

OZ Minerals Board Charter

1. ROLE AND PURPOSE

The Board is responsible for the overall operation and stewardship of the Company and, in particular, is responsible for charting the direction, strategies and financial objectives for the Company as it develops its goals of delivering value to shareholders by growing a quality and competitive world class mining company.

2. COMPOSITION

- 2.1 In accordance with the Company's constitution the Company shall have not less than 3 and not more than 15 Directors.
- 2.2 The Board will have a majority of independent non-executive Directors who are judged by the Board to be independent.
- 2.3 New Directors will be recommended to the Board by the Nomination and Remuneration Committee. The Board will assess the suitability of new Directors against set criteria which include experience, ability to exercise independent judgement, professional skills, potential conflicts, overall mix of skills, experience and backgrounds represented on the Board including gender and the requirement for independence.



3. BOARD INDEPENDENCE

- 3.1 The Board will judge director independence in accordance with the ASX Corporate Governance Principles and Recommendations. Accordingly, the Board considers a director to be independent if the director is independent of management and free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement; and:
 - (a) is not a substantial shareholder of the Company, or otherwise associated directly or indirectly with a substantial shareholder of the Company;
 - (b) has not been employed in an executive capacity by the Company or another member of the OZ Minerals group within the last three years, and did not become a director within three years of being so employed;
 - (c) within the last three years, has not been a principal of a material professional adviser or material consultant to the Company or another group member or an employee materially associated with the service provided;
 - (d) is not a partner in or controlling shareholder, or executive officer, of a material supplier or material customer of the Company or another member of the OZ Minerals group;
 - (e) has no material contractual relationship with the Company or another member of the OZ Minerals group other than as a director of the Company.
- 3.2 The Board will undertake an annual review of the extent to which each non-executive director is independent, having regard to the criteria set out in

clause 3.1 and any other relevant relationship that the non-executive director may have.

- 3.3 Whether the Board considers a non-executive director to be independent or not, and the reasons for the Board's opinion, will be described in the corporate governance statement set out in the Company's annual report.

4. CHAIR

4.1 The Chair will be an independent non-executive Director and will be appointed by the Board.

4.2 In the absence of the Chair from a meeting the Board will appoint a non-executive independent Director to act as Chair for that particular meeting.

4.3 The Chair is responsible for the leadership of the Board, including taking all reasonable steps to ensure that the Board functions effectively and for communicating the views of the Board to the public. The Chair is also responsible for:

- working closely with the Managing Director and Company Secretary in setting the agenda for each meeting;
- briefing all Directors on key matters;
- managing the conduct at, and frequency and length of, Board meetings so as to provide the Board with an opportunity to have a detailed understanding of the issues affecting the Company's operations, current financial position and performance and any opportunities or challenges facing the Company; and
- guiding Board meetings to facilitate open and constructive discussions and to encourage Director contributions to Board deliberations.



5. MEETINGS

5.1 A minimum of six Board meetings are to be held each year.

5.2 Any Director can call a Board meeting.

5.3 Agenda and Board Papers will be distributed to Directors in a reasonable time to enable Directors to properly prepare for meetings.

6. DUTIES AND RESPONSIBILITIES

The Board's primary responsibilities are as follows:

6.1 Strategy

- (a) Providing input to, and approval of, the Group's strategic direction and budgets as developed by management.
- (b) Directing, monitoring and assessing the Group's performance against strategic and business plans, to determine if appropriate resources are available.
- (c) Approving and monitoring capital management, major capital expenditure and project development, acquisitions and divestments.

6.2 Risk Management

- (a) Reviewing and monitoring the principal risks of the Group's business as advised by Management.

- (b) Reviewing and ratifying the Group's systems of internal compliance and control, risk management of material business risks and legal compliance, to determine the integrity and effectiveness of those systems.
- (c) Monitoring the operational and financial position and performance of the Company
- (d) Monitoring occupational health, safety and environmental performance and compliance and ensuring commitment of appropriate resources.

6.3 External Reporting

- (a) Ensuring that financial results are appropriately and accurately reported on a timely basis in accordance with all legal and regulatory requirements.
- (b) Monitoring and reviewing the reporting controls and mechanisms which are in place to ensure that adequate, accurate and timely information is being provided by the Company to its shareholders, the ASX and other stakeholders.

6.4 Management

- (a) Appointment and removal of the Managing Director (or equivalent) and determining his or her terms and conditions (including remuneration).
- (b) Ratifying the appointment and removal of senior executive positions and determining whether the terms and conditions (including remuneration) are appropriate. (Holders of senior executive positions are those who report directly to the Managing Director).
- (c) Monitoring and reviewing Managing Director and senior executive succession planning.
- (d) Delegating authority to the Managing Director and approving authority limits for senior executives.

6.5 Performance Review

- (a) Approving criteria for assessing performance of the Managing Director and senior executives.
- (b) Monitoring and evaluating the performance of the Managing Director and Senior Executives in achieving the strategies and budgets approved by the Board.

