06 Organisation and Responsibility
- IMS-07 Training Competency and Awareness
- IMS-08 Internal Communications and Reporting
- IMS-09 External Stakeholder Engagement and Reporting
- IMS-10 Incident Reporting and Investigation
- IMS-11 Emergency Preparedness and Response
- IMS-12 Standard Operating Procedures
- IMS-13 Inspections
- IMS-14 Monitoring and Measurement
- IMS-15 Audits and Assessments
- IMS-16 Corrective and Preventative Action

- IMS-17 Change Management
- IMS-18 Contractor Selection and Management
- IMS-19 Behaviour and Observation
- IMS-20 Management Review

Safety and Health Standards – standards for the management of safety, health and security risks

- OHS-01 Occupational Health and Hygiene
- OHS-02 Surface Ground Control
- OHS-03 Underground Ground Control
- OHS-04 Surface Fire Prevention
- OHS-05 Underground Fire Prevention
- OHS-06 Remote Control Equipment
- OHS-07 Energy Isolation
- OHS-08 Vehicle Mobile Equipment Traffic Management
- OHS-09 Electrical Safety
- OHS-10 Work Permit Systems
- OHS-11 Machine Guarding and Conveyors
- OHS-12 Explosives
- OHS-14 Working at Heights
- OHS-15 Pressurised Systems
- OHS-16 Cranes and Lifting Equipment
- OHS-17 Medical Programs
- OHS-18 Hazardous Materials
- OHS-19 Aviation Management
- OHS-20 Security Services Management
- OHS-21 Lightning Hazard Management

Environment Standards – standards for the management of environmental risks

- ENV-01 Air Quality Management
- ENV-02 Biodiversity Management
- ENV-03 Chemical Management
- ENV-04 Cyanide Management
- ENV-05 Heap Leach Facilities Management
- ENV-06 Hydrocarbon Management
- ENV-07 Mercury Management
- ENV-08 Rehabilitation and Closure Planning
- ENV-09 Tailings Management
- ENV-10 Waste Management
- ENV-11 Waste Rock Management
- ENV-12 Water Management
- ENV-13 Energy and Greenhouse Gas Management

Social Standards – standards for the management of social risks

- SOC-01 Management of Heritage Sites
- SOC-02 Land Access and Acquisition
- SOC-03 Local Community Investment
- SOC-04 Media Relations
- SOC-05 Cultural Awareness
- SOC-06 Government Relations
- SOC-07 Social Impact Assessments
- SOC-08 Human Rights Awareness
- SOC-09 Local Employment and Business Support
- SOC-11 Closure
- SOC-12 Resettlement and or Displacement of Peoples

COMPLIANCE

OZ Minerals regards compliance with all relevant regulations and legislation as the minimum performance standard for all operations and activities. For more information on compliance issues, including our actions to address impacts and prevent recurrence, see Environmental Performance and Social Performance.

RISK MANAGEMENT

OZ Minerals is exposed to numerous risks across its business, most of which are common to the mining industry. The company's commitment and approach to managing these risks is outlined in the company's Risk Management Policy and is available at Risk Management Policy.

The company's Risk Management Policy is aligned to the Australian Standard for risk management and is used to identify, analyse, evaluate, treat and monitor risks across all activities of the business. The Executive Committee periodically reviews the risk register produced through this process and the status of action items identified to mitigate risks.

Both the Sustainability Committee and Audit Committee assist the Board in monitoring the company's risks.

The Sustainability Committee monitors the company's non-financial risks so far as they relate to the environment, health, safety or community related risks. During 2009, the Board approved changes to the Sustainability Committee Charter so that the Sustainability Committee no longer reviews and monitors non-financial risks that do not relate to core areas of responsibility, namely safety, environmental, health and community related risks. These other non-financial risks, such as reputational risk and legal risk, are now monitored and reviewed by the full Board. The Audit Committee monitors the company's financial risks.

The Audit Committee reviews and assesses the adequacy of the company's internal control and financial management systems and accounting and business policies. The Audit Committee is given further assurance on the company's financial management systems through the company's independent internal audit function.

Senior management are responsible for risk management in their respective areas of accountability. They ensure that procedures exist to monitor risks and, through observation and audit, gain assurance that effective controls are implemented and consistently applied.

Our OZ Minerals Risk and Opportunity Management Standard provides a common framework for the systematic management of risks and identification of opportunities to OZ Minerals in the areas of health, safety, environment and community relations. The standard applies to all our managed facilities (including contractor activities) and addresses the risk management process (including risk assessment and risk mitigation/control), risk register, action planning, training, audits and reviews.

AUDITS

OZ Minerals conducts audits to systematically and objectively verify conformance with our Sustainability Management Standards, legal requirements and provides recommendations to improve safety, health, environment and social performance. The Audits and Assessment Management Standard addresses process requirements for internal and external auditing and assessment, including planning, training, methodology, schedules, follow-up and close-out of audit and assessment findings.

Greenhouse reporting readiness assessment

During the year, OZ Minerals completed its first report under the National Greenhouse and Energy Reporting Act 2007 ('NGER'). Prior to the submission of the report, a comprehensive independent readiness assessment was conducted on the processes that OZ Minerals had developed to meet the requirements of the NGER Act. OZ Minerals continues to participate in the Australian Government's Energy Efficiency Opportunities program.

The assessment focused on the NGER reporting processes for the period 1 July 2008 to 30 June 2009, with visits to head office and Prominent Hill, as well as assets sold during the reporting period, which OZ Minerals was required to report. The objective of this engagement was to identify gaps and opportunities for improvement in relation to the NGER requirements based on assessments of reporting processes.

OZ Minerals was provided with a management report detailing our overall NGER readiness assessment and detailed findings with practical improvement recommendations. These recommendations have been included in an improvement plan to assist us with our future NGER reporting requirements.

TRANSPORT OF MATERIALS AND PRODUCTS

At our Prominent Hill operation, mineral concentrates leave the site via a combination of road and rail routes to our customers. Concentrates are transported directly to international customers via the Adelaide to Darwin railway and the Port of Darwin. Concentrates are also transported by road to local customers. After leaving our process plants, the most significant hazard is loss of containment of these concentrates in the form of spillage or loss as dust.

The Commonwealth departments of Infrastructure, Transport, Regional Development and Local Government are responsible for maintaining the Australian Dangerous Goods Code. The Australian Dangerous Goods Code (ADG) is closely aligned with international requirements for the land transport of dangerous goods, in particular the UN Recommendations on the Transport of Dangerous Goods – Model Regulations. In December 2009, concentrate from Prominent Hill was classified as a Dangerous Good Class 9 – UN 3077 Environmentally Hazardous Substance.

For these reasons, every effort is made to ensure that road and rail transport is conducted by reliable and reputable carriers with appropriate track records and contingency plans are in place in case of spillage.

The revised classification will result in some changes to transport requirements and we have been working closely with SafeWork South Australia in relation to compliance requirements. Vehicles, drivers and placarding needs relating to road and rail transport are being addressed and a risk assessment completed.

Prominent Hill ore and concentrate contains low levels of uranium. Radiation levels are below regulatory limits. Levels are monitored under a radiation management plan to ensure there is no risk to the workforce or the public at any stage of the production or transport process.

There were no reported incidents of non-compliance with regulations and voluntary codes related to the safety and health impacts of our products, information and labelling, breaches of customer privacy, losses of customer data or marketing communications during the reporting period.

All sales contracts for OZ Minerals' products contain agreed levels of chemical specifications, including maximum limitations for any potential deleterious elements that may be contained in or derived from the ore or production processes. Monitoring and testing regimes are maintained to ensure adherence to all of these contractual commitments. This process of consultation and contracting assists us to prevent issues in downstream smelting or refining of OZ Minerals' products.

In addition, all customers are provided with Material Safety Data Sheets, which describe safety, health or environmental hazards associated with our products.

CLOSURE PLANNING

Closure planning is a consideration during all stages of our operations. It is our intention that through careful and proactive planning we will mitigate the social and environmental impacts of eventual mine closure. Our Sustainability Management Closure Standard aims to ensure that potential closure and post-closure risks and opportunities are effectively identified and managed throughout the mining life cycle.

The potential impacts of closure are an ongoing consideration in our engagement with governments and local communities and our support for community development activities, including development of local businesses not related to mining activities.

For our Prominent Hill operation, a 'Conceptual Mine Closure and Rehabilitation Plan' was submitted to Primary Industries and Resources South Australia (PIRSA) in 2006 as part of the Mining and Rehabilitation Programme (MARF). The conceptual plan outlines the anticipated closure strategies and potential liability for the Prominent Hill operation based on the information available at the time. The operation has since developed a closure plan, which is reviewed annually and independently audited every second year in accordance with internal accounting policy. The MARF was updated in 2009 to include the proposed underground project.

Provisions are made for the estimated cost of rehabilitation, decommissioning and restoration relating to areas disturbed during the mine's operations. Further detail on our provisions is available in our 2009 Annual Report set out in the Provisions Note (Note 22) of the Financial Statements under the heading 'Mine rehabilitation, restoration and dismantling'.

LEGACY ISSUES

From June 2008 to June 2009, OZ Minerals was the owner and operator of the Rosebery mine in Tasmania.

In the 1890s, gold, lead, zinc and copper were mined in the area. This lasted until the mine's closure in 1913. In 1927, the Mount s Mining Company revived the mine and it is currently owned and operated by the Minerals and Metals Group.

In the past, heavy metal poisoning investigations have been conducted at Rosebery. In December 2009, the Tasmanian Director of Public Health announced that investigations would be reopened to assess new claims of possible heavy metals poisoning. We will continue to monitor this issue.

ECONOMIC PERFORMANCE

OPERATING AND FINANCIAL PERFORMANCE

At the end of the year, OZ Minerals had as its sole operating asset the Prominent Hill operation in South Australia, which had completed a very successful first year of production, it had a cash balance of \$1.1 billion, minimal debt and a new growth strategy.

OZ Minerals Prominent Hill operation had a highly successful ramp-up during 2009. When examining the performance of Prominent Hill alone, revenues of \$608.5 million and a net profit after tax of \$202.6 million were returned for the eight months subsequent to the completion of the commissioning period.

When considering these results, it should be noted that major changes occurred within OZ Minerals during the current and prior years. The periods ended 31 December 2008 and 31 December 2009 are not directly comparable as a result of the acquisition of Zinifex by OZ Minerals in July 2008 and the sale of the assets to Minmetals and CST in June 2009.

OZ Minerals' consolidated results for the year were a net loss after tax of \$(512.4) million after including the impact of the \$(543.7) million loss incurred on the operations sold, together with costs associated with refinancing and foreign exchange losses.

