

# Quarterly Report

for the three months ending 31 March 2007

## Highlights

	Mar Qtr 07	
Gold produced at Sepon	33,647oz	<ul style="list-style-type: none"> <li>• Acquisition of Agincourt Resources Limited successful.</li> <li>• Group production on track.</li> <li>• Prominent Hill remains on budget and on schedule for 2008 production.</li> <li>• Exploration success continues at Sepon, Golden Grove and Prominent Hill.</li> <li>• 2006 full year net profit of \$553 million, EBITDA of \$810 million.</li> </ul>
Gold produced at Golden Grove	12,751oz	
Silver produced at Sepon	60,225oz	
Silver produced at Golden Grove	511,167oz	
Average received gold price	US\$651/oz	
Copper produced at Sepon	13,827t	
Copper produced at Golden Grove	7,297t	
Average LME Cash Copper Price	US\$2.61/lb	
Zinc produced at Golden Grove	24,514t	
Average LME Cash Zinc Price	US\$1.57/lb	

### Sepon Copper

- Unscheduled maintenance saw production slightly lower at 13,827t copper.
- Production forecast remains at 60,000t to 63,000t for the year.
- A new mineralised zone was identified at the Pha Bing prospect with results including 15m at 5.51% copper, 7m at 7.98% copper and 8m at 5.22% copper.

### Sepon Gold

- Production of 33,647oz of gold.
- Focus of the primary gold study on resource drilling and modelling. Study due for completion late in 2007.
- Potential additional oxide resources identified at the Nalou deposit and at the nearby Songkham prospect.

### Golden Grove

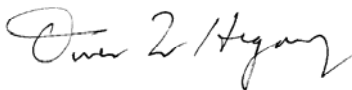
- Record underground material movement at Golden Grove.
- Predominantly a copper production quarter.
- High grade zinc and copper mineralisation continued to be discovered beneath the Xantho and Scuddles deposits.

### Prominent Hill

- Development of the Prominent Hill copper-gold project remained on schedule and budget.
- Infill drilling of the Resource, below the planned pit, returned excellent results including 107m at 2.2% copper and 0.6g/t gold.
- Drilling also continued to discover mineralisation extending beneath the known Resource, with results including 53m at 1.3% copper and 1.1g/t gold.

### Corporate

- Oxiana's bid for Agincourt Resources Limited was successful, with the bid closing on 13 April 2007.
- Oxiana's Annual General Meeting to be held on May 2, 2007 in Melbourne.



Owen L. Hegarty  
Managing Director and CEO  
19<sup>th</sup> April 2007



Figure 1. Sepon gold and copper operation. Location of pits, resources and prospects.

## Sepon

### Safety

There were 11 Total Recordable Injuries, including 2 Lost Time Injuries in this quarter, resulting in a 12-month rolling LTIFR of 0.61 and a TRIFR of 2.98.

### Sepon - Copper

#### Mining and Production

The stripping ratio in the Khanong Pit increased to 3:1 for the quarter as the pit was deepened. Ore mined was 622,758t.

An unscheduled maintenance shutdown, due to a valve failure in the pressure oxidation circuit, saw production slightly lower at 13,827t.

Copper production in the second quarter is expected to be higher with scheduled maintenance brought forward to the first quarter shut-down.

Copper production guidance for the full year is unchanged at 60,000t to 63,000t.

The average London Metal Exchange Cash price for copper was US\$2.61/lb.

### Quarterly Copper Production Statistics Table 1

	Units	March Qtr 2007
Ore Mined	t	622,758
Grade	%	5.1
Strip Ratio	w/o	3.0
Ore Milled	t	283,607
Grade	%	5.4
Recovery	%	91.5
Production (Stripped)	t	13,827
Cathode Sold	t	13,831

### Costs

Lower copper production due to the maintenance shutdown offset a reduction in mining costs as a result of a lower fuel price. Direct cash costs for 2007 are expected to be in the order of US\$65-70c/lb.

