



OZ MINERALS

2010 HALF YEAR

FINANCIAL RESULTS

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All figures are expressed in Australian dollars unless stated otherwise.

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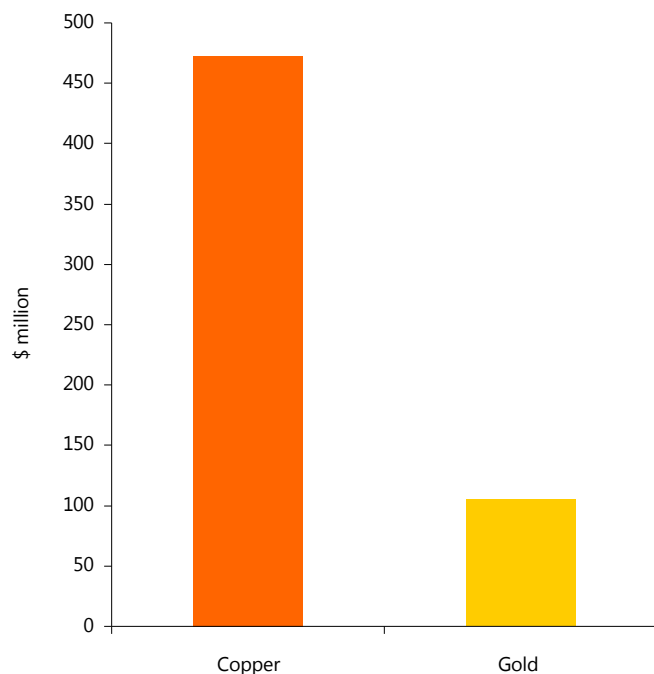
- Strong 6 months of production from Prominent Hill
 - 60,145t copper, 90,821oz gold.
 - Gold guidance increased to 160,000oz to 170,000oz for 2010.
 - Cash cost guidance lowered to US65-75c/lb for 2010.
- Competitive 'C1' cash costs of US49.1c/lb
- Underlying NPAT of \$230.5 million, (**excluding** reversal of impairment and discontinued ops).
- Cash balance of \$1.43 billion at June 30 2010.
- Development of Western Copper underground at Prominent Hill started in July.
- Exploration expenditure of \$24.9 million - majority in and around Prominent Hill.
- Acquisition of 19.9% of Sandfire Resources NL in July.
- Dividend of 3 cps, unfranked.

PROMINENT HILL - FIRST HALF PERFORMANCE

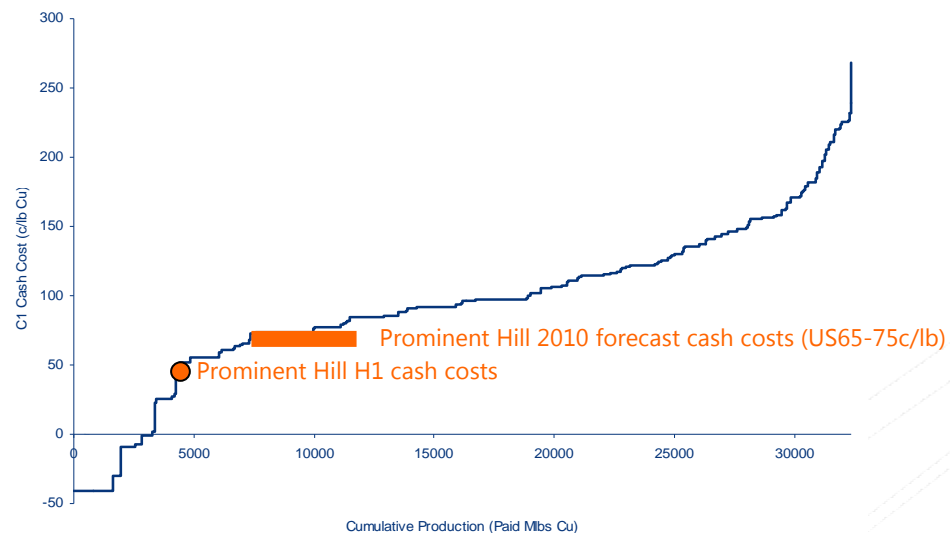


- Strong first half production from Prominent Hill of 60,145t of copper and 90,821oz of gold at competitive C1 cash costs of US49.1c/lb.
- Revenue from Prominent Hill of \$589.9 million for the first half of 2010.

