



OZ MINERALS

2011 SECOND QUARTER REPORT

19 JULY 2011

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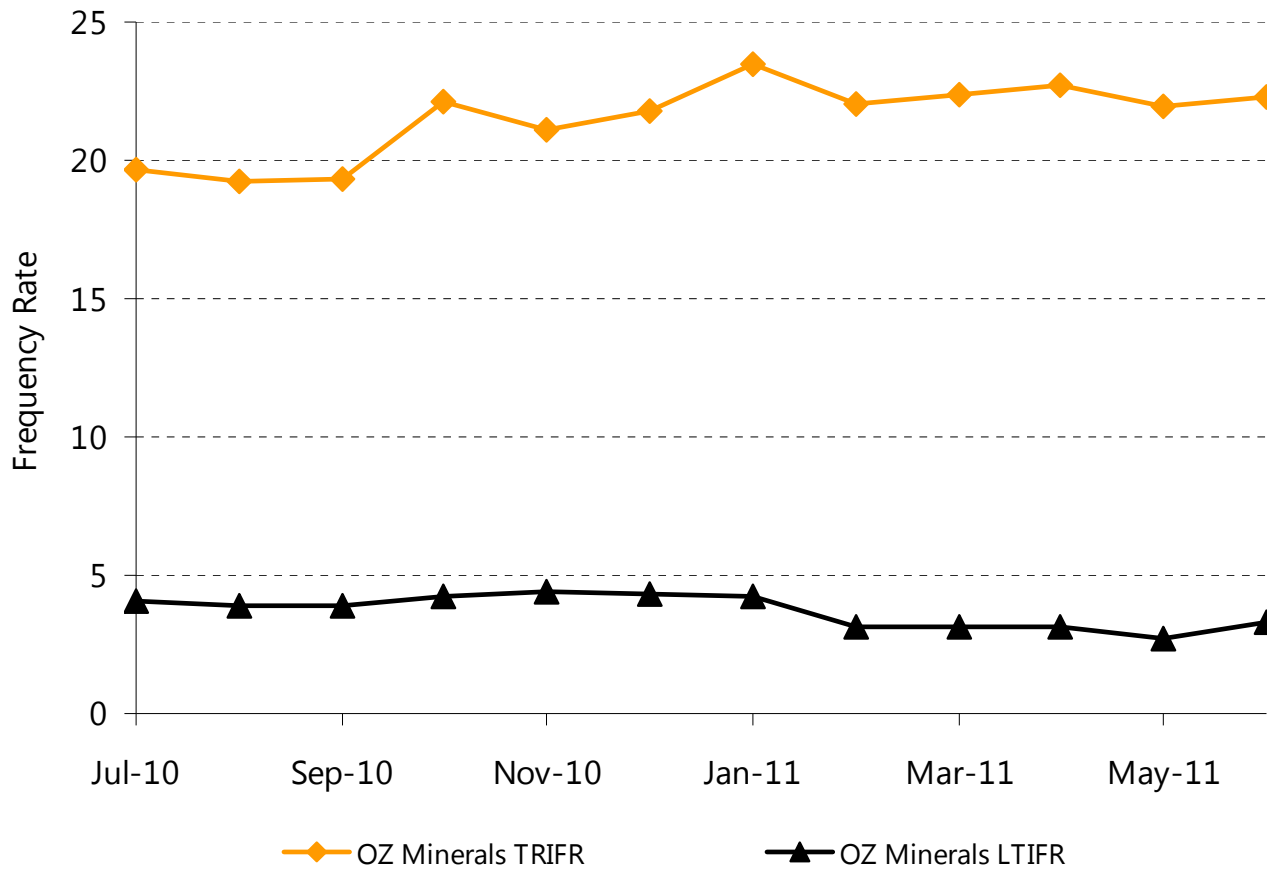
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- Prominent Hill copper and gold production up on previous quarter.
 - Copper on track to meet guidance.
 - Costs remain competitive – US\$56.1c/lb for Q2.
- Final pit design revised to protect production.
- Carrapateena
 - Acquisition and transfer of title completed.
 - Access approval progressing well, planning work commenced on mining and geology studies.
 - \$20 million budget for 2011.
- Capital return of \$388.6 million completed.
- Announcement of on-market share buy back of up to \$200 million.

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



- Major leadership/safety program continues.
- A decrease in recordable injuries.