### Quarterly Copper Costs Table 2

All USc / lb*	March Qtr 2007
Direct Cash Costs	67
Market Premium	(4)
Royalties	10
Total Cash Costs	73
Depreciation & Amortisation	17
Rehabilitation	0
Total Production Costs	90

\* Figures may not always add due to rounding

### Sepon Copper Expansion

Engineering work on the expansion feasibility study continued during the quarter.

Further orders for the second autoclave circuit will be placed early in the second quarter with the project on schedule for practical completion in the fourth quarter of 2008.

### Sepon Copper Exploration

Copper exploration continued with 7-10 drill rigs active on prospects to the east and west of the Sepon operations. Surface exploration also continued to identify a suite of supergene and oxide copper targets.

Resource evaluation drilling at Thengkhamb South has shown the geometry, grade and thickness of the ore envelopes to be broadly in line with those previously modelled. As with Thengkhamb North, the deposit contains high grade pods within a broader halo of lower grade mineralisation. Significant intervals reporting from the higher grade zones include 9.5m at 6.7% Cu, 8.2m at 5.8% Cu, 10.9m at 7.4% Cu and 23.4m at 3.0% Cu.

Further drilling is also planned to test a newly recognised zone of copper mineralisation to the west of the Thengkhamb South deposit where intersections to date include:

**Table 3**

Hole	From (m)	Interval (m)	Cu (%)
TSW028	45	3	1.48
TSW029	86	3	1.39
TSW036	18	23	0.94
TSW036	48	9	1.06
TSW037	12	5	2.40
TSW026	68	20	1.35

Cu: "intercepts are weighted averages calculated using a 0.5% copper cut-off grade; maximum internal waste is 2 metres".

At the **Pha Bing** prospect, north of the Thengkhamb North deposit, ongoing drilling has confirmed the presence of a new zone of near-surface supergene copper mineralisation that will likely add to the overall Sepon copper Resource inventory. Better results received during the quarter include:

**Table 4**

Hole	From (m)	Interval (m)	Cu (%)
PHB018	11	8.7	1.09
PHB018	24	12	1.75
PHB018	42	11.8	1.50
PHB022	38	17	1.02
PHB027	62	10	1.85
PHB031	40.8	7.6	2.85
PHB029	79	10	1.05
PHB030	38	11	2.21
PHB030	57	9.4	1.97
PHB036	4	8	5.22
Inc	7	4	8.25
PHB028	18	7.3	7.98
PHB028	29	3.2	3.59
PHB028	35	21.8	1.85
PHB036	4	15	5.51

Cu: "intercepts are weighted averages calculated using a 0.5% copper cut-off grade; maximum internal waste is 2 metres".

Mineralisation remains open in several directions. Follow up drilling has commenced to establish an initial Resource for this area.

Seven kilometres east of the Sepon mine, at the Nam Pa prospect, initial scout drill testing of a large soil copper geochemical target intersected primary sulphide mineralised skarns with minor copper and molybdenum similar to those recognised in the Thengkhamb system. Drilling is continuing to test this system.

### Sepon - Gold

#### Mining and Production

Higher mined grades offset lower mined volumes and throughput and saw gold production of 33,647oz for the quarter.

#### Quarterly Gold Production Statistics

**Table 5**

	Units	March Qtr 2007
Ore mined	t	628,505
Grade	g/t	2.3
Strip ratio	w/o	1.3
Ore milled	t	490,300
Gold grade	g/t	2.3
Silver grade	g/t	11.3
Gold recovery	%	81.0%
Silver recovery	%	31.8%
Production		
Gold*	oz	33,647
Silver	oz	60,225
Gold Sold		27,470

\* Production reported is gold poured.

#### Costs

Lower mining and processing costs and higher than planned gold production resulted in total cash costs below the expected US\$450 to US\$500/oz.

#### Quarterly Gold Costs

**Table 6**

All US\$ / oz	March Qtr 2007
Operating <sup>(1)</sup>	349
Refining & Transport	2
By Product Credit <sup>(2)</sup>	(18)
Royalties	25
<b>Total Cash Costs</b>	<b>359</b>
Depreciation & Amortisation <sup>(3)</sup>	188
Rehabilitation <sup>(4)</sup>	5
<b>Total Production Costs</b>	<b>551</b>

<sup>(1)</sup> All costs incurred by the site, including inventory changes, corporate charges and realised foreign exchange gains/(losses). Exploration and resource drilling expenditures are not included in mine site cash costs.