Revenue by commodity



Competitive cash costs



Source: Brook Hunt, Macquarie

WESTERN COPPER UNDERGROUND- MILESTONES

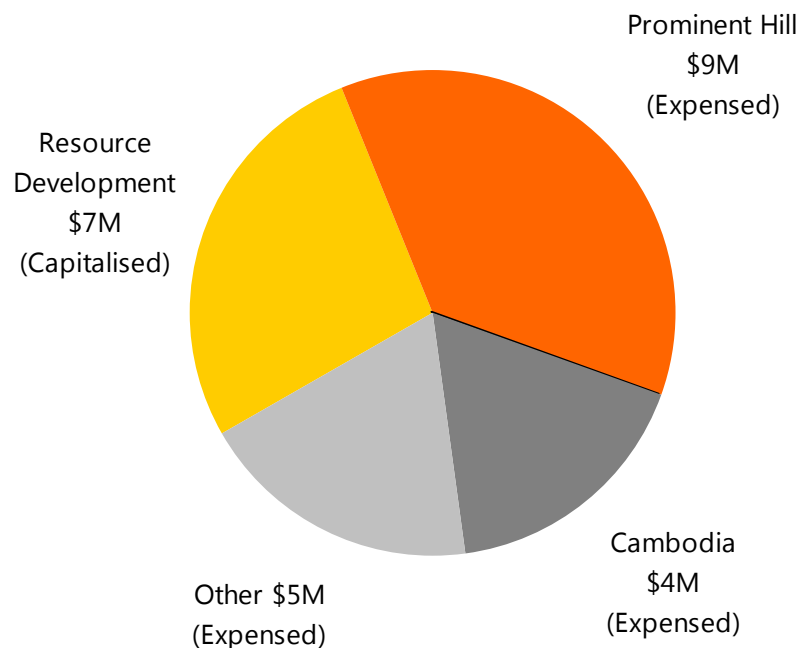


- Maximising the value of Prominent Hill
- Increases copper production ability, to maintain current production levels
- Pre-production expenditure \$135 million - \$30 million in H2, \$105 million in 2011
- Creates a platform for deeper exploration

Vent Shaft Construction	●									
Portal Establishment		●								
Development Start			●							
First Ore					●					
First Stope							●			
Full Production									●	
	Q3 2010	Q4 2011	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012

EXPLORATION – ACTIVE PROGRAM

2010 H1 Exploration & Resource Development Spend



- Active exploration program
- Focussed on Prominent Hill
- \$25 million global spend in H1
- \$16 million spent at Prominent Hill H1
- Total budget for 2010 \$55 million
- Drilling to increase at Prominent Hill

FINANCIAL HIGHLIGHTS



- Prominent Hill revenue of **\$589.9 million** for first half of 2010.
- Prominent Hill EBITDA of **\$391.2million** (**excluding** reversal of impairment).
- OZ Minerals recorded underlying NPAT of **\$230.5 million** (**excluding** reversal of impairment & discontinued ops).
- OZ Minerals' NPAT of **\$405.7 million** (**including** reversal of impairment of \$141.1 million after tax)
- Cash balance of **\$1.43 billion** at June 30 2010.
- Tax losses of \$307 million remaining at 30 June.

INCOME STATEMENT - SUMMARY



Net of TC/RC

Raw materials, consumables, direct costs
All employee costs
Freight
Royalties
Changes in inventory