Consolidated entity results	12 months ended 31 December 2009	12 months ended 31 December 2008	Movement \$m	Movement %
Revenue from continuing operations – \$m	608.5	–	608.5	n.a.
Revenue from discontinued operations – \$m	764.9	1,218.4	(453.5)	(37)
Consolidated revenue – \$m	1,373.4	1,218.4	155.0	13
(Loss) after tax attributable to equity holders of OZ Minerals Limited – \$m	(517.3)	(2,501.7)	1,984.4	(79)
Net tangible assets per share – cents	82.2	103.3		
Dividends paid on:			Cents per share	Record date
29 September 2008	–	156.1	5.0	3 September 2008
9 April 2008	–	61.8	4.0	19 March 2008

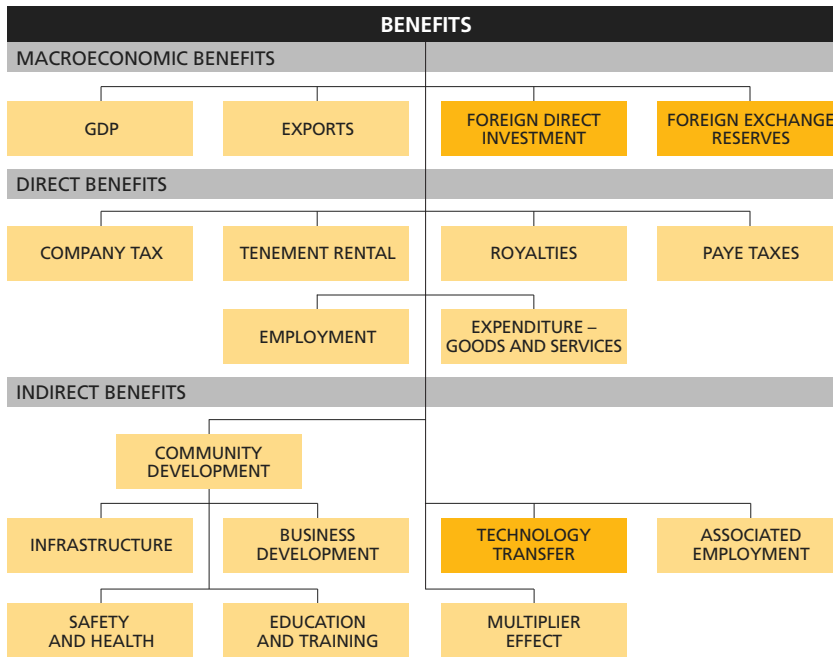
HIGHLIGHTS

- The plant at Prominent Hill was commissioned in February 2009 and was ramped up during the year achieving name plate production rates in Q4 2009.
- Overall, there was an excellent performance from the Prominent Hill operation during the year which resulted in \$380.9 million EBITDA and \$202.6 million NPAT for the period post-commissioning (from 1 May 2009).
- Significant closing cash in the balance sheet, with \$1,076.2 million at 31 December 2009.
- Profits for the Group were impacted by losses recorded on the sale of assets to China Minmetals Non-Ferrous Metals Co. Ltd.

SOCIO-ECONOMIC CONTRIBUTIONS

OZ Minerals makes significant contributions to local, regional and national economies directly through the payment of taxes and royalties to governments and payments to our workforce and suppliers. Our operations also add significant value through indirect employment and investments in community development initiatives and programs. The benefits of our investments include improvements in infrastructure, health, safety awareness, education and training, and local business development. These direct and indirect benefits are illustrated in the OZ Minerals Benefits Model below.

OZ Minerals Benefits Model



■ Most relevant to projects in developing countries

CONTRIBUTIONS TO LOCAL ECONOMIES

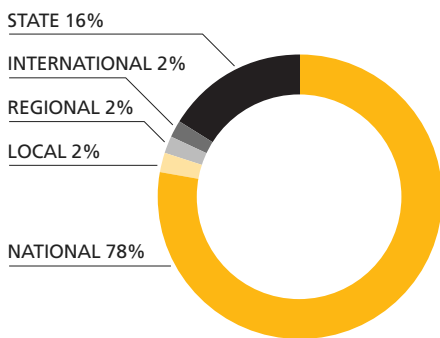
OZ Minerals actively seeks to provide employment and business opportunities to local stakeholders (including indigenous people). This investment is targeted to generate long-term and sustainable benefits for the local region in areas such as business development, education and training, and health and safety. The term local is defined as the areas within the sphere of influence of the mine operation from which employees and suppliers may be drawn. The term indigenous is applicable where the mine is sited on or adjacent to indigenous people's land or where indigenous people live in communities within the sphere of influence of the mine operation.

Total significant financial assistance received by the Australian Government was \$370,568 for tax relief credits and employment incentive payments.

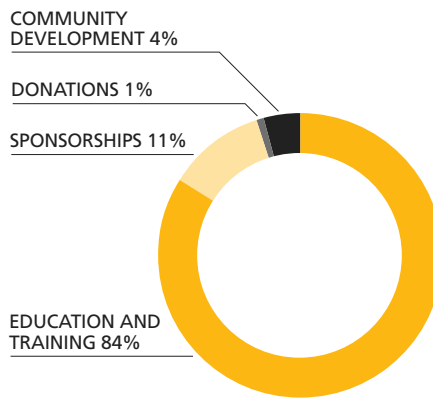
OZ Minerals operations preferentially purchase goods and services locally wherever feasible. Our Prominent Hill operation made significant contributions to local and regional economies through payments to suppliers and contractors during the 2009 reporting period, with over \$7,399,211 spent locally, over \$8,464,955 regionally and over \$63,359,596 within the state or province.

Our investment in the Prominent Hill local community is provided in the chart below. For more information on local employment, local businesses, community investment and training, see labour relations section and social performance section.

Breakdown of Expenditure
By Origin



Breakdown of Expenditure
By Category



ECONOMIC PERFORMANCE

CONTRIBUTIONS TO LOCAL ECONOMIES continued

The total monetary value of OZ Minerals' contributions to the Australian economy is provided in the Economic Value Generated and Distributed Table below.

ECONOMIC VALUE GENERATED AND DISTRIBUTED for year ended 31 December 2009 (for continuing operations)										
Region	Revenue, other income and financing income \$m (b)	Operating expenses \$m (c)	Employee benefit expenses \$m (d)	Payments to providers of capital		Payments to the government			Economic value retained \$m	
				Shareholders \$m (e)	Providers of funds \$m (f)	Income taxes paid \$m (g)	Royalties \$m (h)	Community investments \$m (i)		
South Australia ^(a)	608.6	(189.3)	(29.5)	–	(0.8)	–	(8.4)	(0.4)	380.2	
Victoria ^(a)	6.2	(127.8)	(31.3)	–	(92.9)	–	–	(0.8)	(246.6)	
Total Australia	614.8	(317.1)	(60.8)	–	(93.7)	–	(8.4)	(1.2)	133.6	

Notes

(a) Amounts are divided into the regions identified below based on where the segment is located (i.e. Prominent Hill is located in South Australia). The regions include the following entities:

Victoria All Head Office entities

South Australia Prominent Hill Mine

The entities located outside Australia are not defined as operating segments of OZ Minerals.

(b) Revenue includes sales adjusted for discounts, treatment charges, refining and distribution costs, other income and financing income as disclosed in the income statement in the OZ Minerals audited financial statements for the year ended 31 December 2009, as reconciled below

	\$m
Revenue	608.5
Other Income	0.9
Financing income	5.4
Total	614.8

(c) Operating expenses include changes in inventories, raw materials, consumables and other direct costs, contracting and consulting expenses, freight expenses and other expenses as disclosed in the income statement of the OZ Minerals audited financial statements for the year ended 31 December 2009.

	\$m
Changes inventories	119.9
Raw materials	(231.5)
Exploration and evaluation	(19.0)
Freight expenses	(28.8)
Net foreign exchange losses	(113.0)
Other expenses	(44.7)
Total	(317.1)

(d) Employee benefit expenses of \$60.8 million are as per the consolidated income statement of the OZ Minerals audited financial statements for the year ended 31 December 2009.

(e) Payments to shareholders relates to dividend payments. No dividend has been paid in 2009.

(f) Payments to providers of funds relates to financing expenses of \$93.7 million as per the income statement in the OZ Minerals audited financial statements for the year ended 31 December 2009.

(g) As stated in the cash flows statement of the audited financial statements for the year ended 2009 OZ Minerals did not pay any income tax for 2009.

(h) Royalty expenses of \$8.4 million as per the income statement in the OZ Minerals audited financial statements for the year ended 31 December 2009.

(i) Community investments of \$1.2 million includes voluntary contributions, sponsorships, donations, education and training.

OUR PEOPLE

We have recently emerged from a very challenging year for both our business and our people. During 2009, OZ Minerals sold a significant part of the business and this impacted on many of our employees. However, most of our employees, particularly those based at operational sites, were able to continue on under the respective new owners of those assets. OZ Minerals retained most employees related to the Prominent Hill mine, exploration interests in Cambodia and Group offices.

During this time of change, affected employees were offered access to the company's Employee Assistance Program and outplacement services as required.

At the close of 2009, OZ Minerals had 331 employees and 476 contractors. Most of our workforce is now Australian based with 608 employees and contractors based at our Prominent Hill operation. Our Group office is headquartered in Melbourne and we have a small administration office in Adelaide. Outside of Australia we have 122 employees and contractors, primarily working for our exploration division on projects mainly in Cambodia.

WORKFORCE PROFILE AND DIVERSITY

OZ Minerals has a deliberate strategy to promote a diverse workforce and has been successful in achieving a growing representation from local indigenous groups, female employees and the local community. Indigenous employees currently make up 14 per cent of our employees at our Prominent Hill operation and women make up 21 per cent of all our employees in the company.

We have proactive indigenous and local community employment programs. At Prominent Hill, our flagship program, Project Unity, was created to deliver an equitable workplace and a diverse workforce reflective of the demographics of the broader community. The project aims to build a culture where individuals respect and value diversity within the operation and reflect this in their day-to-day behaviours.

As part of our commitment to diversity, we have developed cross cultural awareness programs. Cross cultural training has taken place regularly during the reporting period. This constitutes a two-day program, which is mandatory for all Prominent Hill employees and long-standing contractors. During the reporting period, we trained 152 people, including all our senior executives, through nine courses. A coaching and mentoring program was also implemented aimed specifically at supporting indigenous employees, their families and respective supervisors. The coaches meet with employees regularly and provide a vital link and feedback mechanism between the business, the employee, their families and the community.

CASE STUDY

Coaching and mentoring program

As a means of supporting indigenous employees and contractors, the Prominent Hill site engaged an external team of experts to act as coaches and mentors to indigenous employees, their families and to the employee's supervisors. The coaches attend the site once a week and, via a planned process, they informally meet with employees. Where an employee may need a facilitator, coaches act as a liaison providing feedback to supervisors about emerging issues so that any difficulties can be addressed in a timely manner. Coaches also support supervisors by teaching effective communications skills to assist in greater understanding of the context behind different situations. The coaching experts provide offsite

support and referrals to the families of indigenous employees where the home situation might otherwise impact negatively on the employee's ability to remain at work. The program has been a success and has ensured that indigenous employees have an alternative and supportive voice if needed and has offered an increased opportunity for retention.