<sup>(2)</sup> Revenue from silver at spot price.

<sup>(3)</sup> Includes amortisation of the pre-production capital, and depreciation of mine operations capital expenditure, which includes exploration, resource drilling and sustaining capital.

<sup>(4)</sup> Provision for final site reclamation in addition to ongoing rehabilitation.

\* Figures may not always add due to rounding

#### Primary Gold Project

Primary gold resource modelling for the Discovery West, Nalou and Discovery East/Main deposits continued.

Preliminary mine planning commenced as part of the feasibility study due for completion later in 2007.

Also as part of the study, pilot plant results indicated an overall recovery of greater than 77% for the selected flotation/pressure oxidation process route.

#### Sepon Gold Exploration

Highly encouraging drill results have been received both near the Sepon operation and in the broader mineral district.

In the near mine area, drilling around the Nalou pit returned significant shallow gold intersections which suggest additional oxide resources in the area. Results included 16m at 3.6g/t Au and 10m at 4.5g/t.

Results received from recent drilling completed as part of the primary gold definitive feasibility study identified significant potential for additional primary gold Resources in the near mine area.

Between the Discovery and Luang deposits, high grade mineralisation was intersected at depth in several drill holes over 400 metres of strike.

Mineralisation remains open and delineation drilling is underway to assess potential. Better results included 7.7m at 12.9g/t Au, 36m at 5g/t Au, 8m at 5g/t Au, 30m at 4.3g/t Au and 6.6m at 7.2g/t Au.

Excellent results were also returned from drilling for primary gold between the Nalou and Namkok West deposits. Better results included 17m at 6.2g/t Au, 7.4m at 8.6g/t Au, 9.4m at 5.7g/t Au, 6.7m at 12.2g/t Au and 10m at 5.2g/t Au.

A drilling program to define and extend additional primary gold resources is continuing with three drilling rigs.

In the Thengkham area intensive drilling campaigns were in progress to define additional oxide gold resources. Drilling was completed at the Dankoy prospect and resource modelling commenced. At Houay Yeng resource delineation drilling is also well advanced. Better results from the Dankoy prospect include:

**Table 7**

Hole	From (m)	Interval (m)	Au (g/t)
PVT601	30	24	2.05
PVT602	45	7	2.50
PVT621	79	17	1.83
PVT606	23	31	2.98
PVT609	9	20	1.17
PVT640	19	6	2.44
PVT623	34	11	1.07
PVT630	0	11	1.22
PVT601	30	24	2.05

Au: "Fire assay, weighted averages of approximate 1 metre sample intervals, 0.5g/t Au lower cut-off, max 2m internal waste".

Further mineralised drill intersections were returned from outside the defined Resource at Phavat North and indicate the potential for small resource additions. Further results are pending prior to a follow up program.

Initial scout drilling of a coherent zone of surface gold anomalism at the Songkham prospect approximately 3km west of the Sepon mine intersected promising zones of intense alteration in favourable geological positions. An interval of 14m at 2.2g/t Au from surface was received from the initial hole with further results pending.

Drilling at the Ban Mai prospect intersected zones of disseminated and massive sulphide

(pyrite, chalcopryrite, and locally significant sphalerite-galena) mineralisation up to 10 m thick in several holes. Drilling is continuing and results are awaited to determine their significance.

Systematic surface exploration has progressed approximately ten additional prospects to drill status and aircore drilling is continuing across broad areas of thin surficial cover to determine prospectivity.

## Golden Grove

### Safety

There were no lost time injuries during the quarter bringing the twelve month rolling average LTIFR to 2.91 and the 12-month rolling TRIFR to 17.44.

### Mining and Production

Mining continued strongly, with record underground material movement due to more efficient waste movement.

Tonnes milled were impacted by a scheduled 8 day shutdown, during which the mill distributed control system and coarse ore load out tunnel were successfully replaced and routine mill relines were undertaken.