Regional and near mine exploration excluding resource development

Corporate costs
Site G&A

A\$M	Prominent Hill Mine	Other Continuing Operations	Group
Revenue	589.9	-	589.9
Cost of goods sold	(181.8)	(8.5)	(190.3)
Net foreign exchange gains	9.8	31.0	40.8
Exploration expense	(9.0)	(9.2)	(18.2)
Other expenses	(17.7)	(6.3)	(24.0)
EBITDA	391.2	7.0	398.2
Depreciation and amortisation	(66.6)	(0.2)	(66.8)
Reversal of impairment	201.1	-	201.1
Impairment of assets	(10.7)	-	(10.7)
EBIT	515.0	6.8	521.8
Net financing expenses	(0.5)	10.7	10.2
Income tax expense	(97.3)	(3.1)	(100.4)
Tax impact of impairment	(60.0)	-	(60.0)
NPAT (before discontinued operations)	357.2	14.4	371.6
Gain on discontinued operations after income tax	n/a	n/a	34.1
NPAT	357.2	14.4	405.7

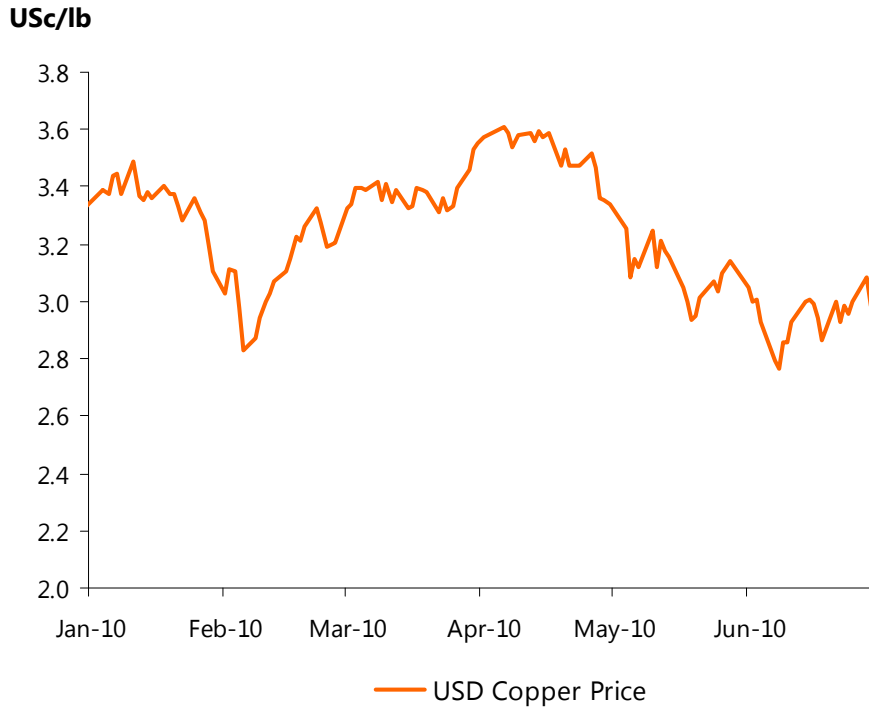
Corporate and exploration excluding Prominent Hill

* Gain on discontinued operations after income tax is mainly attributable to working capital and tax adjustments.

