

# QUARTERLY REPORT

FOR THE THREE MONTHS  
ENDING 31 DECEMBER 2008



## HIGHLIGHTS:

[OZMINERALS.COM](http://OZMINERALS.COM)

### CONTAINED METAL PRODUCTION

COPPER PRODUCED AT SEPON	16,156t
COPPER PRODUCED AT GOLDEN GROVE	2,098t
ZINC PRODUCED AT CENTURY	125,333t
ZINC PRODUCED AT GOLDEN GROVE	59,825t
ZINC PRODUCED AT ROSEBERRY	21,357t
GOLD PRODUCED AT SEPON	27,551oz
GOLD PRODUCED AT GOLDEN GROVE	14,647oz
AVERAGE LME CASH COPPER PRICE	US\$1.77/lb
AVERAGE LME CASH ZINC PRICE	US\$0.54/lb
AVERAGE COMEX GOLD PRICE	US\$797/oz

- **SAFETY:** 6% reduction in total recordable injury frequency rate from Q3.
- **CENTURY:** Strong quarterly zinc production. Lower waste stripping in 2009.
- **GOLDEN GROVE:** Record quarterly zinc production. 2008 zinc production above guidance, copper just below. Closure of Scuddles and re-focus on copper in 2009.
- **SEPON COPPER:** Lower 4Q production but 2008 production at top of guidance. Further increase expected in 2009. Expansion suspended.
- **PROMINENT HILL:** Construction of plant and infrastructure essentially complete. First concentrate expected mid February.
- **ROSEBERRY:** Solid production. Raisebore activity suspended.
- **SEPON GOLD:** 2008 production at high end of guidance.
- **MARTABE:** Construction activities suspended.
- **AVEBURY:** Operations placed on a care and maintenance basis.
- **EXPLORATION:** Excellent results from resource development drilling at Prominent Hill and Sepon.
- **FINANCE:** Good progress continues to be made on debt restructuring.

A handwritten signature in black ink, appearing to read 'Andrew Michelmore'.

**Andrew Michelmore**  
Managing Director & Chief Executive Officer

**OZ MINERALS QUARTERLY ACTIVITIES TO  
DECEMBER 31 2008****SAFETY AND ENVIRONMENT**

During the last quarter OZ Minerals recorded a 6% reduction in total recordable injury rate from 7.8 in Q3 to 7.3 in Q4. OZ Minerals also undertook due diligence across all operations to ensure that the learnings from fatalities at Sepon and Prominent Hill and a serious injury at Century were shared and, where necessary, additional controls implemented.

Five significant environmental incidents were reported for the quarter.

At the Century port facility in Karumba, the Queensland Environmental Protection Agency (EPA) raised a number of concerns regarding dust management and air monitoring at the site. Century subsequently engaged an air emissions specialist to review the monitoring program and data. Discussions are ongoing between Century and the EPA to address the concerns raised.

Four significant environmental incidents were reported by Golden Grove. Three of the incidents relate to the elevated concentration of cadmium in mine water discharge from the site. Upgrade of the mine water treatment system is underway to address this issue, with commissioning work scheduled for completion by March 2009.

The fourth incident at Golden Grove involved the loss of 1,000L of a chemical used routinely in the mining operations. The chemical flowed into the underground mine working and was pumped through the mine water treatment system. Routine monitoring showed that the spill had no effect on the quality of mine water discharge.

**OPERATIONS**

*All 2009 production guidance is for contained metal, on 100% basis. Costs are C1 cash costs, which include by-product credits but exclude royalties and are based on payable metal.*

**SEPON COPPER**

Sepon Copper was affected by an unusually long wet season which had a minor impact on planned ore mined at 339,836t. Ore milled and final copper production were both down from the September quarter's record, primarily due to the previously advised mill shutdown.

Mining costs for the quarter were lower due to the deferral of some costs related to the Khanong cut back.

Despite this, the record total production (stripped tonnes) of 64,075t for the year was at the high end of production guidance.