Copper ore was predominantly treated during the period seeing higher copper and lower zinc production.

Rehabilitation work at the Scuddles underground mine, 3 kilometres from the Gossan Hill mine, was ongoing in preparation for recommencement of mining and production in the second quarter.

Feasibility studies on recovering the near surface oxide gold and copper Resources progressed and studies to assess the recently identified areas below the existing Gossan Hill and Scuddles ore bodies commenced.

## Quarterly Golden Grove Production Statistics

**Table 8**

	Units	March Qtr 2007
Mined Zn Ore	t	227,318
Mined Cu Ore	t	166,000
Grade Zn	%	17.2
Grade Cu	%	4.6
Milled Zn Ore	t	154,611
Grade Zn	%	17.7
Recovery Zn	%	89.4
Milled Cu Ore	t	184,498
Grade Cu	%	4.5
Recovery Cu	%	88.9
Zn Concentrate	t	47,949
Zn Grade	%	51.1
Cu Concentrate	t	29,933
Cu Grade	%	24.4
HPM Concentrate	t	5,574
Cu Grade	%	8.1
Pb Grade	%	32.2
Au Grade	g/t	62.6
Ag Grade	g/t	1,830.1
Contained Metal in Concentrates*		
Zn	t	24,514
Cu	t	7,297
Au	oz	12,751
Ag	oz	511,167
Pb	t	1,796

\* Where there are payable terms

### Costs

Total cash costs at Golden Grove for the quarter benefited from the higher volumes of copper concentrates produced and the resulting high by-product credit. Lower planned zinc production in the quarter impacted the operating, royalty and non-cash costs on a unit cost basis.

Total cash costs for 2007 at this stage are still expected to be in the US45-50c/lb range.

## Golden Grove Quarterly Costs

Table 9

All USc / lb*	March Qtr 2007
Operating	63
Realization	28
By Product Credits	-96
Royalties	10
<b>Total Cash Costs</b>	<b>5</b>
Depreciation & Amortisation	14
Rehabilitation	0
<b>Total Production Costs</b>	<b>19</b>

\* Costs are per lb of zinc produced. Gold, silver, copper and lead are taken as credits.

## Golden Grove Exploration

Exploration beneath both the Xantho and Scuddles deposits has continued to produce high grade zinc and copper intersections. Results from Xantho included:

Table 10

Hole	From (m)	Interval (m)	Zn (%)	Cu (%)
RHDD083D4	1,747.0	24.0	24.9	0.02
RHDD085	1,676.4	2.60	12.6	0.2
	1,713.2	6.50	5.3	0.6
	1,719.7	44.50	0.3	4.8

At Scuddles, results included 8.2m at 18.7% Zn in hole SC098D2.

Diamond drilling is currently testing the northward extent of this mineralisation.

These intersections continue to support the potential for significant additions to mine life.

## Marketing

The LME copper price averaged US\$2.61/lb for the quarter, down 16% on the December quarter but 20% above the corresponding quarter of 2006. LME stocks fell slightly as demand noticeably strengthened during March following the Chinese New Year closures. The copper concentrates market is expected to remain particularly tight as demand is predicted to outstrip supply for the foreseeable future.

The LME zinc stocks increased by 20% to 106,575 tonnes during the quarter. The rise in stocks and the expectation that world supply and demand are moving toward balance after three years of deficit saw prices fall from the record levels of last year, finding support at current levels.

The majority of Oxiana's products are sold under long-term contracts to consumers within Asia.

## Prominent Hill

The development of the Prominent Hill project continued to schedule and budget during the quarter for mining of first ore in early 2008 and production of first commercial concentrates in the third quarter of 2008.

## Mine Development

Pre-strip mining of the Prominent Hill pit continued. At the end of the quarter, mining was at full capacity with approximately 85,000 m<sup>3</sup> being mined per day and the pit mined to a depth of approximately 35 metres.

## Process Plant and Infrastructure Development

Installation of the temporary construction water borefield was completed and the permanent reverse osmosis plant and a waste water treatment plant were installed. Drilling to define the permanent water borefield progressed to plan.