CASE STUDY

Cultural awareness program



Prominent Hill is located on the traditional lands of the Antakarinja people and there are several initiatives to develop the relationship between Prominent Hill and the Antakarinja people. One such initiative is our Cross Cultural Awareness program. The focus of this program is learning about the traditions, culture and history of the Aboriginal people from this area. One of the highlights of this course is the significant and active contribution by men, women and elders of the Antakarinja people, providing participants a unique opportunity to hear stories and gain an insight into the lives of these people.

Consistent with our commitment to provide opportunities that benefit the local and regional community, 18 per cent of our Prominent Hill workforce is comprised of employees from the local and regional community.

OZ Minerals attributes part of the success in achieving high workforce participation rates from the community to the commitment to advertising locally and developing links to employment agencies within the local communities. These efforts have proved successful with several non-professional employees recruited using local and regional employment agencies, who were tasked specifically with providing local labour.

OZ Minerals has been successful in recruiting a higher than industry average representation of female employees across all classification types. This is a positive outcome in what is a traditionally male dominated industry.

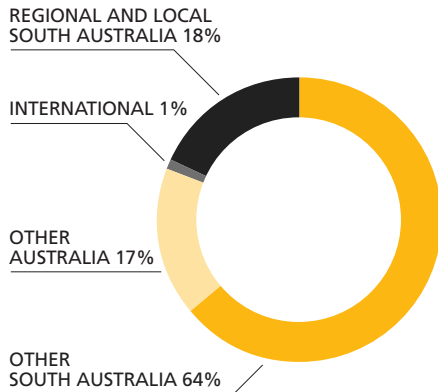
Our workforce profile is balanced across all age groups with a range of 19 to 67 years. The average age of our workforce is 37 years. Key behaviours and standards are important to OZ Minerals, consequently mandatory training programs to provide Equal Employment Opportunity training and Code of Conduct training were conducted in 2009 to ensure appropriate behaviours and expectations were clearly articulated.

OUR PEOPLE continued

WORKFORCE PROFILE AND DIVERSITY continued

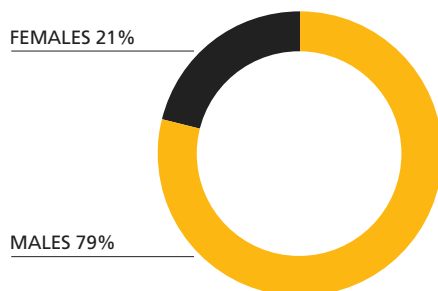
Prominent Hill Employees and Contractors

By Region



Employees

By Gender



ATTRACTION, RETENTION AND ENGAGEMENT

OZ Minerals continues to focus on attracting skilled employees who are committed to working in a high performance culture. A range of engagement strategies have been developed to enhance workforce satisfaction, including remuneration, performance related bonuses, flexible roster patterns and family site visits.

Following on from an extended continuous period of high commodity prices and a very competitive mining related employment market, 2009 was a difficult year for the industry, with significant challenges and many companies pursuing workforce reductions.

OZ Minerals' recruitment needs continued at a high level throughout this period. The attraction and retention of highly skilled people continues to be very important and we continued to pursue initiatives to achieve these objectives.

The majority of our employees work at our Prominent Hill mine, and this is a relatively new operation, with 2009 being the first year of full production. Given the significant business changes in 2009, we are not able to report a turnover rate for the period that would be meaningful.

We continued to progress our performance management system in 2009, with all of our employees receiving a performance review. Our performance review process aims

to ensure that all employees receive at least one performance review a year. The performance management framework directly links employees key performance indicators back to the business strategy. A key platform of this framework is the development of employees by providing adequate support, coaching, training and feedback from managers.

OZ Minerals has a workforce plan that is completed on an annual basis. As a part of this succession plans are completed twice yearly. In 2009, Succession and Talent Management Plans were finalised for the top three levels of the organisation.

The approach to remuneration is through a combination of fixed and at-risk remuneration. The fixed remuneration takes into account position responsibilities, industry and employment legislation requirements. Due to the global financial crisis, the at-risk programs were suspended for the first half of 2009. The at risk programs were effective in the second half of 2009 and sought to recognise reward for the achievement of both employee and company goals.

As Prominent Hill is a new purpose built site, we are able to offer a high standard of facilities. The Prominent Hill village includes ensuite accommodation. Recreational facilities include a 25 metre swimming pool, two gyms and a number of sports courts, including two tennis courts, which can convert into a basketball court, an indoor cricket pitch, lawn bowls and a court for indoor soccer.

To assist families better understand the work environment at Prominent Hill the site has regular family days, and in December 2009 the Group office also held a family day in the Melbourne office.

CASE STUDY

Family days



In 2009 over 98 family members from Prominent Hill's workforce travelled to site for Prominent Hill's family days to experience life on a mining site. Alliance air charters flew family members from Adelaide and Port Augusta and a number drove from nearby communities.

Prominent Hill family days are organised so families can gain a better understanding of site life, conditions and the environment in which their family members work every day. Visitors have been families of employees of OZ Minerals, Thiess, Sodexo and other contractors based at Prominent Hill, with the youngest visitor to site being only six months old.

Activities on the day include a tour of the processing plant and pit, as well as the opportunity to use some of the recreational facilities at the Prominent Hill village. Entertainment was also flown in for the visiting children. In 2009, Prominent Hill hosted two family days and has plans for further programs in 2010. Christmas time was also a time when OZ Minerals focused on family, with 70 family members sharing Christmas with employees onsite.

OUR PEOPLE continued

TRAINING AND DEVELOPMENT

We support the development of our people directly through tailored occupational programs, our pre-employment training and apprenticeship programs and indirectly through scholarships and support for educational institutions.

The primary focus through the reporting period has been the delivery of onsite technical training to meet the needs of commissioning, ramping-up and running a new process plant. This has been delivered via a buddy system, online information and planned group sessions.

In addition, Prominent Hill has undertaken a thorough review of the site induction process and updated the training accordingly. Onsite safety training has also been delivered across the site, including mandatory training in the areas of drug and alcohol, manual handling and driver training.

Consistent with the commitment to developing a pipeline of talent, OZ Minerals employed four apprentices, two mechanical and two electrical. The mechanical apprentices came to us from the Get Set program, which was a school based initiative for at-risk youth. They completed their first year at TAFE and the last year of school in 2008 and progressed straight into the second year of their apprenticeship with OZ Minerals in 2009.

OZ Minerals provided many formal and informal work experience and vacation opportunities during the period. We are particularly proud of our pre-employment training program, which gives local indigenous and non-indigenous people with no previous mining experience the training and workplace orientation needed to get started in employment with OZ Minerals or with one of the contractors at Prominent Hill. See the Community engagement case study for more information.

LABOUR RELATIONS

OZ Minerals is pleased with its record in labour relations and continually strives to maintain harmonious relations with all employees. Our labour relations are guided by the intent of relevant employment legislation and the Universal Declaration of Human Rights. Our OZ Minerals Human Rights Management Standard ensures that OZ Minerals managed facilities have processes for raising human rights awareness, including identification of human rights issues and impacts. All facilities must develop and maintain a formal process that includes the following: identification process, training, reporting and support. For more information, please see our OZ Minerals Human Rights Awareness Management Standard.

At all our operations, our approach is to provide for:

- All our employees to have the right to free choice of employment, to just and favourable conditions of work, including safe working conditions.
- Everyone who works for OZ Minerals has the right to just and favourable remuneration ensuring for himself/herself and family an existence worthy of human dignity.
- Everyone has the right to freedom of association and to receive adequate training to perform their job.
- All employees to have open and honest communication in relation to all matters affecting them.

We deliver on these rights by:

- Complying with employment law as a minimum.
- Providing every employee with a written contract of employment, which clearly details terms and conditions of employment.
- Requiring all employees to comply with our Code of Conduct, which outlines the ethical standards of behaviour demanded of directors, managers and employees.
- Having company policies dealing with equal employment opportunity and harassment and sexual discrimination.
- Running awareness sessions on the behavioural standards expected of all directors, managers and employees.
- Driving safe working practices using our safety management system and setting safety targets for managers as part of their annual performance assessment.
- Supporting a company intranet to enable employees to have electronic access to all information affecting them.

From an operational perspective, we are able to report no significant employee relations issues on our Prominent Hill site. Impending changes to legislation pursuant to the *Australian Fair Work Act 2009* resulted in OZ Minerals successfully negotiating a collective agreement directly with over 110 employees. OZ Minerals undertook preliminary preparation for the introduction of the *Australian Fair Work Act 2009*. Existing policies and procedures satisfy the requirements of the National Employment Standards.

Importantly, there is a strong commitment to actively engage with, and seek feedback on, employment related issues with employees as they arise. OZ Minerals continues to work closely with and monitor the status of employee relations with other contractors onsite. A constructive relationship exists with relevant unions and third parties. There were no cases of industrial unrest or lost time in 2009.

EMPLOYEE COMMUNICATION AND FEEDBACK

The company is committed to communicating with our workforce and consequently regular briefings were conducted in 2009 to ensure employees remained aware of the company's financial circumstances and sale of assets to China Minmetals.

After the company's new strategic direction was finalised in late 2009, CEO briefings were conducted with all OZ Minerals staff. The response to the new strategic direction was very favourable and resulted in a re-energised focus on the business. In addition, senior management have held regular business briefings in which questions and comments are encouraged.

Both formal and informal communication channels were strengthened in the later part of 2009 and continue to strongly feature as a successful pathway to engaging with employees. Initiatives include newsletters, informal presentations and the introduction of an 'Ask the CEO' email opportunity in the CEO's weekly email to all employees.

SAFETY AND HEALTH

SAFETY AND HEALTH STRATEGY

As outlined in our Sustainability Policy, it is our objective to protect the health, safety and wellbeing of our employees and contractors and to never compromise on these objectives. OZ Minerals is committed to achieving Zero Harm by Choice, which requires us to embed a culture that ensures that the management of safety, health, environment and community comes naturally to our workforce and is a foremost consideration in every decision we make. Zero Harm requires OZ Minerals to adopt targets of zero for injuries and incidents. While these may be aspirational targets, it is not practicable to have any others if we wish to achieve the cultural shift required to achieve Zero Harm.

Zero Harm by Choice will require OZ Minerals to move from a compliance based approach to one where our culture ensures that safety comes naturally. To support this, there will be a further focus on leading indicators as a way of measuring safety and health performance. In 2010, a key focus will be on monitoring leading indicators across the business.