* Injuries per million man hours

PROMINENT HILL PRODUCTION STATISTICS		MAR QTR '11	JUN QTR '11	YTD '11
MINED	ORE (TONNES)	3,474,311	2,840,117	6,314,428
	WASTE (TONNES)	13,761,825	15,434,750	29,196,575
MINED GRADE	COPPER (%)	0.99	1.20	1.08
	GOLD (G/T)	0.55	0.52	0.54
ORE MILLED	(TONNES)	2,532,835	2,431,303	4,964,138
MILLED GRADE	COPPER (%)	1.12	1.27	1.19
	GOLD (G/T)	0.67	0.72	0.70
RECOVERY	COPPER (%)	90.9	90.5	90.7
	GOLD (%)	77.2	78.1	77.6
CONTAINED METAL IN CONCENTRATES	COPPER (TONNES)	25,708	28,017	53,725
	GOLD (OZ)	41,911	44,219	86,129
TOTAL CONCENTRATE SOLD	(DM TONNES)	46,123	65,064	111,187
C1 CASH COSTS	US CENTS PER LB	70.3	56.1	62.9

- Mining rates higher, greater waste moved.
- Throughput at 9.9Mt/a annualised for H1.
- Strong copper and gold recoveries.
- Underground decline advanced to 1,170 metres by end June.
- C1 costs competitive at US\$56.1c/lb.

