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## OZ Minerals set to ride electrification growth wave

- Global demand for copper and nickel set to reach unprecedented highs during this decade and beyond
- OZ Minerals uniquely positioned for the oncoming electrification and decarbonisation era
- Quality low operating cost, long-life assets in low-risk jurisdictions with:
  - brownfields expansions underway at Carrapateena and Prominent Hill
  - greenfield projects well advanced, including West Musgrave
- A unique copper and nickel growth pipeline with a clear pathway to more than double production
- Refreshed strategy from copper focus to modern minerals to align strategy, portfolio and future opportunities

OZ Minerals today outlined a clear pathway to doubling production, amid growing demand for modern minerals driven by global electrification.

At a market presentation on OZ Minerals' province potential and growth outlook, CEO Andrew Cole outlined the company's unique value proposition:

- a suite of quality, long-life, low-cost, low carbon intensity operating assets in low-risk jurisdictions
- key assets with brownfields expansions underway to increase production and extend mine life
- near term greenfields developments such as West Musgrave approaching Final Investment Decision (FID) in the second half of 2022
- an extensive pipeline of growth opportunities
- Industry leading decarbonisation plan focused on net zero by 2030
- a strategy of mining modern minerals, focusing on copper and nickel
- framed by a backdrop of forecast significant demand for modern minerals and in an environment where economic projects in low-risk jurisdictions are scarce.

"We've spent the past seven years creating the company we have today with an abundance of choice and growth options, enabled by a track record of strong operational performance, project execution and prudent capital management. We have evolved from a single open pit mine to three operating assets in two countries with expansions underway, and we are now developing these assets at speed into multi-generational mining provinces.

"Our next growth phase offers options to more than double copper equivalent production from circa 140,000 tonnes at present to over 340,000 tonnes per year.

"Importantly, we have a culture of innovation, collaboration, agility and inclusiveness: OZ Minerals is a place where people want to work. Our stakeholders identify with our strategy, which is now evolving to mining modern minerals as we position ourselves for the electrification era.

"Our strategy is supported by a series of strategic aspirations which focus on decarbonising our operations, lowering our environmental impact, automation and digitalisation, as well as advancing our culture.

"Over the past seven years we've built a company culture and suite of assets that have delivered a 780% return to shareholders. We're now poised for our next chapter of growth."

### **Electrification and the green metals boom**

OZ Minerals' core metals of copper and nickel are some of the most widely used across the clean energy transition.

Copper is expected to play a key role in renewable energy as vital components in wind turbines and solar panels, as well as grid infrastructure and electric vehicles essential to supporting global electrification.

Third party forecaster, CRU Group, sees a significant requirement for the inducement of new supplies of copper, reaching a potential 6.4Mt by 2035. This is equivalent to approximately one third of the total copper market today that needs to come online within 15 years, when the average discovery to mine development period globally is 17 years. Under an upside copper price case, CRU Group forecasts the supply required to be induced driving a long-term copper price of US\$4.38/lb which is +20 per cent above today's spot price, in the long term.

Mr Cole said: "The world is on the cusp of a significant deficit of key modern minerals at a time when demand will rapidly intensify. Clear comparisons can be drawn between the age of electrification and decarbonisation that we're entering and the decades-long iron ore super-cycle that resulted from the industrialisation of China, but this time it is a global phenomenon."

"OZ Minerals is uniquely placed to capitalise on the growing demand for the modern minerals that are integral to this multi-decade electrification and decarbonisation transition, which is only just getting started."

### **Market-leading growth pipeline**

Unique, long-life, low-cost assets in low-risk jurisdictions underpin OZ Minerals' growth options to more than double its production in copper equivalent terms. Rather than just developing a single asset, OZ Minerals looks for province potential where a hub can be established for wider extraction opportunities. With only 57% of the company's existing Resources currently outside of Reserve, there is considerable optionality and upside embedded in the portfolio.

Additional greenfields opportunities include OZ Minerals' West Musgrave copper nickel project in Western Australia, which is on track for a Final Investment Decision later this year, as well as the potential Kalkaroo copper project in South Australia, which is subject to Havilah Resources' shareholder vote on 31 August 2022.

Mr Cole said: "We keep our growth pipeline diverse, with more mature opportunities like the brownfield Carrapateena and Prominent Hill expansion projects, near-term greenfield projects such as West Musgrave, and a number in exploratory stage like Lanavaara and Pantera. This provides optionality and ensures we are selecting only the most value-accretive projects for our shareholders at any point in time."

### **A Modern Mining Company**

"At the centre of our strategy is the concept of creating value for the six stakeholder groups critical to our business – our workforce, our customers, our shareholders, suppliers, governments, and the communities we work amongst. This concept of creating value is embedded in "The OZWay", which explains how all the parts of OZ Minerals fit together and includes our governance framework."

"Our culture is our differentiator and is inextricably linked to how we create and deliver value for our stakeholders. To stay agile and innovative, we encourage our people to work flexibly and remotely, and hierarchy is minimised. Our Purpose, *going beyond what's possible to make lives better*, drives what we do and was co-developed with our people.

"Over the years our strategy has evolved from copper focus to now, modern minerals. It is supported by a series of strategic aspirations. A number of our aspirations direct us towards minimising our environmental footprint and we have built, from the ground up, a decarbonisation roadmap (published in February 2022)<sup>1</sup> towards achieving net zero Scope 1 and 2 operational emissions by 2030.

"Other of these strategic aspirations include partnering, collaborations and alliances, automation and flexibility, as they can accelerate development, reduce costs, manage risks, and effect transformative change across the sector," Mr Cole said.

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

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<sup>1</sup>For further information, refer to OZ Minerals' ASX announcement entitled, "2021 Annual and Sustainability Report" dated 21 February 2022