The achievement of Zero Harm by Choice has been incorporated into the performance targets of the executive management team.

SAFETY PERFORMANCE

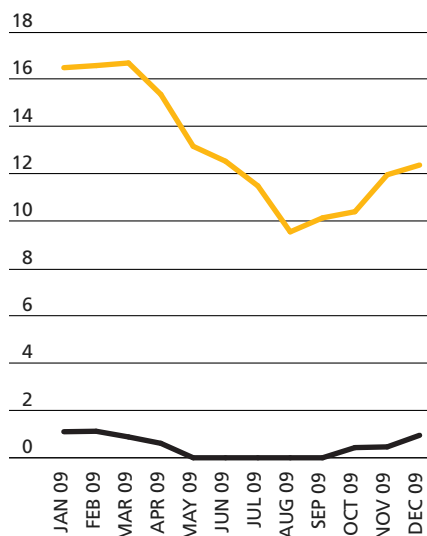
At the close of 2009, our Total Recordable Injury Frequency rate per one million hours worked was 12.36, which was an improvement on a TRIFR of 15.10 for the year before. Our 2009 Lost Time Injury Frequency Rate (LTIFR) was 0.95 lost time injuries per one million hours worked, which was slightly below last year's result of 1.10.

A major program of safety improvement initiatives was carried out across all operations of the consolidated entity during 2009. This focused on implementing all recommendations that came out of investigations into two fatalities and a serious permanent disabling injury that occurred at OZ Minerals' operations during 2008, as well as the five Key Safety Actions that were identified as core to the improvement of safety management across the business.

At OZ Minerals a Significant Safety Incident is defined as an incident that has an actual or potential consequence rating of Level 4 or above. This rating is determined using OZ Minerals' Incident Classification Guideline, with the highest consequence ranking possible being Level 5. OZ Minerals operations reported a total of 30 Significant Safety Incidents across our operations, projects and exploration activities during 2009. While the actual outcomes of these incidents had a rating of level 3 or below, they all had the potential to be a higher level. The majority of these incidents resulted in no injury. These incidents occurred at our Prominent Hill operation. The majority of the incidents related to equipment failure, explosives misfires and vehicle operations. There were 31 Significant Safety Incidents at our Prominent Hill Operation in 2008.

Significant Safety Incidents must be reported to the Group office within 24 hours of occurrence and require a thorough investigation be conducted using the Incident Cause Analysis Method (ICAM). Significant Incident Alerts are developed and shared across OZ Minerals to ensure we learn from these events and where necessary implement additional control measures.

OZ Minerals Lost Time and Total Recordable Injury Frequency Rate 12 Month Moving Average**



■ OZ MINERALS TRIFR
■ OZ MINERALS LTIFR

* Injuries per million man hours.
^ Continuing operations only.

HEALTH PERFORMANCE

We aim to control occupational exposures to levels that minimise occupational disease and occupational health risk. We monitor and report any exceedances above regulatory exposure limits. In 2009, we recorded five exceedances at our Prominent Hill operation. Three of these were from respirable silica, one from inhalable dust and another from noise. Added control measures were put in place to assist us in managing these exposures.

Prevention of infectious diseases was also a focus of our health prevention programs in 2009. The risk of malaria is a primary concern for our people working in our Cambodian exploration operations, with 14 cases of malaria occurring during the reporting period. The H1N1 virus was prevalent in Australia during 2009 and our Prominent Hill operation monitored for this disease, recording three cases.

SAFETY AND HEALTH continued

MANAGEMENT OF SAFETY AND HEALTH

The OZ Minerals Sustainability Management Standards incorporate safety and health aspects and provide a uniform framework for managing safety and health across the company.

We are continually focused on strengthening safety leadership across OZ Minerals to ensure leaders at all levels across the business demonstrate a commitment to safety and actively follow up on safety issues. As part of the five Key Safety Actions, weekly management walk-arounds of various areas of the operation were conducted at Prominent Hill.

Contractor management

We aim to ensure the management systems and procedures of contractors engaged by OZ Minerals are consistent with our Values, Code of Conduct and Sustainability Standards. In developing a consistent and aligned approach to safety and health management, our aim is to remove duplication of effort and develop shared safety cultures. Our OZ Minerals Contractor Selection and Management Standard addresses contractor selection requirements, orientations and inductions, contractor monitoring, reporting, auditing and record keeping.

Safety and health risk management

Our approach to safety and health risk management is to ensure that these aspects are managed consistently across the company. Our OZ Minerals Risk and Opportunity Management Standard outlines our risk management process:

- Facilities shall identify and prioritise risks and/or hazards and assess their risks/opportunities according to the Team Based Risk Assessment Methodology.
- Risks shall be documented in a facility risk register.
- People who facilitate risk assessments shall have risk facilitation experience.
- Hazard analysis is required when a new job, process, piece of equipment, chemical or additional exposure occurs.
- Where tasks are risk rated as high or extreme, mitigation plans shall be developed and implemented as a priority.

OZ Minerals recognises the importance of providing our people with the necessary skills and tools to manage safety and health risks within their workplaces. Our induction programs contain content on basic hazard identification techniques and additional training in this area is also provided. Prominent Hill trained 369 employees and contractors in hazard identification techniques and risk assessment during 2009.

Audit

During 2009, a number of internal audits were conducted. An independent audit of performance against our Sustainability Management Standards is planned for the Prominent Hill operation in early 2010.

Actions to address non-compliances are tracked and reviewed quarterly by the Executive Committee and the Board Sustainability Committee.

Safety and Health Communications

Each OZ Minerals operation has a health and safety committee to ensure health and safety matters are discussed and communicated. The committees generally represent all sections of the workforce. Some large contractors have their own safety and health committee structures in place. The committees are made up of elected employees and nominated management representatives.

The committees' functions include the provision of feedback to management on safety and health leadership, hazard and risk identification, inspections, suggestions for amendments to standards and improvement issues. At Prominent Hill each department onsite engages the workforce in daily Pre-start Information (PSI) meetings and regular safety toolbox meetings. The PSI meetings provide an opportunity to discuss safety related information from the previous day along with upcoming safety information. The Exploration teams conduct regular safety toolbox meetings as well.

Additional safety and health communication processes include the generation and distribution of Significant Incident Alerts and monthly sustainability performance reports to all personnel.

Safety programs

In response to risk assessments and other improvement initiatives, a range of specific programs were implemented during the reporting period that were intended to address safety challenges. As an example, at Prominent Hill, a procedure was developed and a program implemented around lightning safety. Other specific areas of improvement included remote area travel and working alone, fire protection and prevention, traffic management, working at heights and confined space. Another area of focus has been the delivery of the five Key Safety Action program, which consisted of a Quarterly Extreme Safety Focus Topic, One on One Safety Discussions, Challenge Unsafe Acts, High Impact Safety Sessions, Management walk-arounds of operations areas.

Health programs

Our goal is to minimise health related risks across the company. Each of our operations has health and wellbeing programs in place for both employees and contractors.

The table below outlines some of the programs that were implemented during the reporting period.

Operation	Program name	Program description
Exploration	Occupational health awareness	Awareness packs detailing prevention, symptoms and treatment for malaria and dengue fever.
Group Office	Skin patrol	Skin checks were offered at the Group office.
	Vaccinations	H1N1 vaccinations were offered to all staff.
Prominent Hill	Healthy living	The Healthy Living Coordinator coordinates sporting teams, runs regular sporting events and daily aerobics/weights sessions. There is active hydration testing to ensure employees are hydrated.
	Skin patrol	All personnel onsite, including contractors, offered a skin lesion check.
	Health checks	All personnel onsite, including contractors, offered a general health assessment.
	Communicable diseases	Presentations and campaigns associated with communicable diseases. Vaccinations against H1N1 were offered.

SAFETY AND HEALTH continued

MANAGEMENT OF SAFETY AND HEALTH continued

Medical and health monitoring

Our operations have processes in place to conduct medical and health checks for employees during employment and before employment.

Our most significant occupational health risks are:

- silicosis from dust exposure
- skin cancers from sun exposure
- exposure to heat stress
- exposure to noise
- exposure to radioactive material present in the ore and concentrate
- exposure to Malaria and Dengue fever (Cambodia).

Fitness for work

OZ Minerals operations have fitness-for-work programs in place to ensure that all persons at our operations present for work in a condition that will not pose a safety risk to themselves or others.

At OZ Minerals, the fitness-for-work program includes a wide range of activities and education, including fatigue management, employee assistance programs, functional assessments, access to fitness centres or activities, along with alcohol and drug programs.

In 2009, a Fatigue Management Procedure was developed for Prominent Hill. The focus of this procedure was to provide guidance on how best to manage fatigue in the workplace. Furthermore, Prominent Hill developed guidelines regarding the management of heat stress to assist us in protecting our people from health and safety risks associated with this.

OZ Minerals is committed to educating our people on matters relating to alcohol and drugs. This education is supported by testing programs for both alcohol and drugs at our administration offices and operations. The OZ Minerals blood alcohol limit is 0.00 per cent.

Fitness-for-work programs are generally coordinated at an operation level, with similarities in approach across the company. The intent of all these programs is to provide our people with the necessary education and information to self manage their own fitness-for-work.

CRISIS MANAGEMENT



A crisis is an event that seriously threatens OZ Minerals' people, operations, assets, environment or long-term prospects and reputation.

Our crisis management plan outlines the roles, responsibilities and processes that the corporate Crisis Management Team (CMT) would follow in the event of a crisis event occurring. The team includes representatives covering operations, legal, commercial, safety, environment, community, media and government relations. The plan is regularly reviewed and updated.

Emergency response

We must be adequately prepared to respond to all potential emergency situations at our operations effectively and in a timely manner. Our Prominent Hill operation maintains a mine rescue team on-call who are trained in numerous emergency disciplines such as fire fighting, search and rescue, first aid, vehicle extraction and vertical rope rescue.

Our rescue crews are trained to work in close cooperation with experienced mine incident controllers while carrying out emergency operations. Each rescue team has a structured annual training program using internal instructors, complemented as required by emergency training professionals. Throughout 2009 and into 2010, planning and construction is underway for a permanent Emergency Control Centre and dedicated Emergency Training Ground at the Prominent Hill operation.

The following table outlines the emergency response (ER) resources available at the Prominent Hill operation.

Operation	Doctor	Nurse	ER team members (permanent)	ER team members (volunteer)	Fire appliance	Ambulance
Prominent Hill	On call 24/7	2	2	40	✓	✓

Emergency response plans are in place at our exploration projects. Plans are developed as part of the planning phase for exploration projects. These plans were tested on a number of occasions at our exploration projects in Cambodia.

STAKEHOLDER ENGAGEMENT

We aim to build trusting relationships by engaging clearly, openly and honestly with our host communities and other key stakeholders.