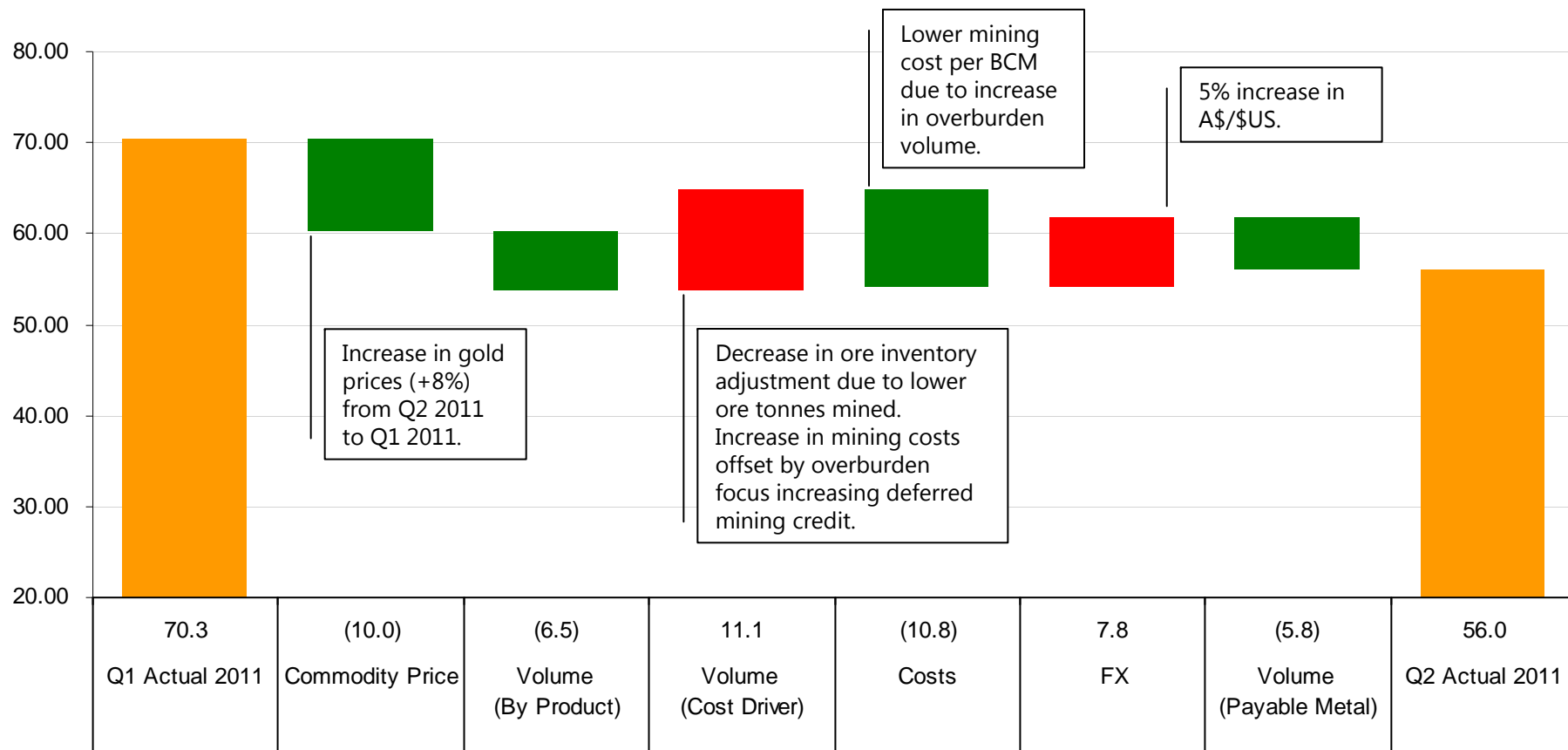
DESIGN OF FINAL PIT

- Geotechnical studies complete.
- Re-optimisation using flatter wall angles to increase stability.
- Additional 30Mbcm over five years.
- Remaining life of mine strip ratio now 5.5:1.
- Approximately \$150 million extra in NPV terms.
- \$3/t milled extra mining costs.

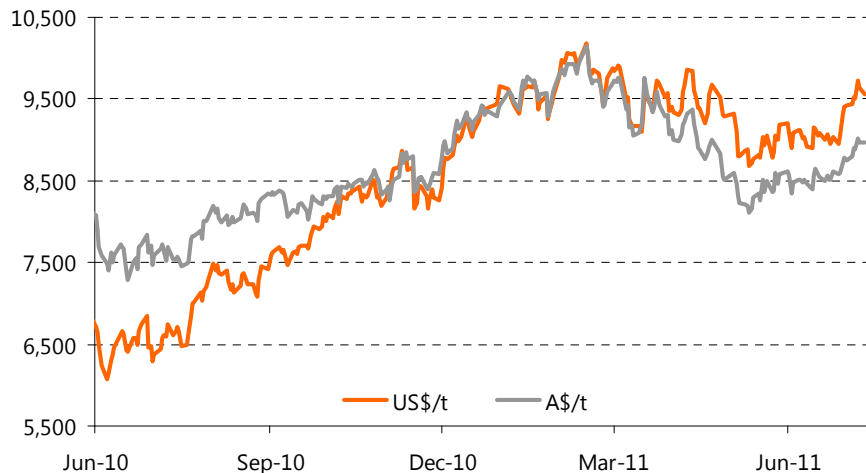
NB: Deferred mining provision to be lower than planned due to higher strip ratio.

(US c/lb)