Production guidance for 2009 is 65,000-68,000t metal at C1 cash cost of US\$1.00-\$1.10/lb.

TABLE 1  
SEPON COPPER PRODUCTION & COST STATISTICS

	DEC QTR '08	YEAR TO DATE
PRODUCTION (STRIPPED TONNES)	16,156	64,075
TOTAL CASH COSTS - US\$/LB	101.4	106.4

**SEPON GOLD**

Similarly to Sepon Copper, ore mined was impacted by the prolonged wet season. However, excellent milling and recovery rates resulted in 27,551oz of gold produced for the quarter. Total annual production of 93,072oz was also at the high end of production guidance.

Production guidance for 2009 is 85,000-100,000oz at C1 cash cost of US\$625-US\$675/oz.

TABLE 2  
SEPON GOLD PRODUCTION & COST STATISTICS

	DEC QTR '08	YEAR TO DATE
PRODUCTION (GOLD* oz)	27,551	93,072
TOTAL CASH COSTS - US\$/oz	526.0	538.3

\* PRODUCTION REPORTED IS GOLD Poured

**GOLDEN GROVE**

Although future production emphasis at Golden Grove will switch towards copper (as previously announced), this quarter reflected strong zinc output, primarily as a result of zinc grades being particularly high (at 17.8%, compared to the 2008 average of 14.4%). Zinc production for the quarter of 59,825t, was a quarterly record, and well above plan. Copper production was lower, at 2,098t. Overall mill throughput was particularly pleasing with new monthly records set for both December and November.

Mining and processing costs were both lower in the quarter reflective of various cost reduction initiatives but also benefited from the substantially higher zinc production.

Total 2008 zinc production at 139,900t was well above the forecast range of 130,000 – 135,000t. Total copper production was slightly under expectations at 18,467t.

On 13 January 2009, OZ Minerals announced that, as part of its ongoing review of operations, it was putting the Scuddles mine on care and maintenance.

As a result of the excellent zinc production rates at Golden Grove in the final quarter, approximately 7,500t of previously forecast 2009 zinc production was pulled forward into the December Quarter. This, combined with a focus in the mining plan at Gossan Hill on copper, means copper production is forecast to increase significantly in 2009.

OZ Minerals confirms previously advised production guidance for Golden Grove of 55,000 – 60,000t of zinc and 40,000 – 45,000t of copper, 4,000 – 6,000t for lead, 28,000 – 34,000oz for gold, 1.1moz – 1.6m oz silver for 2009 with C1 cash cost guidance per pound of payable zinc of US\$0.20-\$0.30/lb.

TABLE 3  
GOLDEN GROVE PRODUCTION & COST STATISTICS

	DEC QTR '08	YEAR TO DATE
CONTAINED METAL IN CONC.		
ZINC (TONNES)	59,825	139,900
COPPER (TONNES)	2,098	18,467
TOTAL CASH COSTS - US\$/LB	51.6	43.1

**CENTURY**

Contained zinc in concentrate production for the quarter was again strong at 125,333t. This was largely the result of higher than planned zinc recovery and mill availability despite lower than expected feed grades. Total contained zinc production for the year was 513,571t.

Contained lead in concentrate production was also similarly strong at 18,864t due to higher feed grades and recovery rates as well as improved availability from the storage dams.

The ore mining transition from Stage 6 to Stage 7 occurred in the December Quarter with minimal disruption. Stage 7 is now the primary ore supply for Century for the next two years. A revised Stage 7 mine design has seen the deferral of approximately 8m BCMs into Stage 8.

This will assist in the smoothing of the pre-strip ramp-down, as well as optimising the machinery fleet over life of mine.

Waste material in 2009 is expected to total only 24m BCM compared to 40m BCM in 2008. In addition, all waste will be placed in-pit in 2009 compared to only 10m BCM in-pit in 2008 with the balance hauled to the surface waste dumps. Total waste stripped in 2010 is now expected to be 26m BCM falling to 15m BCM in 2011.