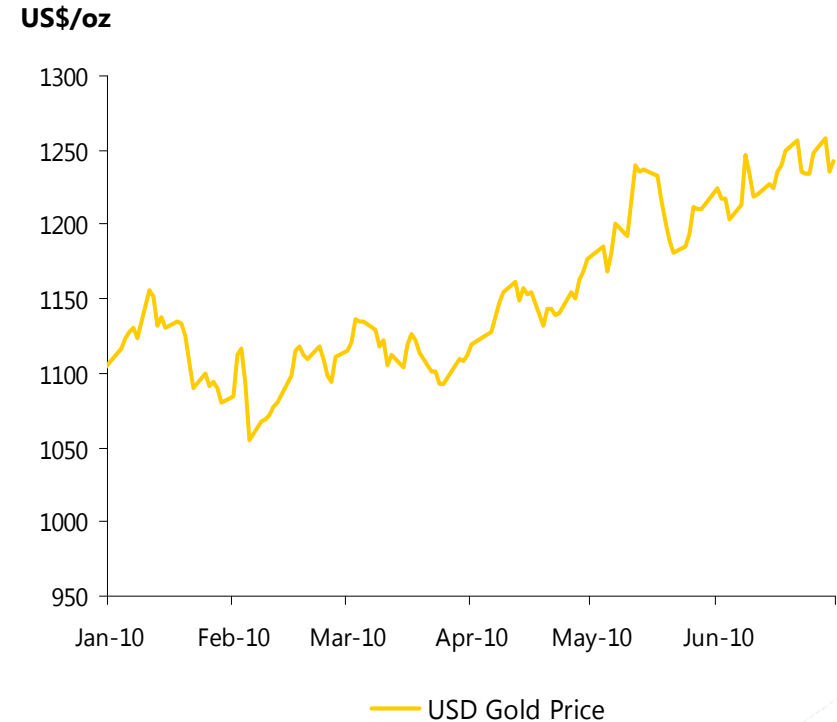
COPPER & GOLD PRICES



USD Copper Price



USD Gold Price



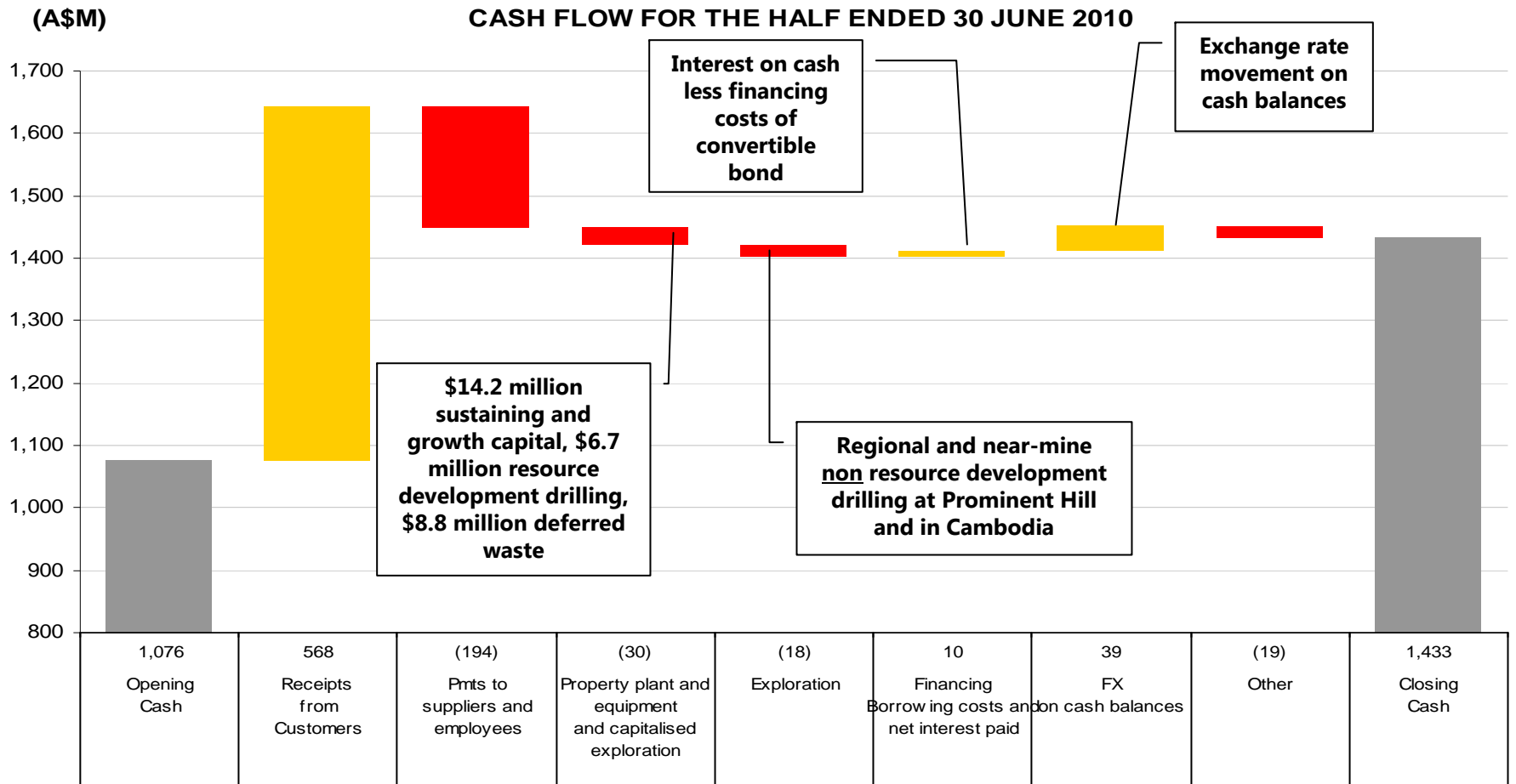
- Average LME copper price of US\$3.23c/lb (US\$7,130/tonne) and gold price of US\$1,152/ounce for the June half.
- H1 revenue derived 80% from copper, 19% gold, 1% silver.