The OZ Minerals Stakeholder Engagement and Reporting Standard addresses the systematic identification of stakeholders, understanding culture, interests and issues, planning for and proactively engaging stakeholders, documentation of the engagement processes and reporting on progress and status.

OZ Minerals' stakeholders include a wide range of individuals and groups that directly or indirectly support, influence or are impacted by our activities. Key stakeholders include contractors, customers, employees, financial institutions, governments, local communities, shareholders and suppliers.

The stakeholder engagement summary identifies our key stakeholders and provides an overview of their interests and concerns and how OZ Minerals engages with them.

STAKEHOLDER ENGAGEMENT continued

STAKEHOLDER ENGAGEMENT SUMMARY

Stakeholder Group	Stakeholders	Interests and Concerns	Engagement
Business partners	Joint venture partners.	Exploration projects, business development, financial returns, growth, governance, risk management, political and socio-economic risk.	Regular update meetings with joint venture partners.
Customers	Smelters, refiners and downstream copper products fabricators.	Product quality, price, reliability of supply, timely delivery of monthly orders.	Regular formal and informal communication with marketing department staff. Personal visits by marketing department, process management and senior management. Site visits to customers' plants and customers' representatives encouraged to visit OZ Minerals' operations.
Employees	Employees.	A wide variety of interests and concerns.	Regular communication with staff through an intranet, email alerts, hard copy newsletters and 'noticeboard items' and questions and answers opportunities with senior management.
Governments	Local, provincial/state and national regulators, government agencies and diplomatic corps.	Regulatory compliance, land use, ESIA's, access permits, mining leases, licences, closure provisions and plans, product stewardship, environmental performance, community relations, socio-economic benefits.	Regular formal and informal communications with external relations, senior management and staff through site visits, meetings, events and reporting (including annual and sustainability reports).
Industry associations	Mining and minerals industry, commodity specific, national and international.	Best practice, working for industry interests.	Representative on boards and committees, engagement on specific projects.
Investment community	Mainstream brokers, financial analysts and fund managers, sustainability and ethical investment analysts, retail investment advisers, existing and potential shareholders both domestically and internationally.	Financial returns, growth, governance, risk management.	Annual general meeting, annual and sustainability reports, quarterly report and business review, up-to-date website where all releases and other information on the company is maintained, direct contact with investor relations, presentations at industry conferences and briefings, site visits and one on one meetings with senior management.
Local communities	Individuals and groups local to our operations – including traditional land owners, agriculturalists/ pastoralists, development groups, local businesses.	Employment, business development, infrastructure, land access, cultural heritage, sponsorship and donations, environmental performance, transparency.	Location-specific community relations plans, community meetings and groups, newsletters and targeted communications, sustainability report, surveys.
Media	Print, radio, TV and interactive.	Financial and operational related queries.	Dedicated external relations department, including media relations. Regular engagement with business and regional media through six teleconferences a year, regular ad-hoc one-on-one discussion, interviews, site visits.
Non-government organisations	Local, regional and international environmental, human rights, development, corporate social responsibility and sustainability organisations.	Governance, risk management, socio-economic contributions, human rights, environmental performance, compliance.	Liaise directly with operational management, environment and community relations departments on specific issues. Annual and sustainability reports, media releases, attendance at forums and policy discussions.
Shareholders	Retail and institutional shareholders.	Financial returns, growth, governance, risk management.	Annual general meeting, annual and sustainability reports, quarterly report and shareholder summary, website where all releases and other information on OZ Minerals is maintained and regularly updated, direct phone contact with investor relations.
Suppliers	Local businesses to large international organisations.	Supply agreements, reliable payment processes, social and environmental requirements.	Regular meetings with commercial staff.
Other mining companies and academics	Other mining companies, mining regulators, industry associations and minerals industry academics.	Company updates, project information.	Papers and presentations given by executives at various industry related conferences.

SOCIAL PERFORMANCE

As outlined in our sustainability policy, it is our objective to ensure that the communities in which we operate receive real benefit from our activities and we strive to build trusting relationships by engaging clearly, openly and honestly with our host communities and other key stakeholders.

At Prominent Hill, we have a community relations team that works directly with communities impacted by our activities. Their role is to respond quickly and appropriately to concerns or grievances and keep communities informed regarding any planned changes to our activities.

In conjunction with the operation's management and other key stakeholders, community relations personnel coordinate activities associated with social impact assessment and monitoring, cultural heritage, compensation and community investment programs. Engagement with communities impacted by OZ Minerals' exploration activities is supported by operational community relations personnel and the Group office.

COMMUNITY ENGAGEMENT

Our OZ Minerals External Stakeholder Engagement Management Standard commits us to ensuring proactive engagement to manage risks and opportunities for OZ Minerals' facilities and external stakeholders and to develop and maintain positive stakeholder relationships.

This standard addresses the systematic identification of stakeholders, understanding culture, interests and issues, planning for and proactively engaging stakeholders, documentation of the engagement processes and reporting on progress and status.

Before operations commenced at Prominent Hill, baseline social and environmental assessments were completed. Regular monitoring through engagement with local community representatives has occurred since then. During the reporting year, there has been extensive engagement with the indigenous Antakarinja community, mostly relating to employment opportunities.

There has also been ongoing engagement with local pastoralists. As Prominent Hill is a relatively isolated mine site, nearby pastoralists are our closest neighbours. We have a water sampling program to monitor water levels in some of the pastoral bores closest to the mine site and there have been some recent declines in the water levels of two bores. We are currently working with the affected pastoralist to address this issue. Water for our Prominent Hill operation comes from the Arkaringa Basin which is separate from the Great Artesian Basin. For more information on this water resource, refer to Water management in the environmental section.

During the reporting year, a scope for a formal community bench-line survey was developed and is to take place in 2010.

CASE STUDY

Prominent Hill Pre-employment Training Program



Prominent Hill runs a Pre-employment Training Program, which allows local indigenous and non-indigenous people who have never worked in the mining industry an opportunity to gain an understanding of, and attainment of skills for, a role in the mining industry. The program is one way in which OZ Minerals can help secure employees and at the same time achieve its aims of employing as many local people as possible at its operations.

Following satisfactory completion of the 60 day program, which includes three weeks of work experience onsite at Prominent Hill, successful trainees are offered permanent employment at the Prominent Hill Operation with OZ Minerals or one of our contractors. They also receive a Nationally Accredited Certificate II in Metalliferous Mining. Preference is given to people living in the local towns and regional communities near Prominent Hill.

Since the launch of the program in 2006, five groups of trainees, including 42 successful graduates, have completed the program and taken up roles at Prominent Hill. The graduates come from the local towns of Coober Pedy, Port Augusta, Oodnadatta and Port Pirie.

The fifth Prominent Hill Pre-employment Training Program, completed in September 2009, was specifically organised for members of the Antakarinja community, who are the traditional owners of the land where the mine is located. Seven trainees successfully completed the program and have been placed in a number of roles at the Prominent Hill operation, including in the Environment, Exploration, Resource Development, Geology, Human Resources and Training departments.

The fifth Prominent Hill Training Program was a partnership between OZ Minerals Prominent Hill, TAFE-SA (Port Augusta Aboriginal Access Unit) and Complete Personnel.

SOCIAL PERFORMANCE continued

COMMUNITY INVESTMENT, SPONSORSHIPS AND DONATIONS



The OZ Minerals community investment program is primarily focused on areas in which we operate. Therefore most of our efforts have been focused on the communities close to Prominent Hill. This is in line with our OZ Minerals Local Community Investment Management Standard, which directs us to have a strategic program based on a needs analysis that delivers sustainable benefits to local communities.

Coober Pedy is the closest town to Prominent Hill. There are approximately 3,500 people living in Coober Pedy, and the town is well known for opal mining and tourism. We have initiated a Sustainable Cooper Pedy Program to better understand the needs of the town. This is an interim activity until results of the planned baseline assessment are collated.

In 2009, we continued our sponsorship of local football team the Coober Pedy Saints with a \$10,000 donation. We contributed \$25,000 to supporting rodeos and gymkhanas in the nearby town of Coober Pedy, Marla Bore, Oodnadatta, William Creek, Glendambo and Marree. We also sponsored the Premier's Maths and Science Challenge at Edward John Eyre High School in Whyalla.

The Umoona Community Council is the indigenous organisation representing the indigenous people of Coober Pedy and surrounding areas. In the reporting year, we donated \$6,000 towards improved kitchen facilities at the Umoona Aged Care facility and we contracted the Umoona Community Council to create a community garden at the Prominent Hill village at a cost of \$15,000.

OZ Minerals continued to support the Royal Flying Doctor Service (RFDS), donating \$80,000 in 2009 as an ongoing partnership with the RFDS worth \$280,000 over four years. This partnership assists the RFDS to purchase new aircraft and medical equipment to enable the service to continue to offer vital emergency and general medical support to rural Australian communities.

LOCAL BUSINESS SUPPORT

OZ Minerals supports development of local businesses directly through contracts for mine-related services, mentoring and training initiatives. Indirectly our operations support local businesses through preferential purchase of local goods and services.

We are conscious that our operations are often the primary source of revenue for local businesses during operations. Hence, we focus our business development initiatives on transferable technologies, skills and building livelihoods

that are sustainable post-mine closure. These proactive steps are included in the OZ Minerals Local Employment and Business Support Management Standard.

Four local businesses commenced work at Prominent Hill in 2009.

HUMAN RIGHTS

Through our sustainability policy, we are committed to understanding, upholding and promoting fundamental human rights within our sphere of influence, respecting traditional rights and cultural heritage. As part of our sustainability management system, we have a standard on human rights awareness, which requires that all managed facilities must have processes for raising human rights awareness, including identification of human rights issues and impacts.

Suppliers and contractors are monitored in relation to safety, health, environmental and social performance, including human rights, in accordance with our Contract Management Guidelines.

Human resource policies and procedures address issues including discrimination and fair treatment. Expected standards of behaviour are communicated during inductions and are clearly articulated in the OZ Minerals Code of Conduct.

Our Prominent Hill security personnel are required to have a Level 2 Security Licence. All permanent security staff are trained in cross cultural awareness and participate in inductions. Inductions include understanding of our core values, ethical principles, code of conduct and key policies, including equal opportunity and harassment and discrimination.

CULTURAL HERITAGE AND TRADITIONAL RIGHTS

Prominent Hill adheres to all relevant Australian Acts and Regulations regarding local communities land and customary rights, including those of indigenous peoples. Native Title rights for the Antakarinja Indigenous Group was identified through the Native Title Agreement Act. Other pertinent legislation includes the Pastoral Land Act and the Mining Act. There were no incidents or violations involving rights of indigenous people.