Plant earthworks commenced and engineering work focussed on detailed design of the process plant crushing, milling and flotation areas in readiness for the installation of concrete foundations in May.

A new on-site airstrip was completed and in use by the beginning of April. The construction village, with accommodation for 480 employees, was completed.

Detailed design for the power line progressed and orders were placed for electrical equipment with long delivery times.

## Prominent Hill and Regional Exploration

Infill drilling continued to further evaluate the current Resource below the planned pit for potential underground mining. Results to date indicate continuity of highly mineralised copper-gold domains and outline some wide intervals of low grade gold mineralisation in the footwall of the Prominent Hill Shear Zone. Further drilling will determine its significance.

Significant results received during the Quarter included:

Table 11

Hole	From (m)	Interval (m)	Cu (%)	Au (g/t)
PH07D295	387	71.3	1.5	0.3
PH07D296	559.9	107.2	2.2	0.6
PH07D298	669	101	0.9	0.4
Including	731	26	1.2	0.7
PH07D298	836	19	-	1.8
PH07D298	877	30	-	2.6

\*True mineralised widths are approximately 0.6 times down hole interval. Sampling and assaying protocols for Prominent Hill are included in the Prominent Hill Resource Statement for 30 June 2006. Refer to Oxiana website.

Drilling programs also continued to evaluate and extend the Prominent Hill IOCG system below and to the west of the current known Resource. Further significant drill results confirm that the copper-gold mineralised Prominent Hill Shear Zone and gold-only mineralisation (see table of results below) continues to persist to depths of at least 400m below the current resource model.

Table 12

Hole	From (m)	Interval (m)	Cu (%)	Au (g/t)
PH06D278	1224	13	-	3.6
PH06D279	832	21.9	-	1.1
PH06D279	980	46	-	1.2
PH06D279	1080	53	-	1.9
PH06D279	1133	53	1.3	1.1
PH06D279	1333	26.2	1.4	0.7
PH06D279	1502	30	1.4	-
PH07D297	794	32	-	1.0
PH07D297	916	24	-	1.5
PH07D297	958	50	0.9	0.5
PH07D297	1018	93	1.6	0.4

\*True mineralised widths are approximately 0.6 times down hole interval. Sampling and assaying protocols for Prominent Hill are included in the Prominent Hill Resource Statement for 30 June 2006. Refer Oxiana to website.

## Regional Exploration

### Australia

#### Minotaur – Oxiana Generative Alliance

Under the Minotaur – Oxiana Generative Alliance, ground magnetics was completed to assist targeting at Bulgunnia, 40km north east of Tarcoola in South Australia.

Targeting work on the Thomson Fold Belt JV also commenced.

### Queensland

#### Woolgar (Strategic Minerals Corp JV - Oxiana earning up to 70%)

At the Woolgar project, final results from the 2006 drill program at the Lost World prospect returned further encouraging intersections, including 4m at 2.9g/t Au and 9.2m at 1.1g/tAu. These form part of a steeply plunging coherent mineralised zone which remains open at depth.

Results of recently collected geophysical (IP) data have been merged with data from previous surveys and exploration programs to prioritise a series of strategically located deeper diamond holes that will investigate the depth potential of the vein field in the second quarter.

#### Warroo (Queensland Gold and Minerals JV - Oxiana earning up to 80%)

An RC drill program commenced testing the depth potential of near surface gold mineralisation and associated geophysical anomalies in the area of the old Warroo Mine and the recently recognised and undrilled Ti-Tree vein outcrop.

### Laos

Under the AngloGold Ashanti JV regional reconnaissance sampling and mapping programs were undertaken in ten areas defined from previous targeting exercises in the Truongson and Luang Prabang Belts. Anomalous stream sediment results have been returned from 3 of these areas (up to a maximum point value of 1.77g/t Au). A further area returned anomalous rock chip values (up to 15.6g/t Au).

Ongoing exploration is following up positive results, as well as continuing to assess the other priority areas.