Despite the heavy rains experienced across the Lower Gulf in early January, wet weather planning has allowed Century to continue operating with only minimal delays which are not expected to impact on production.

Production guidance for 2009 is 475,000-500,000t contained zinc and 35,000-40,000t contained lead at C1 cash cost of US\$0.45-US\$0.55/lb, excluding accelerated stripping costs.

TABLE 4  
CENTURY PRODUCTION & COST STATISTICS

CONTAINED METAL IN CONC.	DEC QTR '08	YEAR TO DATE
ZINC (TONNES)	125,333	513,571
LEAD (TONNES)	18,864	56,387
TOTAL CASH COSTS - US\$/LB	54.5	58.2

#### ROSEBERY

Zinc metal in concentrate production for the December quarter was 21,357t, in line with the previous quarter despite a planned mill shutdown.

Zinc in concentrate production was 18% higher than for the same period last year while ore treated was 18% higher than the comparative quarter as a result of higher mill runtime and improved ore availability.

Lead in concentrate production was 8% higher than the previous quarter and 42% higher than for the same period last year, reflecting higher ore grades and higher tonnes treated. Copper production was lower reflecting the lower recovery rates.

Raisebore activity for the Northern Downcast Shaft has been suspended and all equipment was demobilised in January 2009. Feasibility studies on the surface upgrade have ceased and all resource drilling at the site has also ceased.

Major capital development works have halted in the mine and operating cost reduction actions are being undertaken across the site.

Production guidance for 2009 is 80,000-90,000t contained zinc, 20,000-25,000t contained lead, 15,000 to 20,000oz contained gold and 1.75moz-2.0m oz silver at a C1 cost of US\$0.40-US\$0.50/lb.

TABLE 5  
ROSEBERY PRODUCTION & COST STATISTICS

CONTAINED METAL IN CONC.	DEC QTR '08	YEAR TO DATE
ZINC (TONNES)	21,357	84,939
LEAD (TONNES)	7,954	28,674
TOTAL CASH COSTS - US\$/LB	46.4	40.2

#### AVEBURY

On 19 December, OZ Minerals announced that, in light of current market conditions and a review of the profitability of all its operations, it would be putting the Averbury nickel mine on care and maintenance.

Ore haulage and processing was completed by the end of January with minor residual production during this time.

Some support and management personnel are remaining on site until the end of February.

TABLE 6  
AVEBURY PRODUCTION & COST STATISTICS

CONTAINED METAL IN CONC.	DEC QTR '08	YEAR TO DATE
NICKEL (TONNES)	1,129	2,069
TOTAL CASH COSTS - US\$/LB	7.10	9.90

#### DEVELOPMENT

##### PROMINENT HILL

Construction of the plant and infrastructure is essentially complete with only minor small bore pipe work and electrical and instrumentation works to be completed. The reagent and flotation sections are due for handover for pre-commissioning activities at the end of January. These are the final elements of the plant required for the treatment of ore.

Commissioning of the bore field and reverse osmosis system is nearing completion. Load commissioning of the grinding circuit including mills, rougher flotation cells, thickener and tailings system has commenced.

A total of 65,000 tonnes of low grade rock has been crushed and milled as part of load commissioning of these circuits.

First production of concentrate is now expected in mid February.

Production guidance for 2009 is 85,000t to 100,000t of contained copper and 60,000oz to 70,000oz of gold at a C1 cash cost of US\$0.65-US\$0.75/lb. Not included in this is around US\$0.15c/lb of ore inventory adjustment due to waste stripping above the LOM strip ratio.

##### SEPON COPPER EXPANSION

The second autoclave project, which will improve the reliability and throughput capability of the existing plant, is well advanced. The autoclave is on site and the project will be commissioned during the first quarter of 2009.

The copper expansion project, including the installation of a second 115kv power line from Thakek to the Sepon mine site, was suspended on 25 November as previously advised.