Unit Cost C1 - 2011 Q2 Actual vs. 2011 Q1 Actual

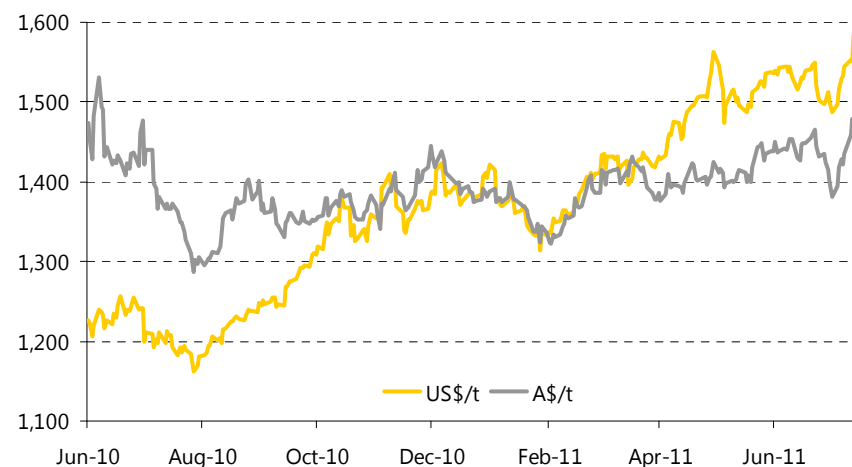


Copper price



Source: Bloomberg

Gold price



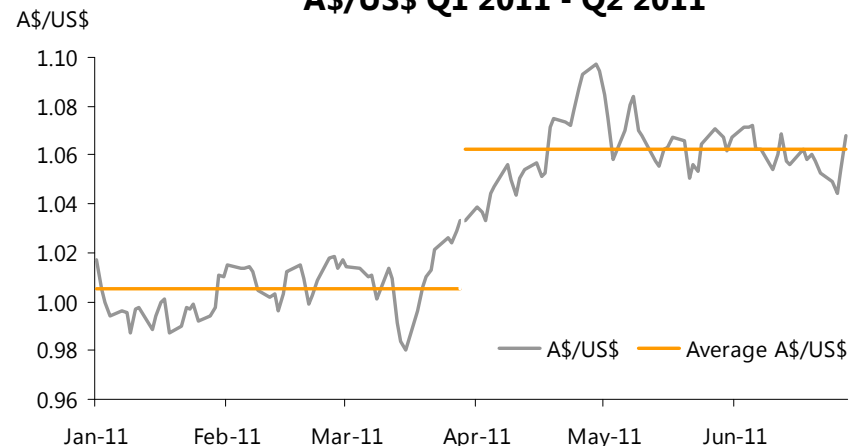
Source: Bloomberg