Any disturbances around culturally significant areas are reported internally and significant disturbances, such as unintended land clearances, are reported to the relevant authorities. During the year, vehicle tracks were noticed through a heritage site and recorded on our internal register.

An Antakarinja Matu-Yankunya Aboriginal Corporation (AMYAC) ANZ Bank Trust fund has been developed to assist in the sustainable use of production payments. The trust will include an advisory council made up of representatives from the Antakarinja traditional owners.

Production payments from Prominent Hill will be paid into the fund and distributed into the community in areas such as education and cultural and community development. On an annual basis, we currently disperse a scholarship payment of \$200,000 for a variety of educational expenses. This is administered by the scholarship sub-committee upon which OZ Minerals has representation. We have also contributed to an Accumulation Trust of which an annual payment of \$100,000 is held in Trust for 10 years. The interest component may be accessed after that period for ongoing education purposes. This enables us to support future generations of the AMYAC indigenous community.

As we develop better understanding of the Prominent Hill operation, a key focus has been energy and water use. The establishment of baseline usage for energy, water and recycling is a key focus for 2010 to assist in identification and implementation of improvement programs.

All environmental incidents and near misses are reported through our incident reporting systems. Investigations are undertaken to determine the underlying causes in order to eliminate the potential for future failures and to apply effective controls company wide. Significant environmental incidents are defined as any occurrence that has resulted in or had the potential to cause at least moderate environmental impact. Non-compliances that result in a failure to meet legal requirements may also result in fines and prosecutions.

There were 85 environmental incidents recorded during the reporting period. Of these, there was one level 4 significant incident and two level 3 significant incidents and 82 were non-significant. There were 40 spills during the reporting period.

Our most significant environmental incident, rated level 4 on our internal rating system, was at Prominent Hill where a spill of approximately 60 tonnes of concentrate resulted when a trailer on a road train, transporting concentrate to the Wirrida siding, left the road and overturned. The spilled concentrate was subsequently recovered and the area was remediated. The incident was reported to the regulator and no further action was required.

Two level 3 significant incidents were reported for the period at Prominent Hill. One of these incidents related to a hydrocarbon spill of 400 litres, the other related to clearing of vegetation not in accordance with site procedures.

No fines or prosecutions arose from the incidents recorded during the reporting period.

ENVIRONMENT DATA SUMMARY TABLE

Indicator	Performance ¹
Significant (level 4) environmental incidents ²	1
Significant (level 3) environmental incident ²	2
Regulatory reportable environmental incident	1
Spills or discharges	40
Regulatory water discharge exceedance	0
Regulatory non-compliances	0
Fines and prosecutions – environment	None received
Energy use (2009)	2.06 petajoules
Total greenhouse gas emissions (2009)	263 thousand tonnes CO ₂ -e
Water input	5,253 megalitres
Water recycled	Not currently measurable
Water discharge	3,922 megalitres
Waste rock mined	35 million tonnes
Tailings produced	6.5 million tonnes
Hazardous waste generated	234 tonnes
Total land holding	5,500 square kilometres
Footprint	19.09 square kilometres
Land disturbance	1,908 hectares
Land rehabilitation	1 hectare

¹ Covers an overall 'reporting period' that includes Prominent Hill and Exploration from January 1 to December 31.

² Refer to OZ Minerals SHEC Consequence Severity Table for definition of level 3 and level 4 internally classified significant incidents.

ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS

OZ Minerals continues to work towards effective stewardship of natural resources by minimising our environmental footprint and by using energy and other raw materials efficiently. All exploration and the design, construction, operation, rehabilitation and closure of mining facilities and associated group offices are guided by our OZ Minerals Energy and Greenhouse Gas Management Standard.

We continued our participation in the Carbon Disclosure Project and the Australian Government Energy Efficiency Opportunities (EEO) program. A requirement of the EEO program is to have two years of operational data to allow for an adequate assessment of an operations energy use. Prominent Hill's first Energy Efficiency Assessment under the EEO program will be completed by 30 June 2011.

During the reporting period, a baseline energy assessment and efficiency project was carried out at the Prominent Hill operation. The aim of this project was to provide a comprehensive understanding of energy use and potential key areas of improvement for energy management.

Our work to identify cost effective energy use savings through the EEO program will remain a key component of the Group's energy and greenhouse gas management.

Energy consumption

The consumption of energy has operating costs and environmental implications for the business. Impacts of energy consumption, such as the release of greenhouse gas emissions and air pollutants, can in part be minimised through improved energy use efficiency. Energy use reductions from efficiency improvements may be offset over time by variations in ore grade increases in mining and processing activities. Prominent Hill commenced operation in February 2009. A baseline for energy consumption is being developed to enable our operations team to identify effective efficiency projects to be implemented in the coming years.

Total energy consumption for OZ Minerals was 2.06 petajoules during 2009. Prominent Hill is our major asset and used 2.05 petajoules. Purchased electricity and diesel are the dominant energy sources for Prominent Hill, contributing 35 per cent and 62 per cent, respectively. Electricity for Prominent Hill is purchased from the South Australian electricity grid.

Energy Use for Prominent Hill By Type

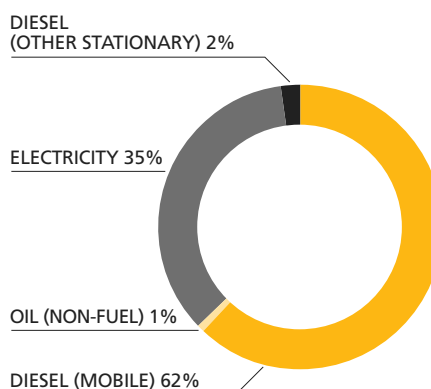


Table A: Total direct and indirect energy consumption 2009 (gigajoules)

	Prominent Hill	Exploration	Group Office	Total
Direct ¹	721,482	2,826	NA	1,332,606
Indirect ²	1,329,780	55	2,183	723,720
Total	2,051,262	2,881	2,183	2,056,327

¹ Direct energy consumption – resulting from the onsite consumption of fuels and explosives or where electricity is generated.

² Indirect energy consumption – due to the import of electricity from external parties, commonly the electricity grid.

Greenhouse gas emissions

The group's total greenhouse gas emissions for 2009 were equivalent to 263,000 tonnes of CO₂-e. The majority of greenhouse gas emissions were generated from the use of purchased electricity.

Table B: Total direct and indirect greenhouse gas emissions 2009

Greenhouse gas emissions (CO ₂ -e t)	Prominent Hill	Exploration	Group Office	Total
Direct ¹ GHG Emissions	93,804	66	NA	94,610
Indirect ² GHG Emissions	168,346	196	740	168,542
Total	262,149	263	740	263,152

¹ Direct greenhouse gas emissions – resulting from the onsite consumption of fuels and explosives or where electricity is generated.

² Indirect greenhouse gas emissions – due to the import of electricity from external parties, commonly the electricity grid.

Due to Prominent Hill beginning full operation in February 2009, there is currently no baseline which to compare energy efficiency improvement for the site.

CLIMATE CHANGE

The Australian Government has introduced requirements to encourage businesses to transition to a lower carbon future. As an operator and producer of mineral products in Australia, OZ Minerals seeks to anticipate, understand and manage the business risks associated with emerging climate change policy. Our climate change risk profile is based on the following:

- The impact of an Australian emissions trading scheme on the cost structure of our business, primarily due to increased operating costs and/or supply risk for electricity and fuel.
- The effect on demand for our products resulting from business constraints felt by our customers due to changing emissions trading regulation in their jurisdictions.
- Changing climatic regime, including the potential disruption of exploration activity, operations and transportation due to extreme weather and changes in climate systems.

The focus of work in 2009 has been to establish an energy usage baseline and carbon footprint at Prominent Hill. In 2009, OZ Minerals completed its first report under the National Greenhouse and Energy Reporting Act 2007 (NGER). Prior to the submission of the report, a comprehensive independent readiness assessment was conducted on the processes that OZ Minerals had developed to meet the requirements of the NGER Act. OZ Minerals continues to participate in the Australian Government Energy Efficiency Opportunities program and the global Carbon Disclosure Project.

AIR QUALITY MANAGEMENT

Emissions to air have the potential to adversely impact upon health, the environment and local public amenities. In response to these potential impacts, data has been collected for key emissions to air from stationary and mobile sources. For the Prominent Hill operation, these emissions are reported annually to the Australian Government Department of the Environment, Water, Heritage and the Arts National Pollutant Inventory.

Outside of greenhouse gas emissions, the main emissions to air are dust generated by stockpiling and moving materials, and from vehicles operating on unsealed surfaces. Oxides of sulphur and nitrogen are generated from the burning of fuels. There have been no reported ozone-depleting substances produced at any operation. Air emissions by type and weight for Prominent Hill are provided in the table below.

Type ¹	NOx	SOx	Volatile organic compounds (VOC)	Particulate matter	Stack and fugitive emissions
Tonnes	856	2	62	6,282	4,958

¹ Data collected from 2008–09 financial year.

WATER MANAGEMENT

The efficiency of water extraction and the containment of wastewater are key aspects of operational performance. Water is used in most aspects of operations, including exploration, mining and processing.

Table C: Water input, recycling and discharge megalitres (ML) by quality

Parameter	Prominent Hill	Exploration	Total
Water Input	5,243	10	5,253
High quality ¹	0	5.5	5.5
Low quality ²	5,243	4.6	5,247
Recycling	0	0	0
Water to TSF³	3,922	0	3,922
Water Discharge	0	0	0

¹ High quality: water having less than 1,500 milligrams per litre total dissolved solids, pH between five and nine, and individual dissolved constituents at concentrations suitable for agricultural/livestock and irrigation use (based on local/regional/national guidelines).

² Low quality: water with total dissolved solids greater than 1,500 milligrams per litre or with dissolved constituents (metals, anions etc) greater than local guidelines for agricultural/livestock or irrigation use, or with pH less than five or pH greater than nine.

³ Tailings Storage Facility.

OZ Minerals' total water use during the reporting period was 5,253 megalitres, with 5,243 of this total being consumed at Prominent Hill and sourced entirely from groundwater bores. Over this period, 3,922 megalitres of water was returned to the tailings dam at Prominent Hill. Our exploration operation in Cambodia sourced water from municipal water supply and surface water.

Situated in a location with a relatively low average annual rainfall of approximately 160 millimetres, the Prominent Hill site is dependent on the supply of groundwater to sustain its operation. Prominent Hill draws its water from the Boorthanna Formation geological unit of the Arkaringa Basin. This groundwater system is discrete from the Great Artesian Basin aquifer system that feeds the Great Artesian Basin springs, and no influence on these springs is expected. The operation well field is located approximately 30 to 40 kilometres south-east of the mine and is operated under a miscellaneous purpose licence.