##### MARTABE

As part of its program to defer projects and reduce operating and capital expenditures, OZ Minerals announced on 25 November 2008 that the Martabe project would be suspended and capital expenditure of approximately US\$225 million deferred until after 2009. A number of engineering aspects of the project will be completed and OZ Minerals will also take delivery of some long lead-time items of capital equipment.

##### DUGALD RIVER

The Dugald River Feasibility Study was completed. This indicated a project with an average life of mine operating C1 cash cost of around US\$0.65/lb of zinc for a mine producing 200,000tpa of zinc metal, 25,000tpa of lead metal and 1mozpa silver with a mine life of over 20 years.

Customers in Asia and Queensland had signed non-binding Letters of Intent for the vast majority of Dugald's average annual output.

It is not planned to develop the project at this stage but an ongoing work plan that ensures the project can be developed in the minimum time frame once the decision to proceed is taken is being pursued.

**CANADA**

The Izok Lake Pre-Feasibility Study was completed. The initial capital cost for the project is estimated at over C\$1.0 billion which, given current commodity prices, does not justify proceeding to Full Feasibility. All development activity is on hold and programs are currently focussed on exploration for additional resources.

**EXPLORATION****MINE DISTRICT EXPLORATION****Sepon Copper**

Resource definition drilling programs continue to increase resource confidence and better define zones of higher grade supergene mineralisation at **Thengkhamb South**. Intersections returned during the quarter include:

HOLE	FROM (M)	INTERVAL (M)	CU (%)	AU (G/T)
TKM564	11	47	4.4	0.3
TKM1102	25	8	3.4	
TKM1107	39	40	1.9	0.1
TKM1112	70	15	4.2	0.1
TKM1124	59.4	4.6	8.6	
TKM1129	11	16	3.9	
TKM1147	25	12	3.0	
TKM1150	43	12.8	4.2	
TKM1156	42.7	7.8	4.9	0.1

Exploration drilling activities resumed following the end of the wet season, focussing on the Thengkhamb deposits. Drilling continues to identify new lateral and down-dip extensions to mineralisation, underlining the potential to significantly increase the copper resource inventory. Better results are tabled below, including several exceptionally broad intersections of primary copper-gold from **Thengkhamb East**. Assays are awaited for a large volume of drilling in which broad zones of primary copper sulphide mineralisation have been visually identified.

DEPOSIT	HOLE	FROM (M)	INTERVAL (M)	CU (%)	AU (G/T)	MO (PPM)
THENGKHAM EAST	TKE138	66.3	149.7	1.0	0.5	312
	TKE129D1	94.7	78.6	0.6	0.3	171
	TKE138	13	45	0.8	1.3	125
THENGKHAM NORTH	TKN1037 SURFACE		35	0.9	0.7	90

A large-scale electrical geophysics survey (pole-dipole IP) was completed over the entire Thengkhamb area. Captured data is currently being processed and modelled to assist ongoing drill targeting for both primary and supergene copper mineralisation.

**Sepon Gold**

No significant results were returned from step-out RC drilling at the **Houay Yeng** deposit. At the nearby **Maideng** prospect, east of Houay Yeng, drilling returned encouraging oxide gold results including 7m at 1.3g/t Au from 62m. Follow-up work is required. Mapping and surface sampling continued across several areas, generating new drill targets and advancing existing prospects.

**Golden Grove**

Exploration drilling continued on the southern leases, intersecting five metres of massive pyrite and zinc stringer mineralisation in the **Gossan Valley** area. Assays are awaited. Follow-up down-hole EM surveys have identified a strong off hole conductor adjacent to the current hole and further drilling is planned.

**Prominent Hill**

Outstanding intersections continue to be received from resource definition drilling at the recently discovered Western Copper Zone, 1km west of the open pit mine. Highlights include **72m at 3.7% Cu and 0.3g/t Au**, and **51m at 3.5% Cu and 0.3g/t Au**. These results confirm continuity of copper-gold mineralisation between adjacent sections. To date, strong mineralisation has been delineated over a 200 metre strike length and the deposit remains open in several directions. Resource models are being updated to incorporate these positive results.