When assessing and evaluating the performance of the Managing Director and Senior Executives the Board may seek advice from the Nomination and Remuneration Committee.

- (c) Undertaking an annual performance evaluation of itself that evaluates the performance of the Board against the requirements of this Charter and the annual goals and objectives set by the Board.

6.6 Corporate governance

- (a) Encouraging ethical behaviour and compliance with the Group's own governing policies and procedures, including the Group's Code of Conduct.
- (b) Evaluating the Company's compliance with corporate governance standards.
- (c) Performing such other functions as prescribed by law.



6.7 Board Committees

- (a) Establishing as it deems appropriate Committees to assist in discharging its responsibilities. As a minimum the Board will establish the following committees:
 - Audit Committee;
 - Nomination and Remuneration Committee; and
 - Sustainability Committee
- (b) The Board may also establish ad hoc special purpose committees from time to time, with terms of reference approved by the Board.
- (c) Adopting Charters setting out the membership, responsibilities and reporting obligations of each Board Committee.
- (d) Ensuring Committees have the resources to carry out their roles effectively.
- (e) Dealing with any issue referred to it by a Board Committee.
- (f) Evaluating on an annual basis the performance of the Board Committees against their respective Charters.



7. DELEGATION

- 7.1 The Board has delegated responsibility for the day to day operation and administration of the Company to the Managing Director and the executive management team. This delegation of authority includes responsibility for:
- (a) developing business plans, budgets and strategies for the Board's consideration and, to the extent approved by the Board, implementing these plans, budgets and strategies;
 - (b) operating the Company's businesses and operations within the parameters set by the Board from time to time and keeping the Board informed of all material developments relating to the businesses and operations;
 - (c) where proposed transactions, commitment or arrangements exceed the parameters set by the Board, referring the matter to the Board for its consideration and approval;
 - (d) identifying and managing operational and other risks and, where those risks could have a material impact on the Company's businesses and operations, formulating strategies for managing these risks for consideration by the Board;
 - (e) managing the Company's current financial and other reporting mechanisms to ensure that these mechanisms are functioning effectively to capture all relevant material information on a timely basis;
 - (f) implementing the Company's internal controls; establishing procedures for monitoring these controls; and ensuring that these controls and procedures are appropriate and effective;
 - (g) taking all reasonable steps to ensure that the Board is provided with accurate and sufficient information regarding the Company's operations on a timely basis and, in particular, that the Board is made aware of all relevant matters relating to the Company's performance (including future performance), financial condition, operating results and prospects and potential material risks so that the Board is an

appropriate position to fulfil its corporate governance responsibilities;
and

(h) Implementing all policies, procedures and codes approved by the Board.

7.2 The Managing Director is accountable to the Board for the authority that is delegated by the Board to the Managing Director and executive management team and will report routinely on the Company's progress on achieving the short, medium and long term plans of the Company.

8. ADVICE AND INFORMATION

8.1 Directors have the right to seek independent professional advice in the furtherance of their duties as Directors at the Company's expense. The Chairman's prior approval of such expenditure is required and all Directors must be advised of the outcome.

8.2 Directors are entitled to on-going access to the Company's operations, employees and information to enable them to fulfil their responsibilities under this Charter and to performing such other functions as prescribed by law.



9. CHARTER REVIEW

This Charter shall be reviewed and revised as required. Any changes to the Charter will require approval of the Board and the Board will review the effectiveness of the Charter as appropriate.

10. DIRECTOR'S CODE OF CONDUCT

In performing the responsibilities set out in this Charter, the Board should act at all times in a manner designed to create and continue to build sustainable value for shareholders and in accordance with the duties and obligations imposed on it by the Company's Constitution and by law. A Directors Code of Conduct (attached to this Charter) has been developed for Directors of OZ Minerals.

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Last Amended by Approval of the Board on 8 February 2011

DIRECTORS' CODE OF CONDUCT

1. Directors will act honestly, in good faith and in the best interests of the Company and its shareholders.
2. Directors acknowledge a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
3. Directors recognise that the primary responsibility is to the Company's shareholders as a whole but should, where appropriate, have regard for the interest of all stakeholders of the Company.
4. A Director will not make improper use of information acquired as a Director.
5. A Director will not take improper advantage of the position of director.
6. A Director will not allow personal interests, or the interest of any associated person, to conflict with the interest of the Company.
7. Each Director will exercise independent judgment and take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board of Directors.
8. Confidential information received by a Director in the course of the exercise of directorial duties remains the property of the Company and it is improper to disclose it, it or allow it to be disclosed, unless that disclosure has been duly authorised or is required by law.
9. Directors will not engage in conduct likely to bring discredit upon the Company.
10. Each Director will, at all times, comply with the spirit, as well as the letter, of the law, with policies of the Company and with the principles of this Code.