PROMINENT HILL CONCENTRATE SALES

- Total sales of 60,703t copper and 78,592oz gold for the period.
- All sales within contract specification; copper grade remains the highest of all concentrates traded on the open market.
 - Higher gold content in concentrates has been incorporated into existing contracts
- All sales at or below the 2010 annual benchmark TC/RC of terms of US\$46.50/dmt and 4.65c/lb
 - Sales predominantly to Asia and also to Europe and Australia
 - All sales on near-dated monthly averages
- 90% of annual production committed to term contracts, balance in spot market.



CASH FLOW H1 2010



BALANCE SHEET - SUMMARY



A\$M	Consolidated Jun '10	Consolidated Dec '09
Assets		
Cash	1,432.5	1,076.2
Receivables	169.7	137.2
Inventories	186.4	206.0
Other	78.1	174.5
Property plant & equipment	1,354.3	1,203.3
Total Assets	3,221.0	2,797.2
Liabilities		
Creditors	59.6	107.2
Interest bearing liabilities	118.2	110.8
Net deferred tax liability	63.7	-
Provisions	11.2	14.5
Total Liabilities	252.7	232.5
Net Assets	2,968.3	2,564.7

Increase in cash of \$356.3 million

A\$M	H1 2010
Opening balance	1203.3
Cash additions	29.7
Other adjustments	-2.3
Reversal of asset impairment	201.1
Impairment of assets	-10.7
Depreciation	-66.8
Closing balance	1354.3

CASH/DEBT SUMMARY



- Cash position A\$1,433 million at June
 - Cash holdings of US\$692.7 million (A\$816.9 million equivalent) & A\$615.6 million
 - Invested with highly rated counterparties with short term Standard & Poors rating of A 1+(or equiv.)
- Convertible bond terms
 - Face value US\$105 million
 - Interest: 5.25% p.a. payable semi-annually in arrears
 - Maturity Date: 15 April 2012; classified as a Non Current Liability.

TAX STATUS



- Opening net deferred tax asset at 31 December 2009
(Includes asset of \$177million = \$591million losses @ 30%) \$93 million
 - Add:
 - Tax expense on operating result & discontinued operations and adjustments for earlier periods (\$99 million)
 - Deferred tax liability on reversal of impairment (\$60 million)
 - Tax payment – franking deficit tax \$3 million
 - Closing net deferred tax liability at 30 June 2010 (\$64 million)
- (Includes asset of \$92 million = \$307 million losses @ 30%)
- Remaining \$307 million tax losses expected to be recouped during 2011

REVERSAL OF IMPAIRMENT



- Prominent Hill asset originally impaired in December 2008 Financial Report.
- Factors considered in determining reversal of impairment as at June 2010 included:
 - Improved outlook for the economy and copper market since Dec 2008.
 - Strong production and financial results at Prominent Hill.
 - Market valuation of Prominent Hill.
- Impairment reversal is in accordance with AASB 136 Impairment of Assets.
- Impairment reversal writes back Prominent Hill asset value by \$201.1 million, offset by deferred tax liability of \$60.0 million = Net P&L increase: \$141.1 million
- Adjustment is non-cash and does not form part of operating earnings
- Higher asset value will increase future accounting depreciation

Sensitivities of Prominent Hill EBIT in \$ million for period July to December 2010

AUD:USD +/- 1c	Copper +/- 5%	Gold +/- 5%
6.1	20.4	6.4

Based on prices as at June 30

Copper US\$2.96/lb
Gold US\$1,242/oz
AUD:USD 0.8480

- Dividend of 3 cents per share
- Dividends are unfranked
- Future dividends equivalent to 30-60% of underlying profits from normal operations.
 - Subject to cash available, competing capital and growth requirements, commodity prices, exchange rates, production and costs.
- Record date 7 September, Payment date 21 September
- DRP suspended.

