

9 December 2021

## Sale of Jericho and Eloise joint venture interests to Demetallica

- Sale provides joint venture partner the opportunity to progress the projects
- Realises value while optimising exploration portfolio

OZ Minerals (ASX: OZL) today announced it would sell its Jericho and Eloise Joint Venture interests (80 per cent and 70 per cent respectively) to Demetallica, a subsidiary of partner Minotaur Exploration (ASX: MEP), for consideration of A\$6.6 million.

The sale also includes a deferred contingent consideration of up to US\$8.82 million, calculated at the rate of US\$0.04 per pound of payable copper above 200kt contained copper and a further A\$2.75 million upon completion of a pre-feasibility study. The sale is subject to the key transaction terms set out below.

OZ Minerals has copper focused exploration joint ventures with MEP in the Cloncurry region of Queensland and Gawler Craton region of South Australia. The Jericho project (OZL 80%; MEP 20%) and Eloise project (OZL 70%; MEP 30%) are the subject of today's announcement.

A maiden Mineral Resource estimate of the Jericho copper-gold system of 9.1Mt @ 1.4% Cu and 0.3g/t Au<sup>1</sup> was announced in July 2020.

OZ Minerals Managing Director and Chief Executive Officer, Andrew Cole, said:

"Ground EM proved to be effective in the search for buried, non-magnetic but conductive minerals systems Minotaur and OZ Minerals discovered copper and gold mineralisation at the Jericho prospect late in 2017. Subsequent drilling during 2018-2019 led to a Maiden Resource being released to the market in mid-2020.

"Whilst a discovery, the resource at Jericho did not meet our requirements to continue so we have agreed for our partner's subsidiary, Demetallica, to gain 100% ownership of the project.

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<sup>1</sup> Maiden Jericho Resource and Cloncurry exploration update, released 16 July 2020, available at <https://www.asx.com.au/asxpdf/20200716/pdf/44kkzdc6ljty34.pdf>

“Our Exploration strategy is to partner with junior explorers who bring new ideas and regional expertise in a way that allows us to test theories and quickly determine the attractiveness of a project. This is a good example of how our partnering approach allows us to continually turnover our portfolio of exploration projects as we search for our next material discovery.

“We look forward to continuing to work in partnership with MEP under our various joint ventures.”

The key terms and conditions of the transaction include the following:

<b>Sale Interests</b>	<ul style="list-style-type: none"> <li>• OZL’s 80% interest in the Jericho Joint Venture.</li> <li>• OZL’s 70% interest in the Eloise Joint Venture.</li> </ul>
<b>Consideration payable by Demetallica</b>	<ul style="list-style-type: none"> <li>• A\$0.475m non-refundable deposit payable on the Sale Agreement.</li> <li>• A\$6.125m payable on an IPO by Demetallica.</li> <li>• Up to US\$8.82m, calculated at the rate of US\$0.04 per pound of copper that is derived from the Eloise and/or Jericho Joint Venture areas and which forms part of Measured and Indicated resources or tonnes actually mined, exceeding 200,000 tonnes and capped at 300,000 tonnes.</li> <li>• A\$2.75m upon publication or completion of a positive pre-feasibility study in respect of the Eloise and/or Jericho Joint Venture areas or the commencement of mining within those areas.</li> </ul>
<b>Conditions precedent</b>	<p>Completion is conditional upon:</p> <ul style="list-style-type: none"> <li>• Demetallica completing a successful capital raising of A\$10m or more on or before 15 April 2022.</li> <li>• MEP obtaining all regulatory approvals to the sale and purchase of the Sale Interests on or before 15 April 2022.</li> </ul>
<b>Jericho Joint Venture Agreement and Eloise Joint Venture Agreement</b>	<p>Both the Jericho Joint Venture and Eloise Joint Venture will be terminated and each party releases the other party from all obligations and liabilities in relation to each agreement, with effect from Completion.</p>

**This announcement is authorised for market release by OZ Minerals' Managing Director and CEO, Andrew Cole.**

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