Resource development drilling also continued beneath the open pit mine, returning broad intercepts of copper-gold and gold-only mineralisation, including **82.7m at 1.4% Cu and 1.7g/t Au** and **81m at 1.4g/t Au**. These intersections further expand underground resource domains, and confirm strong mineralisation is present at depths greater than 1km.

Better intersections from the resource development program are tabled below:

AREA	SECTION (ME)	HOLE ID	FROM (M)	INTERVAL (M)	CU (%)	AU (G/T)
WESTERN COPPER ZONE	4100	PH08D385*	387.1	43.9	2.1	-
			442	71	2.8	0.1
	4200	PH08D429	420	29	2.2	0.8
		PH08D430	378	86.3	1.9	0.5
	4250	PH08D397	308	24	3.9	0.4
			392	3	-	6.8
			404	44	1.3	0.6
		INCL.	426	22	2.0	0.5
	4250	PH08D435	316	27.1	2.0	0.2
			362	72	3.7	0.3
4300	PH08D434	312	51	3.5	0.3	
UNDER OPEN PIT	5950	PH08D378	795	146	0.9	0.5
			901	40	1.1	0.9
	5975	PH08D379	770.3	82.7	1.4	1.7
	6350	PH08D374	423	5	-	4.1
		435	81	-	1.4	

LOWER CUT-OFFS ARE 0.3% CU AND 0.5G/T AU; INTERNAL DILUTION IS <4M

\* RESULTS RECEIVED IN 3RD QUARTER, 2008 BUT NOT REPORTED PREVIOUSLY

Results were returned from exploration drilling at several regional prospects within the Mt Woods Inlier. At **Triton** (6km southeast of Prominent Hill) an intersection of 11m at 0.5% Cu and 0.3g/t Au was reported within a 120 metre-wide interval of anomalous copper-gold. At **Umbriel** (17km west of Prominent Hill), elevated copper, gold and base metal values were also recorded. Follow-up work is required for

both prospects. An infill-gravity survey is in progress over selected target areas within the Mt Woods project area.

### Martabe

Exploration focussed on refining porphyry copper-gold targets in the Kapur Gambir district, located approximately 30km southeast of the Martabe project. A dipole-dipole IP survey was completed at the **Tani Hill** prospect and data interpretation is underway. Regional mapping and sampling continued at **Gotting Creek** where rock chips returned up to 13.5% Cu and 1.2% Pb + Zn.

### Century

Drilling continued at the **Watson's Lode** prospect, 10km south of Century. A result of **6.6m at 24.1% Zn** from 150.9m was returned from the central area, as well as several other narrower, high-grade intersections. To date mineralisation has been intersected over 1,200 metres of strike, and further work is required to evaluate the resource potential of this zone. IP surveys were conducted over several other near-mine prospects, and data interpretation is in progress.

### Rosebery

Two drill holes were completed at the **Jupiter** prospect with assays still pending. A large geophysical (IP) survey and soil sampling program commenced over the southern Rosebery Mine Lease.

### Avebury

Exploration drilling immediately east of the Avebury underground mine extended known mineralisation and identified new mineralised zones within the ultramafic sequence. Better intersections include **22m at 1.0% Ni** from 315m and **15.3m at 1.2% Ni** from 812m.

At the **Melba Flats** prospect, 15km northeast of Avebury, drilling failed to intersect significant thicknesses of the prospective host sequence. Assays are awaited, although the recent drilling appears to downgrade the depth potential of this area.

### Canada - Nunavut

Strongly mineralised rock chips reporting up to **10.7% Cu** and **5.4% Zn** were returned from prospecting over a large geophysical anomaly. 30km east of the High Lake project. Detailed geophysical surveys and drilling are planned for 2009.