- Continuing strong production at Prominent Hill – gold guidance increased, cash costs decreased.
- Competitive cost structure: H1 C1 cash costs at US49.1 c/lb.
- Significant cash holdings to support growth strategy.
- Acquisition of 19.9% of Sandfire in July.
- Western Copper Underground project at Prominent Hill approved in July 2010 to enable sustained production at current levels.
- Dividend of 3 cents per share, unfranked.
- Production of 100,000t to 110,000t copper and 160,000oz to 170,000oz gold at cash costs of US65c-US75c/lb expected for 2010.
- Positive outlook for copper and gold.

APPENDICES



OPERATING SEGMENT - PROMINENT HILL MINE



A\$M	H1 '10	H1 '09*	H2 '09	2009
Revenue	589.9	89.6	518.9	608.5
Cost of goods sold	(181.8)	(27.7)	(150.6)	(178.3)
Net foreign exchange gains/(losses)	9.8	(16.9)	(7.7)	(24.6)
Exploration expense	(9.0)	-	(5.2)	(5.2)
Other expenses	(17.7)	(4.8)	(14.7)	(19.5)
EBITDA	391.2	40.2	340.7	380.9
Depreciation and amortisation	(66.6)	(20.8)	(59.4)	(80.2)
EBIT (pre impairment)	324.6	19.4	281.3	300.7
Reversal of impairment	201.1	-	-	-
Impairment of assets	(10.7)	-	-	-
EBIT	515.0	19.4	281.3	300.7
Net financing expense	(0.5)	-	(0.7)	(0.7)
Income tax expense	(157.3)	(5.8)	(91.6)	(97.4)
NPAT	357.2	13.6	189.0	202.6

Increased revenue over H2 2010 due to higher commodity prices and gold production

No cash payment due to tax losses

* 2 months of production only

- Competitive C1 cash costs of US49.1 cents due to strong gold by product credits associated with high gold grade, recovery and prices.

CASH FLOW STATEMENT - DETAILED



A\$M	Consolidated 30 June 10
Cash flows from operating activities	
Receipts from customers	568.1
Payments to suppliers and employees	(194.4)
Payment for exploration and evaluation	(18.2)
Income taxes refund received/(paid)	(2.7)
Financing costs and interest paid	(3.0)
Interest received	13.0
Net cash inflows from operating activities	362.8
Cash flows from investing activities	
Payments for property, plant and equipment	(23.0)
Payment for capitalised exploration	(6.7)
Payments for investments	(0.4)
Payments related to assets sold to Minmetals	(15.6)
Proceeds from disposal of other investments	0.1
Net cash inflows from investing activities	(45.6)
Net increase in cash held	317.2
Cash and cash equivalents at 1 January	1,076.2
Effects of exchange rate changes on foreign currency denominated cash balances	39.1
Cash and cash equivalents at the end of the financial period	1,432.5

BALANCE SHEET - DETAILED



A\$M	Consolidated 30 June 10
Current assets	
Cash and cash equivalents	1,432.5
Trade and other receivables	169.7
Inventories	127.6
Prepayments	7.8
Total current assets	1,737.6
Non-current assets	
Investments accounted for using the equity method	47.0
Inventories	58.8
Property, plant and equipment	1,354.3
Deferred tax assets	-
Other financial assets	23.3
Total non-current assets	1,483.4
Total assets	3,221.0
Current liabilities	
Trade and other payables	59.6
Interest-bearing liabilities	-
Provisions	3.2
Total current liabilities	62.8
Non-current liabilities	
Interest-bearing liabilities	118.2
Net deferred tax liabilities	63.7
Provisions	8.0
Total non-current liabilities	189.9
Total liabilities	252.7
Net Assets	2,968.3
Equity	
Issued capital	5,107.1
Reserves	106.0
Retained earnings	(2,244.8)
Total equity	2,968.3

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