### Thailand

#### Thai Goldfields Joint Venture (Oxiana earning 75%)

Drilling programs utilising diamond, RC and aircore rigs continued to test epithermal vein systems in the Chatree district. At the LD prospect, a number of significant intersections have confirmed the presence of higher grade shoots within larger, low grade stockwork zones. Mineralisation remains open to the north, south and at depth. Better results included:

Table 13

Hole	From (m)	Interval (m)	Grade (g/t Au)
DEK002	23.5	5.5	27.2
DEK003	50	8	2.7
DEK004	54.3	13.7	1.4
DEK007	36.1	8.9	10.2
LD037	21	9	8.4
DEK043	15	3	9.98
DEK030	168	12	4.27
DEK031	107.6	10.1	2.18

Au: "Fire assay, weighted averages of approximate 1 metre sample intervals, 0.5g/t Au lower cut-off, max 2m internal waste".

The initial drilling program at Wang Yai, 15km to the north-east of LD, intersected mineralised veins at the three prospects tested. The results are promising given the width of vein sets, multiple vein arrays and the high tenor of drill results in comparison to surface sample results in some areas. Better intervals included:

Table 14

Hole	From (m)	Interval (m)	Au (g/t)
PWY017	27	6	2.16
PWY017	54	6	1.93
PWY006	104	3	7.17

Au: "Fire assay, weighted averages of approximate 1 metre sample intervals, 0.5g/t Au lower cut-off, max 2m internal waste".

A detailed review of all results in conjunction with geological interpretation has assisted planning for multi-stage follow-up programs in both the LD and Wang Yai areas.

Prospecting and surface geochemical sampling as a part of the Thai Goldfields JV generative program has identified a number of high priority

areas for follow up in northern Thailand. Several areas of possible VHMS base metal mineralisation were also located.

### China

#### Rexing JV (Oxiana earning up to 80%)

Drilling has recommenced at the Laoxuzhai project following completion of a geophysical (IP) program which highlighted a number of anomalies proximal to the prospective VHMS horizon identified in 2006. A thick interval of stringer-style pyrite ± chalcopyrite mineralisation was intersected in the first hole of the new program.

Rock chip sampling in a new area to the north of Laoxuzhai returned results up to 8.6g/t Au and 70g/t Ag from zones of outcropping pyrite–barite, close to a soil Au anomaly. Initial drill testing is planned as a part of the current program.

#### Henghao Memorandum of Understanding (MOU)

A MOU was signed with Henghao Group, China's third largest nickel miner, to evaluate several nickel projects. High priority areas have been identified and field work will commence shortly.

Several additional joint venture opportunities and exploration initiatives continued to be advanced to expand Oxiana's base and precious metal interests across China.

### Cambodia

#### Shin Ha JV (Oxiana 80%)

Drilling at Okvau prospect targeted strike extensions to the high grade gold mineralisation reported previously and returned a best result of 2m at 9.3g/t Au. Structural interpretation integrated with recently completed geophysics is being used to better define the high grade shoots prior to further drilling.

Rock chip results from ongoing reconnaissance work to assess the potential of a number of satellite areas has identified gossanous quartz vein and skarn style mineralisation reporting up to 7.3ppm Au and 51ppm Ag. Further detailed sampling is planned.

#### Phnom Chi Memorandum of Intent

A Memorandum of Intent (MOI) was signed with a private Cambodian company covering the Phnom Chi gold project in north central Cambodia. The MOI provides for a joint venture with Oxiana holding a 90% interest in the Phnom

Chi project. Surface exploration has identified five main prospects with rock chip results up to 47.5 g/t Au. Drill targets are being finalised and the program is scheduled to begin in May.

Field assessment of other areas and projects of interest is ongoing.

## Indonesia

### Kalimantan Gold JV (Oxiana earning 66.67%)

A comprehensive compilation and review of multiple datasets for the Kalimantan Gold JV is continuing. Priority drill targets covering three key centres of porphyry-related alteration and mineralisation in the Beruang Kanan area have been identified and a helicopter supported drilling program utilising three diamond drill rigs will commence testing the first of these targets in April.