Share price



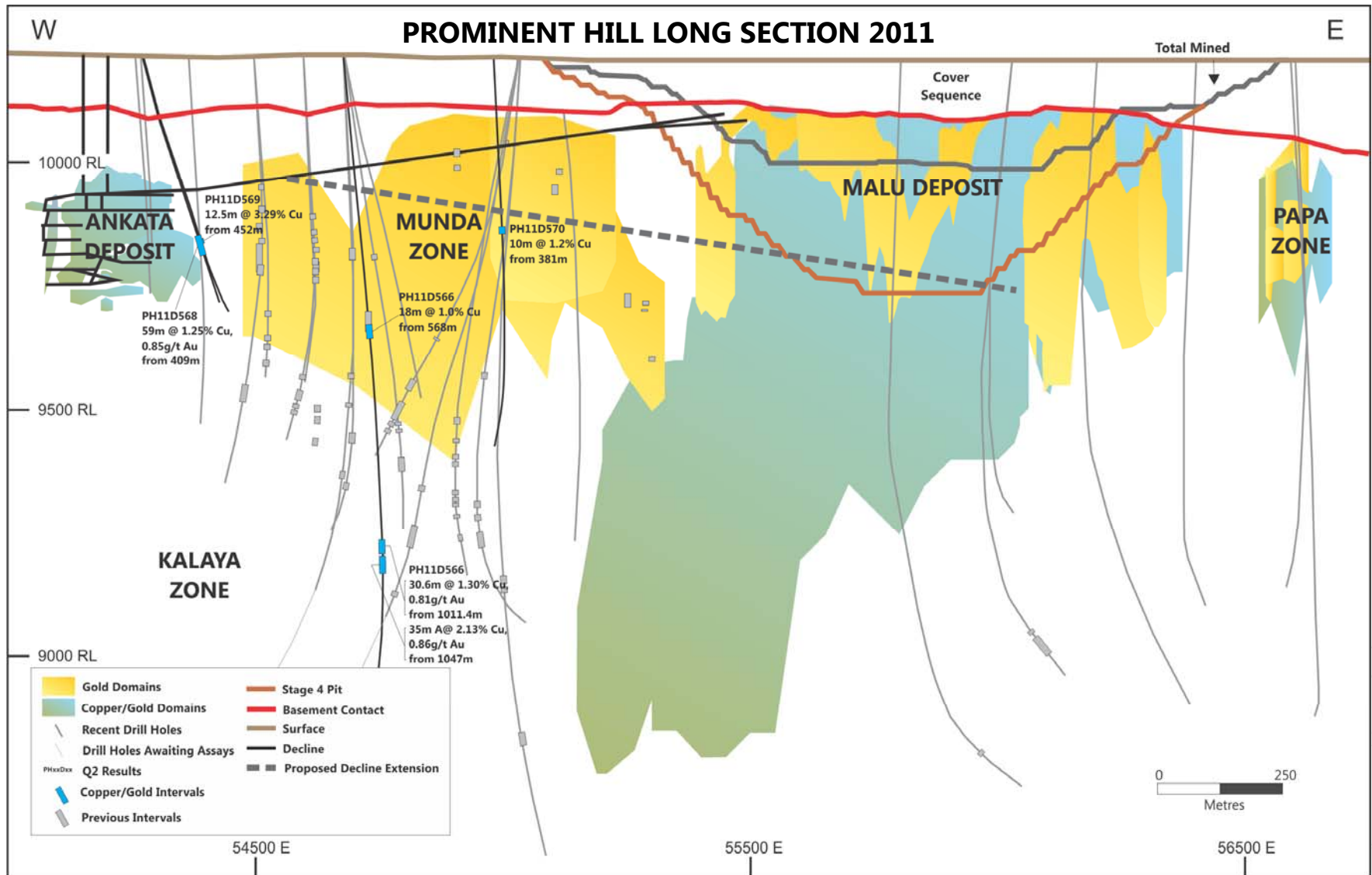
Source: Bloomberg

A\$/US\$ Q1 2011 - Q2 2011



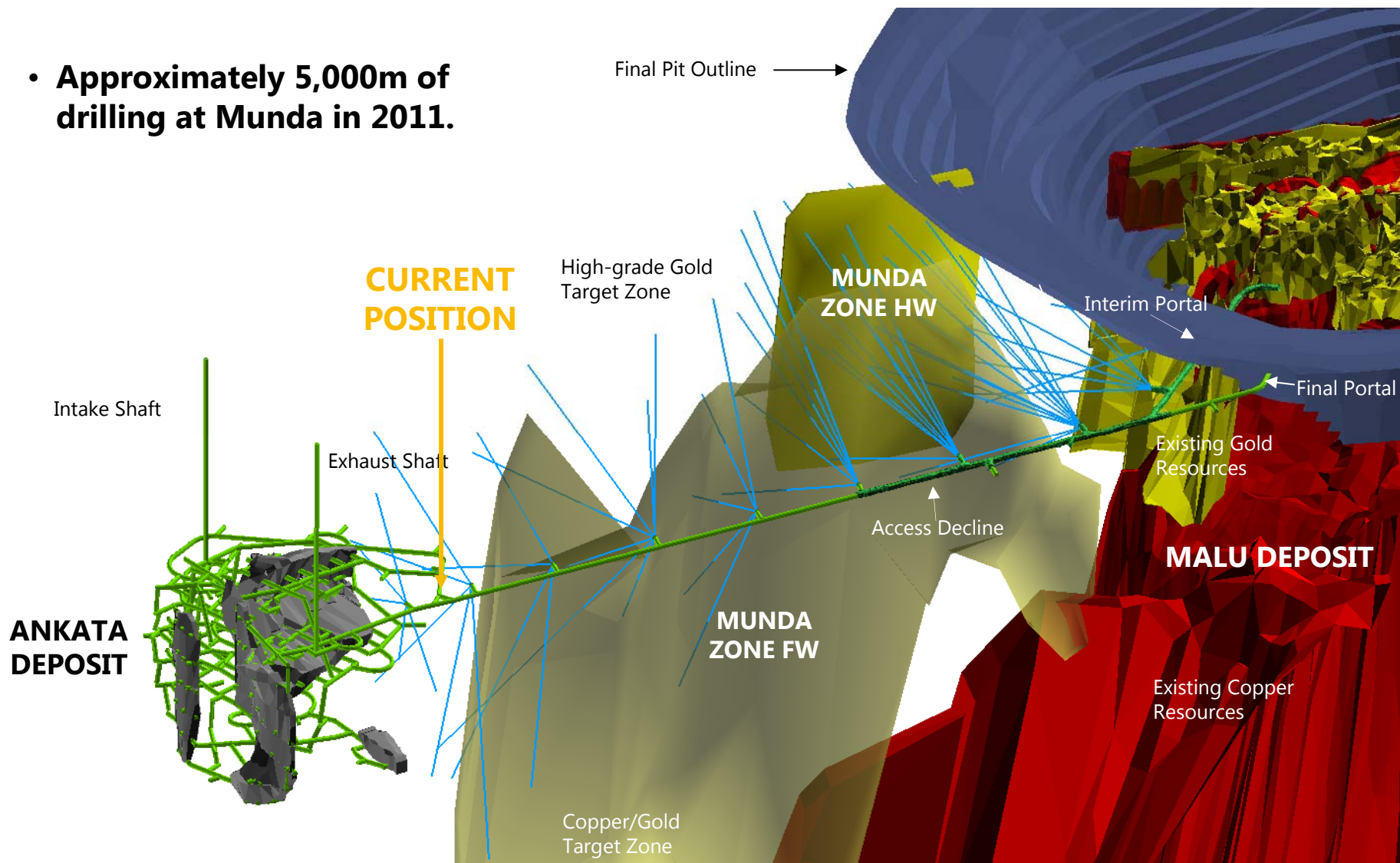
• Average Q1 A\$/US\$, \$1.01 Average Q2 A\$/US\$, 1.06