## NEW DISCOVERY PROGRAMS

### Thailand

A total of five holes were completed at the **Thai Iron Project** targeting various magnetic and gravity anomalies. Drilling to date has intersected massive magnetite intervals up to 10m in width within skarn and metamorphic rocks. Several 10m intervals of massive sulphides were also encountered. All assays are pending and further drilling of high priority targets is planned. Applications for additional tenements are being progressed with Thai authorities.

### Cambodia

At the **Okvau** project, extensive surface sampling continued across key target areas. Results to date have been positive with several new drill targets generated. Initial sighter metallurgy completed on composite samples from the recent drilling at Okvau reported encouraging recoveries averaging 67% from short residence bottle roll tests.

Mapping and prospecting at the **Ou Anlong** sedimentary copper project (88% OZ Minerals) has located new copper occurrences in the southern areas of the tenement. The mineralisation appears well defined within the host stratigraphic unit and an RC drilling program is planned to test areas of strongly anomalous copper.

### Indonesia

Surface sampling and alteration mapping commenced at the granted KPs in **Sulawesi** and **Ambon** and several porphyry

Cu-Au drill targets have been identified. These will be further prioritised in the coming quarter.

### Americas

Under the nickel-copper alliance with **Newgenco**, four areas in North America were selected for follow-up work and land positions are being secured.

Final assays were received from drilling at the **La Corazonada** property in Mexico. Following a review of all geological data, the project was terminated.

### China

At the **Xiaosongshan** nickel sulphide project in Inner Mongolia Province (Aoning JV, OZL 80%), modelling of EM and IP geophysical data has identified several target conductors favourably located at the prospective base of the mafic intrusion. Final drill access permits are being processed and the project is ready to be drilled in the coming quarter.

A new Joint Venture was signed with the 607 Team covering exploration for nickel sulphide deposits in Jilin province. This district hosts a large (250kt contained Ni) deposit.

### Tunisia

Final assays were returned from the 2008 drill campaign (OZ-Albidon JV). At the **El Haouaria** prospect, a new surface result of 2.3m at 7.4% Zn highlighted the prospectivity of this poorly explored area. Infill drilling at the **Sidi Bou Aouane** prospect confirmed continuity of mineralisation with 43.9m at 2.6% Zn and geological mapping at the **Jebel Hafer** prospect identified new drill targets.

The exploration program is currently on hold with data compilation and review ongoing.

## MARKETING

Base metal prices fell heavily during October and November but generally stabilised and range-traded during December. Near term supply and demand remained balanced, but prices were driven lower by the pessimistic outlook for longer-term base metals consumption.

The LME cash copper price averaged US\$1.77/lb for the quarter, 49.2% lower than the previous quarter average, and 45.7% lower than the fourth quarter 2007 average.

LME zinc prices fell 33% for the quarter as LME stock levels increased by 100,000 tonnes from historically low levels to 254,000 tonnes, still relatively low at around 9 days global refined consumption. The LME cash nickel price averaged US\$10,842/t for the quarter, 42.8% lower than the previous quarter as demand was hit particularly hard due to contraction in the construction and automotive sectors. The gold price averaged \$796.87/oz for the quarter, down 8.3% from the previous quarterly average.

## PROVISIONAL PRICING

As at the end of the fourth quarter, OZ Minerals had provisionally priced the following payable metal, all of which is expected to be finally priced in the first quarter, 2009.

TABLE 7  
PROVISIONAL PRICING

PAYABLE METAL	TONNES	US\$/T
ZINC (TONNES)	83,440	1,135
COPPER (TONNES)	4,920	2,917

As a consequence of the significant fall in commodity prices in the second half, OZ Minerals expects to record a negative mark to market provisional pricing adjustment of approximately \$A100m for the final six months of 2008.

**CORPORATE****COST REDUCTION PROGRAMS**

In response to the current market conditions, OZ Minerals has instigated a number of initiatives designed to significantly reduce the company's cost base. On 25 November 2008, OZ Minerals announced that it would defer capital expenditure of approximately A\$495 million (net) and reduce operating expenditure budgets in 2009 by approximately A\$185 million. This included:

- The suspension of the Martabe gold silver project in Indonesia;
- The suspension of the Sepon copper expansion;
- Deferral of surface facility renewal at Rosebery;
- Delaying the development of the open pit copper prospect at Golden Grove;
- Deferring the Feasibility Study into the Izok Lake and High Lake projects in Canada; and
- Deferring the Dugald River project.