At our Prominent Hill site, a potential issue is arising regarding the impact of the water drawdown on two bores of a pastoralist in the Prominent Hill area. Additional monitoring and modelling is being put in place to determine the likely impact on the bores as a result of the operation of the Prominent Hill borefield. This will dictate any mitigation plans that will need to be put in place in line with the compensation agreements with local pastoralists.

The CSIRO has commenced water modelling and analysis at Prominent Hill. The CSIRO is using Water Pinch Analysis, which is a technique used to facilitate reduced water consumption.

WASTE MANAGEMENT

Mining and ore processing waste

Mining operations produce significant volumes of waste rock and tailings. Of particular importance is waste that is chemically reactive and poses risks due to acid rock drainage and other geochemical hazards. In addition, associated activities can create large volumes of waste, some of which is hazardous. Consequently, appropriate waste management is required to minimise environmental impacts and risks associated with waste disposal. At our Prominent Hill operation, waste is managed onsite in disposal facilities in accordance with the OZ Minerals Waste Rock Management and Tailings Management Standards. These standards define the requirements for the management of waste rock to prevent environmental impacts, promote beneficial post-mining land uses and reduce post-mining rehabilitation and closure liability. To prevent or minimise the potential environmental impacts associated with waste rock and tailings disposal, a range of strategies are implemented during project development and operations. These include:

- geochemical characterisation of acid-generating materials, resource modelling;
- selective handling and encapsulation of waste rock;
- disposal of tailings into specially designed and engineered facilities;
- linking operational planning to long-term closure management; and
- the containment and treatment of mine waters to meet regulatory discharge criteria.

Over the reporting period, Prominent Hill produced 35 million tonnes of waste rock and 6.5 million tonnes of tailings. Most of the waste rock generated was placed in rock dumps within the mining areas, with the remainder used for the construction of mine infrastructure. Of the total tonnage of waste rock produced in 2009, 17.8 million tonnes is considered to be potentially acid forming.

Hazardous and non-hazardous waste

All hazardous wastes, non-hazardous wastes and wastewater must be managed in compliance with applicable laws, regulations, as well as in accordance with OZ Minerals Sustainability Standards. Prominent Hill generated 234 tonnes of hazardous waste during 2009. Waste oil was the dominant component at 268,000 litres (equivalent to 228 tonnes) generated, all of which was recycled. Other waste streams consisted of vehicle batteries, grease and medical/biological waste that was disposed offsite through approved disposal facilities.

A total of 1,305 tonnes of non-hazardous waste was generated at Prominent Hill during the reporting period, comprising mainly sample ore and general rubbish. Of that, the majority was disposed onsite. A waste audit was conducted for the Prominent Hill site in December 2009 to identify improvements to the site waste management and recycling program.

LAND MANAGEMENT AND BIODIVERSITY

At the end of 2009, the Group had a total land holding of 5,500 square kilometres. The majority of the area was land held under title for exploration activities. Nineteen square kilometres of this land has been disturbed for mining and processing related activities.

An understanding of the potential for our company to impact upon habitats is critical in order to manage and minimise impacts. Furthermore, there can be opportunities to contribute to the conservation of species and ecosystems. The OZ Minerals Biodiversity Management Standard requires the management of biodiversity and minimisation of adverse impacts on flora and fauna throughout the mine life cycle.

Prominent Hill

At Prominent Hill, our rehabilitation plan will be updated during 2010 in accordance with the Significant Environmental Benefit (SEB) offset area agreement and the Mining and Rehabilitation Program (MARF) to ensure government criteria are met. Land disturbed in 2009 is still being used for mining and processing and for future resource investigation, therefore limiting the land available for rehabilitation.

The SEB offset area involves the ongoing protection and management of 11,000ha of land within the Mount Eba Pastoral Lease. Through management of the SEB offset area, OZ Minerals aims to protect and enhance habitat and control threatening processes for the chestnut-breasted whiteface and thick-billed grasswren (eastern subspecies). After being first identified in 2006, Prominent Hill has continued to record these species in surveys. Monitoring is undertaken biannually to check the populations and sightings of these species are documented for spring and autumn each year. There are no existing reserves or parks that protect these two threatened bird species present in the area. The SEB offset area will also protect a portion of Breakaway habitat.

The reporting period yielded the largest rainfall for the Prominent Hill region in the last 10 years, leading to considerable increases in flora and fauna in the area.

Cambodia exploration

The Okvau Exploration Project in Cambodia is located within the outer boundaries of the Phnom Prich Wildlife Sanctuary. A definition of development conditions within the sanctuary is yet to be established and at this stage the project area is suggested as a Conservation Use Zone. Exploration areas previously held by OZ Minerals, which extended into the proposed Core Zone areas, were voluntarily relinquished by the company during 2009 in support of preserving the core zone of the sanctuary. Activities that are proposed to be undertaken in close proximity to biodiversity-rich habitats will only occur following the identification of risks to biodiversity and the implementation of appropriate measures to manage potential impacts.

Over the last four years, unlicensed artisanal miners have been active in the Okvau exploration area, along with illegal poachers and loggers. A campaign by local authorities to halt all illegal activities in the area has seen a significant decrease in these activities, including a discontinuation of illegal mining.

GLOBAL REPORTING INITIATIVE



● fully reported ● partially reported ● not reported ● not applicable or material to our business

Profile Disclosure	Description	Report location	Level of reporting
Standard Disclosures Part I: Profile Disclosures			
1. Strategy and Analysis			
1.1	Statement from the most senior decision-maker of the organisation.	CEO letter	●
1.2	Description of key impacts, risks and opportunities.	CEO letter, Materiality and Report scope and boundary	●
2. Organisational Profile			
2.1	Name of the organisation.	Company overview	●
2.2	Primary brands, products and/or services.	Company overview	●
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures.	Company overview and Corporate Governance	●
2.4	Location of organisation's headquarters.	Feedback	●
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Company overview	●
2.6	Nature of ownership and legal form.	Company overview	●
2.7	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries).	Company overview and Operating and financial performance	●
2.8	Scale of the reporting organisation, including number of employees, net sales, total capitalisation broken down by in terms of debt and equity and quantity of products or services provided.	Company overview and Operating and financial performance	●
2.9	Significant changes during the reporting period regarding size, structure, or ownership, including number of employees, net sales, total capitalisation broken down in terms or debt equity and quantity of products and services provided.	CEO letter and Company overview	●
2.10	Awards received in the reporting period.	Company overview	●
3. Report Parameters			
3.1	Reporting period (e.g. fiscal/calendar year) for information provided.	Report scope and boundary	●
3.2	Date of most recent previous report (if any).	Report scope and boundary	●
3.3	Reporting cycle (annual, biennial, etc.).	Report scope and boundary	●
3.4	Contact point for questions regarding the report or its contents.	Feedback	●
3.5	Process for defining report content.	Materiality	●
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	Report scope and boundary	●
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Report scope and boundary	●
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organisations.	Report scope and boundary	●
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Report scope and boundary and where necessary in notes to data	●

APPENDICES

GLOBAL REPORTING INITIATIVE continued

● fully reported ● partially reported ● not reported ● not applicable or material to our business

Profile Disclosure	Description	Report location	Level of reporting
Standard Disclosures Part I: Profile Disclosures <i>continued</i>			
3. Report Parameters <i>continued</i>			
3.10	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Report scope and boundary and where necessary in notes to data	●
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report.	Report scope and boundary	●
3.12	Table identifying the location of the Standard Disclosures in the report.	GRI Index Navigator	●
3.13	Policy and current practice with regard to seeking external assurance for the report.	About this report	●
4. Governance, Commitments and Engagement			
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	Values and Governance	●
4.2	Indicate whether the chair of the highest governance body is also an executive officer.	Values and Governance	●
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Values and Governance and Annual Report	●
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Values and Governance and Annual Report	●
4.5	Linkage between compensation for members of the highest governance body, senior managers and executives and the organisation's performance.	Annual Report	●
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Annual Report	●
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental and social topics.	Annual Report	●
4.8	Internally developed statements of mission or values, codes of conduct and principles relevant to economic, environmental and social performance and the status of their implementation.	Values and Governance	●
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental and social performance, including relevant risks and opportunities and adherence or compliance with internationally agreed standards, codes of conduct and principles.	Values and Governance	●
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance.	Values and Governance	●
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	Not reported	●
4.12	Externally developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribes or endorses.	Our people – Labour relations	●
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations.	Company overview	●
4.14	List of stakeholder groups engaged by the organisation.	Stakeholder engagement	●
4.15	Basis for identification and selection of stakeholders with whom to engage.	Stakeholder engagement	●
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Stakeholder engagement	●
4.17	Key topics and concerns that have been raised through stakeholder engagement and how the organisation has responded to those key topics and concerns, including through its reporting.	Labour relations, Employee communications and feedback, Community engagement	●

APPENDICES

GLOBAL REPORTING INITIATIVE continued

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Profile Disclosure	Description	Report location	Level of reporting
Standard Disclosures Part III: Performance Indicators			
Economic			
DMA EC	Economic management approach.	Economic Performance and CEO letter	●
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments.	Contributions to local economies	●
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	Environmental Performance – Climate change	●
EC3	Coverage of the organisation's defined benefit plan obligations.	Not reported	●
EC4	Significant financial assistance received from government.	Contributions to local economies	●
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Not material	●
EC6	Policy, practices and proportion of spending on locally based suppliers at significant locations of operation.	Social Performance	●
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Social Performance	●
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement.	Social Performance and Economic Performance	●
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Social Performance and Economic Performance	●
MM1	Value added disaggregated to country level.	Economic Performance	●
MM2	Identify those sites where the local economic contribution and development impact is of particular significance and interest to stakeholders (e.g., remote sites) and outline policies with respect to assessing this contribution. Relevant information includes percentage of goods, materials, and services purchased locally, percentage of workforce from local communities, investment in public infrastructure and its maintenance and compensation payments.	Social Performance	●
Environmental			
DMA EN	Environment management approach.	Environmental Performance and CEO letter	●
EN1	Materials used by weight or volume.	Environmental Performance – Water management, Environmental Performance – Energy consumption and greenhouse gas emissions, Environmental Performance – Land management and biodiversity	●
EN2	percentage of materials used that are recycled input materials.	Not material	●
EN3	Direct energy consumption by primary energy source.	Environmental Performance – Energy consumption and greenhouse gas emissions	●
EN4	Indirect energy consumption by primary source.	Environmental Performance – Energy consumption and greenhouse gas emissions	●
EN5	Energy saved due to conservation and efficiency improvements.	Not reported – new operation	●
EN6	Initiatives to provide energy-efficient or renewable energy based products and services and reductions in energy requirements as a result of these initiatives.	Environmental Performance – Energy consumption and greenhouse gas emissions	●
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Not reported – new operation	●
EN8	Total water withdrawal by source.	Environmental Performance – Water management	●