PROMINENT HILL Q2 DRILLING RESULTS

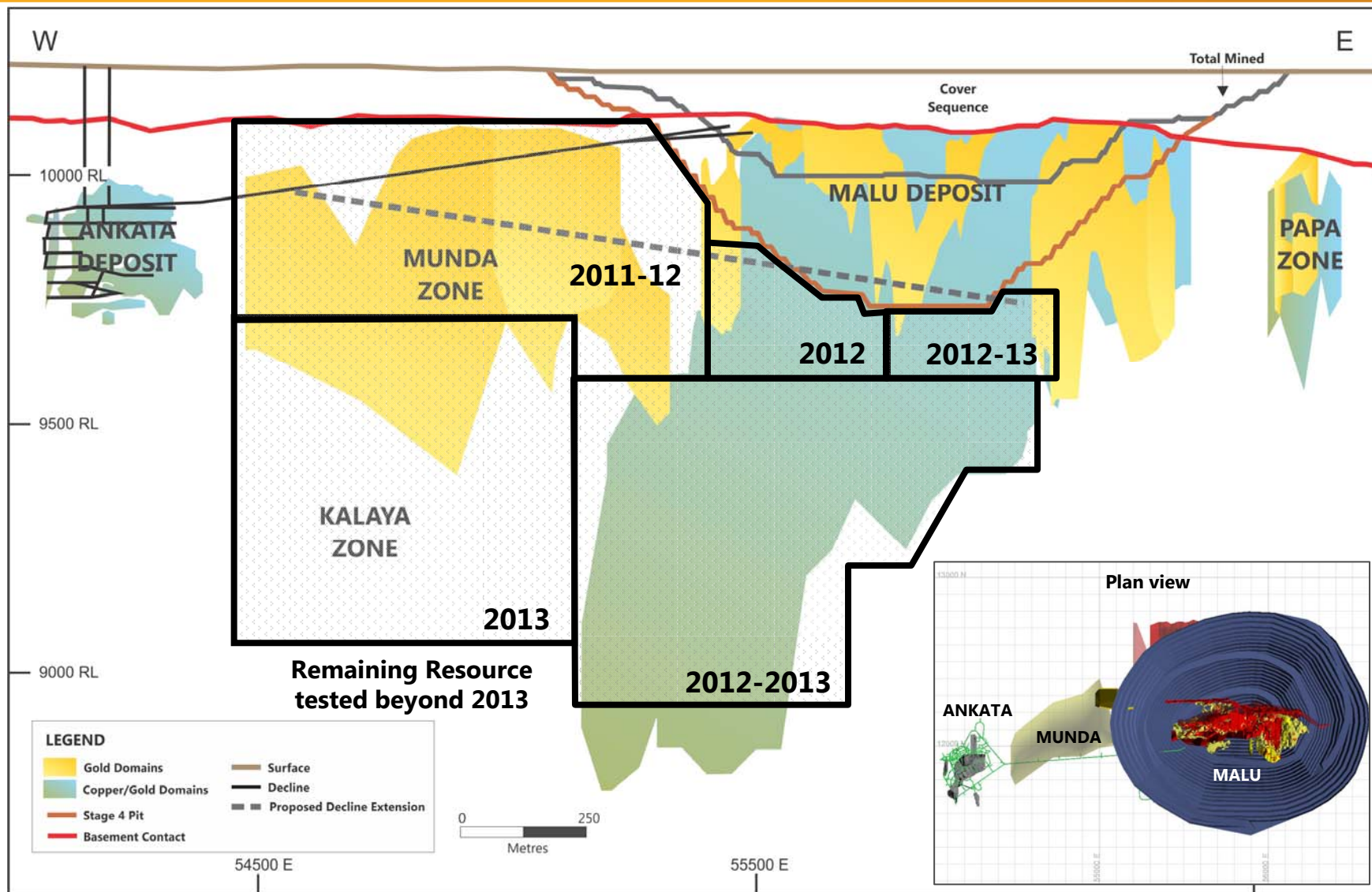


UNDERGROUND DEVELOPMENT

- **Approximately 5,000m of drilling at Munda in 2011.**

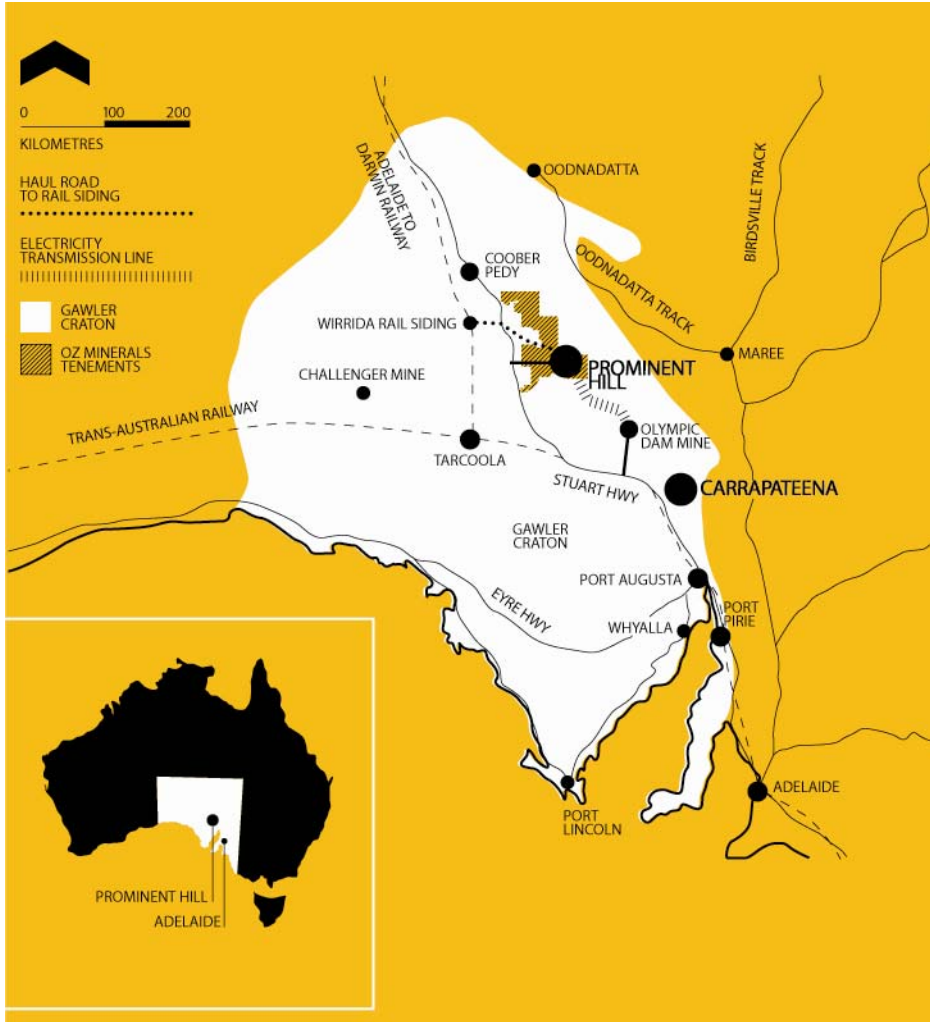


UNDERGROUND DRILLING - CONCEPTUAL TIMING OF DRILL PROGRAMS



- OZ Minerals audited greenhouse gas inventory in 2010 (CO₂-e t)
 - Direct (Scope 1) (fuel) 114,703
 - Indirect (Scope 2) (power) 183,292
 - Total 297,995
- OZ Minerals will indirectly pay a carbon tax on our scope 1 emissions through a reduction in the fuel tax credit of 6 cents per litre for fuel.
- OZ Minerals predicts that the indirect cost from the carbon tax on scope 2 and scope 3 emissions (for example rail freight costs) will be passed on to us by our suppliers.
- The total cost to OZ Minerals of the indirect costs of the carbon tax is estimated to be in the range of \$7-10 million per year.

CARRAPATEENA COPPER – GOLD DEPOSIT SOUTH AUSTRALIA



- Acquisition of project complete.
- Transfer of title granted.
- Planning for geology and mining studies.
- Requisite access approvals progressing well.
- \$20 million budget anticipated for 2011.

CONCLUSION



- Good quarter for production and costs.
- Underground mine on schedule.
- Major exploration program continues.
- Acquisition of growth project in Carrapateena.
- Capital management delivered.



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