OZ Minerals subsequently announced that it was putting both its Avebury Nickel mine in Tasmania and Scuddles mine at Golden Grove in Western Australia on care and maintenance until further notice.

It has also established a Business Improvement Challenge to deliver further cost savings in 2009 and further imbed a low-cost business structure.

Between November 2008 and January 2009 these initiatives, combined with the ongoing review of OZ Minerals' business and cost structure, have resulted in a reduction of over 1,200 employee and contractor positions - a 17% decrease in the total workforce. These reductions have come from:

		ACTUAL FTE'S AS AT OCT 31, 2008**	REDUCTIONS* AS AT JAN 13, 2009
AVEBURY	OZ EMPLOYEES	64	60
	CONTRACTORS	168	168
	TOTAL	232	228
CANADA	OZ EMPLOYEES	22	9
	CONTRACTORS	4	2
	TOTAL	26	11
CENTURY	OZ EMPLOYEES	755	81
	CONTRACTORS	367	64
	TOTAL	1122	145
GOLDEN GROVE	OZ EMPLOYEES	479	62
	CONTRACTORS	392	195
	TOTAL	871	257
GROUP OFFICE	OZ EMPLOYEES	229	25
	CONTRACTORS	46	4
	TOTAL	275	29
PROMINENT HILL	OZ EMPLOYEES	203	10
	CONTRACTORS	364	45
	TOTAL	567	55
ROSEBERY	OZ EMPLOYEES	200	0
	CONTRACTORS	330	156
	TOTAL	530	156
SUB-TOTAL	OZ EMPLOYEES	1952	247
	CONTRACTORS	1671	634
	TOTAL	3623	881
SEPON	LAO EMPLOYEES	1256	25
	EXPATS	202	18
	CONTRACTORS	1960	288
	TOTAL	3418	331
TOTAL	OZ EMPLOYEES	3410	290
	CONTRACTORS	3631	922
	TOTAL	7041	1212

\*\* REFLECTS ACTUAL NUMBERS, DOES NOT INCLUDE OPEN POSITIONS

\* INCLUDES EMPLOYEES GIVEN NOTICE

FTE: FULL TIME EMPLOYEE

**DEBT REFINANCING**

As announced on 30 December 2008, OZ Minerals negotiated an extension of the date by which certain of its loan facilities must be refinanced to 27 February 2009. The refinancing negotiations are continuing and good progress is being made. Because of the circumstances pertaining to the extension of the refinancing date, OZ Minerals' shares remain in voluntary suspension.

A bridging loan facility for A\$140 million was secured on 21 January 2009.

Security over certain Australian assets has been granted to Societe Generale while security over certain overseas assets is expected shortly.

Excellent progress has also been made on potential asset sales with a number of expressions of interest received for various assets within the group.

**RESERVE/RESOURCES**

On 23 December, OZ Minerals released its Mineral Resources and Reserves statement as at 30 June 2008.

**SHARE REGISTRY**

Link Market Services  
Level 9, 333 Collins Street, Melbourne, VIC, Australia 3000  
Telephone Australia 1300 55 44 74  
Telephone International +61 2 8280 7111  
Facsimile +61 2 9287 0303  
[registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)

**CORPORATE INFORMATION****ISSUED SHARE CAPITAL AT JANUARY 27, 2009**

ORDINARY SHARES 3,121,339,800

UNLISTED OPTIONS 23,292,175

US\$105,000,000 of convertible bonds outstanding, which represents 111,111,111 shares to be issued.

