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Media release:

Keeping Century cash flow positive



Recently, OZ Minerals announced to the market that a review of capital and operating expenditure would be undertaken. As a result of the review, OZ Minerals announced that it has deferred capital projects and made substantial cuts to operating cost budgets at all operations. Production at Century has been reduced by 4%, or 20 000 tonnes of contained zinc-in-concentrate.

OZ Minerals' share price has fallen substantially in recent months due to a variety of factors - falling share markets, lower metal prices and higher costs. Century is affected because our main product, zinc, has fallen drastically in value. In September 2008, zinc was selling on the London Metals Exchange (LME) at US\$1800/tonne. In October, the price was down to \$1200/tonne, and by early November it had fallen as low as \$1060/tonne. At the same time, everything we use to mine zinc - electricity, reagents, equipment, supplies - has become more expensive.

General Manager John Lamb said, "This requires far more than a business as usual attitude. We know that this will be a challenging 18 months, and we are responding immediately by reducing operating and capital costs as much as we can, changing our three-year plan to reflect reduced costs and constantly adapting to changes in world markets. We will have to do more with less and we will be taking a hard look at our business activities to ensure that we only do those that are necessary."

"In economic times like these, the Century management team believes that the best thing we can do for our communities is to keep our people employed as long as international metal markets allow us to. For this reason, we will redirect all sponsorship funds into core business activities that will help us maintain employment. Of course, sponsorship contracts that are already in place will be honoured."

"The management team at Century is totally committed to making every possible effort to reduce costs across the board, and using the cash we save to keep Century running. We will continue to look after our employees, shareholders, suppliers and clients in line with our values and obligations."

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