APPENDICES

GLOBAL REPORTING INITIATIVE continued

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Profile Disclosure	Description	Report location	Level of reporting
Standard Disclosures Part III: Performance Indicators <i>continued</i>			
Environmental <i>continued</i>			
EN9	Water sources significantly affected by withdrawal of water.	Environmental Performance – Water management	●
EN10	percentage and total volume of water recycled and reused.	Not reported	●
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Environmental Performance – Land management and biodiversity	●
EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Environmental Performance – Land management and biodiversity	●
EN13	Habitats protected or restored.	Environmental Performance – Land management and biodiversity	●
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Environmental Performance – Land management and biodiversity	●
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Environmental Performance – Land management and biodiversity	●
EN16	Total direct and indirect greenhouse gas emissions by weight.	Environmental Performance – Energy consumption and greenhouse gas emissions	●
EN17	Other relevant indirect greenhouse gas emissions by weight.	Environmental Performance – Energy consumption and greenhouse gas emissions	●
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Environmental Performance – Energy consumption and greenhouse gas emissions	●
EN19	Emissions of ozone-depleting substances by weight.	Not reported	●
EN20	NOx, SOx, and other significant air emissions by type and weight.	Environmental Performance – Air quality management	●
EN21	Total water discharge by quality and destination.	Not reported	●
EN22	Total weight of waste by type and disposal method.	Environmental Performance – Waste management	●
EN23	Total number and volume of significant spills.	Environmental Performance – Environment data summary table	●
EN24	Weight of transported, imported, exported or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII, and percentage of transported waste shipped internationally.	Not material	●
EN25	Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	Environmental Performance – Water management	●
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Values and Governance – Transport of materials and products	●
EN27	percentage of products sold and their packaging materials that are reclaimed by category.	Not material	●
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Environmental Performance	●
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations and transporting members of the workforce.	Not reported	●
EN30	Total environmental protection expenditures and investments by type.	Not reported	●

APPENDICES

GLOBAL REPORTING INITIATIVE continued

● fully reported ● partially reported ● not reported ● not applicable or material to our business

Profile Disclosure	Description	Report location	Level of reporting
Standard Disclosures Part III: Performance Indicators <i>continued</i>			
Environmental <i>continued</i>			
MM3	The number/percentage of sites identified as requiring biodiversity management plans and the number/percentage of sites with plans in place. Also include criteria for deciding that a biodiversity management plan is required and the key components of a plan.	Environmental Performance – Land management and biodiversity	●
MM4	percentage of products derived from secondary materials, this includes both post-consumer recycled material and waste from industrial sources (e.g. new scrap from fabricators and old scrap from end of life equipment), but excludes internal recycling within the facility.	Not material	●
MM5	Describe policies for assessing the eco-efficiency and sustainability attributes of products (e.g. recyclability, material use energy use, toxicity).	Not material	●
MM6	Describe approach to management of overburden, rock, tailings and sludges/residues, including assessment of risks, structural stability of storage facilities, metal leaching potential and hazardous properties. Quantities of waste that are hazardous should be reported. The relevance of reporting other quantities of waste will be determined by the risk assessment.	Environmental Performance – Waste management	●
MM10	Number and percentage of operations with closure plans, covering social – including labour transition – environmental and economic aspects. Describe company policy, stakeholder engagement processes, frequency of plan review and amount and type of financial provisions for closure.	Values and Governance – closure planning and Annual Report	●
Social: Labour Practices and Decent Work			
DMA LA	Labour management approach.	Our people, safety and health and CEO letter	●
LA1	Total workforce by employment type, employment contract and region.	Our people – Workforce profile and diversity	●
LA2	Total number and rate of employee turnover by age group, gender and region.	Our people – Attraction, retention and engagement	●
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees by major operations.	Our people – Attraction, retention and engagement	●
LA4	percentage of employees covered by collective bargaining agreements.	Our people – Labour relations	●
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Not reported	●
LA6	percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Safety and health	●
LA7	Rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities by region.	Safety and health	●
LA8	Education, training, counselling, prevention and risk-control programs in place to assist workforce members, their families or community members regarding serious diseases.	Safety and health	●
LA9	Health and safety topics covered in formal agreements with trade unions.	Not reported	●
LA10	Average hours of training per year per employee by employee category.	Not reported	●
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Our people – Training and development	●
LA12	percentage of employees receiving regular performance and career development reviews.	Our people – Attraction, retention and engagement	●
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity.	Our people – Workforce profile and diversity	●
LA14	Ratio of basic salary of men to women by employee category.	Not reported	●
MM13	Number of new cases of occupational disease by type. Describe programmes to prevent occupational disease.	Safety and health	●

APPENDICES

GLOBAL REPORTING INITIATIVE continued

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Profile Disclosure	Description	Report location	Level of reporting
Standard Disclosures Part III: Performance Indicators <i>continued</i>			
Social: Human Rights			
DMA HR	Human rights management approach.	Community and Our people	●
HR1	percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Not reported	●
HR2	percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Not reported	●
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Not reported	●
HR4	Total number of incidents of discrimination and actions taken.	Not reported	●
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken to support these rights.	Not reported	●
HR6	Operations identified as having significant risk for incidents of child labour and measures taken to contribute to the elimination of child labour.	Not reported	●
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour.	Not reported	●
HR8	percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	Social performance – Human rights	●
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Social performance – Cultural heritage and traditional rights	●
Social: Society			
DMA SO	Society management approach.	Community, Economic Performance and CEO letter	●
SO1	Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting.	Social Performance	●
SO2	percentage and total number of business units analysed for risks related to corruption.	Not reported	●
SO3	percentage of employees trained in organisation's anti-corruption policies and procedures.	Code of conduct	●
SO4	Actions taken in response to incidents of corruption.	Not reported	●
SO5	Public policy positions and participation in public policy development and lobbying.	Environmental Performance – Climate change	●
SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions by country.	Not reported	●
SO7	Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices and their outcomes.	Not reported	●
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Environmental Performance	●
MM7	Describe significant incidents affecting communities during the reporting period and grievance mechanisms used to resolve the incidents and their outcomes. Note: The reporting organisation should describe the definition of 'significant' used.	Social Performance – Cultural heritage and traditional rights	●
MM8	Describe programs in which the reporting organisation has been involved that addressed artisanal and small-scale mining (ASM) within company areas of operation. The reporting organisation should describe the definition of 'significant' used.	Environmental Performance – Land management and biodiversity	●
MM9	Describe resettlement policies and activities.	Not reported	●
MM11	Describe the process for identifying local communities land and customary rights, including those of indigenous peoples, and grievance mechanisms used to resolve any disputes.	Social Performance – Cultural heritage and traditional rights	●

APPENDICES

GLOBAL REPORTING INITIATIVE continued

● fully reported ● partially reported ● not reported ● not applicable or material to our business

Profile Disclosure	Description	Report location	Level of reporting
Standard Disclosures Part III: Performance Indicators <i>continued</i>			
Social: Product Responsibility			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Values and Governance – Transport of materials and products	●
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle by type of outcomes.	Not reported	●
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Not material	●
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling by type of outcomes.	Not reported	●
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Not reported	●
PR6	Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship.	Not material	●
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcomes.	Not material	●
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not material	●
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Not material	●
Other			
MM12	Describe approach to identifying, preparing for and responding to emergency situations affecting employees, communities or the environment. Include a description of the nature of existing skills, teams who respond to emergency situations, training, drills, review processes and community involvement.	Safety and health	●

GLOSSARY

acid rock drainage (ARD)

When rock surfaces are exposed to air and rain, a reaction can occur with the elements in the rock which results in a change in the characteristics of the water that drains off. If the rock contains sulphides, oxidation processes can acidify the water. This is known as acid rock drainage (ARD).

biodiversity

Biodiversity is the variety of plants, animals and micro-organisms, their genetic variation and the different ecosystems of which they are part.

carbon dioxide equivalent (CO₂-e)

Carbon dioxide equivalent is a standard of measurement used to indicate the impact of various greenhouse gas emissions on global warming relative to the same amount of carbon dioxide (CO₂).

Environmental and Social Impact Assessment (ESIA)

An Environmental and Social Impact Assessment (ESIA) is an assessment of the anticipated impacts of a project on the local environment and community.

footprint

The area covered by OZ Minerals' operations and activities.

Global Reporting Initiative (GRI)

The Global Reporting Initiative is an international multi-stakeholder process aimed at producing and disseminating globally applicable sustainability reporting guidelines. These guidelines are for voluntary use by organisations for reporting on the economic, environmental and social dimensions of their activities, products and services. For more information, see www.globalreporting.org.

greenhouse gases (GHG)

Gases in the earth's atmosphere that absorb and re-emit infra red radiation, including carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and sulphur hexafluoride (SF₆).

gross domestic product (GDP)

Total market value of the goods and services produced by a country's economy during a specific period of time.

gross state product (GSP)

Total market value of the goods and services produced by a state or territory's economy during a specific period of time.

human rights

Basic standards of treatment to which all people are entitled, regardless of nationality, gender, race, economic status or religion.

ISO14001

ISO14001 is an international standard for environmental management systems.

IUCN Red List

The World Conservation Union (IUCN) Red List provides information about the characteristics, conservation status and distribution of flora and fauna species facing the risk of global extinction.

KPI

Key Performance Indicator.

kilolitre (kL)

One kilolitre is equal to one thousand litres.

licence to operate

Securing and maintaining the trust and confidence of a community and regulators in order to set up and conduct business.

Lost Time Injury Frequency Rate (LTIFR)

Lost time injuries per million hours worked. Time ('days') that could not be worked (and is thus 'lost') as a consequence of a worker or workers being unable to perform their usual work because of an occupational accident or disease.

Material Safety Data Sheet (MSDS)

Documentation prepared for each of our products identifying the potential safety, health and environmental aspects associated with their use.

megalitre (ML)

One megalitre is equal to one million litres.

petajoule (PJ)

One petajoule is equal to 10¹⁵ joules.

stakeholders

Any person, group or interested party that may be impacted by OZ Minerals' operations, activities or performance.

tailings

Finely ground materials from which the desired mineral values have been largely extracted.

tailings storage facility

Facility designed for the storage of tailings material produced during ore processing.

Total Recordable Injury Frequency Rate (TRIFR)

TRIFR is the total number of recordable injuries per million working hours. 'Recordable Injuries' are lost time, restricted work and medical treatment injuries. First aid injuries are not included.

waste rock

Material such as soils, barren or uneconomic mineralised rock that surrounds a mineral orebody and must be removed in order to mine the ore.

FEEDBACK

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Careers at OZ Minerals

careers@ozminerals.com

Annual General Meeting

2.00pm (Adelaide time)
Wednesday 19 May 2010
Level 1, The Playford Ballroom
The Sebel Playford Adelaide
120 North Terrace
Adelaide SA 5000