## New Project Generation

New project generation activities continued across the Indochina-China region and in Australia. Several project reviews and joint venture offers were assessed and some of these opportunities are being further progressed with detailed technical review and field evaluation.

## Acquisition of Agincourt Resources Limited

Oxiana announced a 'friendly' takeover-bid for Agincourt Resources Limited on 29 January 2007. The offer was declared unconditional on 22 March 2007 with more than 50% of acceptances received. The bid was extended on March 30 (with more than 90% of acceptances received) before moving to compulsory acquisition on 10 April and closing the bid on 13 April.

Work to integrate the Agincourt assets into the Oxiana Group commenced in March. Senior management visits were made to all sites and an Oxiana-Agincourt integration team established.

The Agincourt assets include the Martabe gold project in Northern Sumatra, Indonesia, the Wiluna gold mine in Western Australia and 57% of Western Australian Uranium exploration company Nova Energy Limited.

## Martabe

The Martabe project is in the Bankable Feasibility stage. Oxiana anticipates completing the Bankable Feasibility Study in 2007. Work to date has already outlined 6 million ounces of gold and

60 million ounces of silver at Martabe. While studies remain to be assessed and progressed by Oxiana, work to date has indicated that the Martabe project has the potential to produce 250,000oz of gold and approximately 2 Moz of silver per annum, from a conventional CIL plant for at least 9 years. Senior management for the Martabe project is in place and work has commenced to finalise the study. Exploration at Martabe has also recommenced.

## Wiluna

The Wiluna operation is an open pit and underground mine with gold extracted using the BIOX<sup>®</sup> process. Oxiana personnel have commenced work with the Wiluna team to assess the current operation. Oxiana's exploration division has also started work on identifying and assessing immediate exploration potential. The potential for laterite nickel mineralisation is being investigated with an inferred resource of 80.5Mt at 0.77% nickel outlined on the Wiluna exploration lease.

## Mining and Production

Gold production was 24,935oz, with ore sourced from stockpiles, the East Pit and the Woodley and Calais stopes.

## Exploration

Underground diamond drilling targeting the recently discovered Henry 5 zone extended mineralisation to the south on the 500m RL. Several high grade intersections were also returned on the Henry 5 footwall structure that has now been identified as an extension of the Calais Lens 50 footwall structure.

Current indications are the Footwall Lode may develop into another significant mineralised zone adjacent to the main Henry 5 structure.

## Henry 5 Drilling Results.

Table 15

Hole	From (m)	Interval* (m)	Au (g/t)
CADH00570	431.0	7	13.5
CADH00570	403.0	11	8.1
CADH00515	338.0	9	7.8
WDH01083	355.0	6	6.1
CADH00492	146.9	3.1	9.8
WDH01111	551.0	3.5	8.3

Au: \*Fire assay, weighted averages of approximate 1 metre sample intervals, 1.5g/t Au lower cut-off, max 2m internal waste\*.

\*True mineralised widths are approximately 0.6 times down hole interval.

Continuous mineralisation has been confirmed over 100m between Calais Lens 100 and Henry 5 connecting with Henry 5 above the 550m RL. Drilling also indicates strong continuity of the currently mined ore shoot on the 50 lens structure below the 600m RL.

## Calais Lens 50 Drilling Results

Table 16

Hole	From (m)	Interval (m)	Au (g/t)
CADH00496	130.6	11.4	8.6
CADH00513	366.8	1.4	32.3
CADH00497	150	5.4	7.6
CADH00494	93.5	2.9	11.7
CADH00492	146	4	8.5
CADH00489	93	3.2	10.1
CADH00518	398	3	9.6
CADH00488	87.5	2.3	10.8

Au: \*Fire assay, weighted averages of approximate 1 metre sample intervals, 1.5g/t Au lower cut-off, max 2m internal waste\*.

\*True mineralised widths are approximately 0.6 times down hole interval.

## Calais Lens 100 Drilling Results.

Table 17

Hole	From (m)	Interval (m)	Au (g/t)
CADH00527	134	8.3	6.7
CADH00532	93	4	13.8
CADH00526	94	6	8.3
CADH00487	62.3	3.8	12.7
CADH00485	73	7.7	6.1
CADH00520	77.2	6.8	6.2
CADH00513	336.7	4.3	9.7
CADH00491	67	5	7.4
CADH00525	98.4	3.6	8.5
CADH00498	53	4	5.9
CADH00492	62	3	6.6

Au: \*Fire assay, weighted averages of approximate 1 metre sample intervals, 1.5g/t Au lower cut-off, max 2m internal waste\*.

\*True mineralised widths are approximately 0.6 times down hole interval.

### Closing out of the Agincourt hedge book

Upon assuming functional control of Agincourt, the outstanding 69,293oz gold forward sales contracts attributable to Wiluna, maturing between May and September 2007, were closed out. All future Wiluna production will be delivered at spot to retain full exposure to commodity prices.

### Nova Energy Limited (57%)

Mr Peter Lester, Executive General Manager Corporate Development at Oxiana, has been appointed to the Nova Energy Limited Board. Nova's principal project is the Lake Way/Centipede uranium project in Western Australia which is currently under feasibility study.

## Corporate

### Annual General Meeting

The Annual General Meeting of Shareholders of Oxiana Limited will be held at the RACV Club, Level 17, 501 Bourke St, Melbourne, on Wednesday 2 May 2007 at 10.00am (AEST).

### Financial Results

Oxiana's Full Year Financial Results were released to the market on 22 February 2007. Earnings before interest, tax, depreciation and amortisation for the full year were \$810.4 million. The net profit after tax, interest, depreciation and other charges was \$553.2 million.

The record earnings were a result of sound performance at Oxiana's operations and strong prices for the Company's main metals – copper, zinc and gold.

A dividend of 5 cents per share franked to 46% was declared bringing the total dividend for 2006 to 8 cents per share.

### Share Registry

Link Market Services  
Level 9, 333 Collins Street  
MELBOURNE VIC 3000

Telephone:  
Australia: 1300 55 44 74  
International: +61 2 8280 7111  
Facsimile: (02) 9287 0303  
Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)

## Corporate Information

### Board Members

Barry Cusack	Chairman
Owen Hegarty	Managing Director and CEO
Ronald Beevor	Non Executive Director
Peter Cassidy	Non Executive Director
Michael Eager	Non Executive Director
Brian Jamieson	Non Executive Director

### Senior Management

Owen Hegarty	Managing Director and CEO
Peter Albert	EGM Asia
David Forsyth	Company Secretary
Russell Griffin	General Manager Marketing
Peter Lester	EGM Corporate Development
Antony Manini	EGM Exploration & Resources
Stephen Mullen	GM Human Resources
John Nitschke	EGM Australia
Jeff Sells	Chief Financial Officer

### Issued Share Capital

At April 18, 2007  
Ordinary shares 1,528,953,438  
Unlisted options 23,700,000  
US\$105,000,000 of convertible bonds still outstanding, which represents 106,275,304 shares to be issued.

### Share Price Activity for the March Quarter

High \$3.21  
Low \$2.60  
Last \$3.09 (18 April 2007)  
Average daily volume 18.794 million shares

### Registered & Principal Office

Oxiana Limited  
ABN 40 005 482 824  
Level 9, 31 Queen Street  
Melbourne, Victoria, Australia 3000  
Tel: +61 (0)3 8623 2200  
Fax: +61 (0)3 8623 2222  
Email: [admin@oxiana.com.au](mailto:admin@oxiana.com.au)  
Website: [www.oxiana.com.au](http://www.oxiana.com.au)

Investor enquires contact: Richard Hedstrom  
Media enquiries contact: Natalie Worley

Within this statement references to Resources and exploration results have been approved for release by Mr A. Manini BSc(Hons), FAusIMM who is a Competent Person as defined by the JORC Code (2004). He has consented to the inclusion of the material in the form and context in which it appears.

The information in this report that relates to Exploration Results for Wiluna are based on information compiled and reviewed by Paul Tan, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Tan is a full time employee of the Company. He is a Competent Person as defined by the JORC Code (2004). Mr Tan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.