**SHARE PRICE ACTIVITY FOR THE DECEMBER QUARTER**

HIGH \$1.62

LOW \$0.52

LAST \$0.55 (27 NOVEMBER 2008)

AVERAGE DAILY VOLUME 33.936

MILLION SHARES (UP TO 27/NOV)

**REGISTERED & PRINCIPAL OFFICE**

Level 29 Freshwater Place  
2 Southbank Boulevard Southbank VIC 3006

GPO Box 1291K Melbourne VIC 3001  
T 61 3 9288 0333 F 61 3 9288 0406

Investor enquires contact

Richard Hedstrom  
Group Manager, Investor Relations  
Direct telephone: +61 3 9288 0376  
Email: [richard.hedstrom@ozminerals.com](mailto:richard.hedstrom@ozminerals.com)

Media enquires contact

Sally Cox  
Communications Advisor  
Direct telephone: +61 (3) 9288 0215  
Email: [sally.cox@ozminerals.com](mailto:sally.cox@ozminerals.com)

OZ MINERALS LIMITED  
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.

**OZMINERALS.COM**

## APPENDICES

SEPON COPPER PRODUCTION STATISTICS		
	DEC QTR 08	YTD
ORE MINED (TONNES)	339,836	1,551,067
GRADE - COPPER (%)	6.5	5.3
STRIP RATIO (WASTE/ORE)	4.4	3.2
ORE MILLED (TONNES)	343,306	1,327,591
GRADE - COPPER (%)	5.2%	5.4%
RECOVERY - COPPER (%)	90.3%	90.9%
PRODUCTION (STRIPPED TONNES)	16,156	64,075
CATHODE SOLD (TONNES)	16,327	64,431

SEPON GOLD PRODUCTION STATISTICS		
	DEC QTR 08	YTD
ORE MINED (TONNES)	440,201	1,613,073
GRADE - GOLD (G/T)	1.6	2.2
STRIP RATIO (WASTE/ORE)	4.9	2.4
ORE MILLED (TONNES)	609,363	2,321,764
GRADE - GOLD (G/T)	1.6	1.6
- SILVER (G/T)	3.2	1.7
RECOVERY - GOLD (%)	86.2	74.4
- SILVER (%)	13.2	16.5
PRODUCTION - GOLD (OZ)	27,551	93,072
- SILVER (OZ)	10,394	55,942
SOLD - GOLD (OZ)	30,448	90,808
- SILVER (OZ)	13,319	55,160

\* PRODUCTION REPORTED IS GOLD Poured

GOLDEN GROVE PRODUCTION STATISTICS		
	DEC QTR 08	YTD
MINED - ZINC ORE (TONNES)	321,056	1,042,830
- COPPER ORE (TONNES)	133,349	750,677
GRADE - ZINC (%)	17.8%	14.4%
- COPPER (%)	3.2%	3.5%
MILLED - ZINC ORE (TONNES)	409,244	1,050,792
GRADE - ZINC (%)	16.0%	14.5%
RECOVERY - ZINC (%)	91.6%	91.6%
MILLED - COPPER ORE (TONNES)	57,213	610,643
GRADE - COPPER (%)	4.4%	3.6%
RECOVERY - COPPER (%)	84.3%	83.3%
ZINC CONCENTRATE (TONNES)	116,552	272,378
GRADE - ZINC (%)	51.3%	51.4%
COPPER CONCENTRATE (TONNES)	10,115	87,889
GRADE - COPPER (%)	20.7%	21.0%
HPM CONCENTRATE (TONNES)	15,775	36,367
GRADE - COPPER (%)	6.1%	6.2%
- LEAD (%)	35.9%	36.7%
- GOLD (G/T)	28	37
- SILVER (G/T)	1,696	2,009
CONTAINED METAL IN CONCENTRATES		
ZINC (TONNES)	59,825	139,900
COPPER (TONNES)	2,098	18,467
GOLD (OZ)	14,647	47,755
SILVER (OZ)	1,116,298	3,157,837
LEAD (TONNES)	5,662	13,330
TOTAL CONCENTRATE SOLD (TONNES)		
ZINC	65,309	224,356
COPPER	20,234	90,374
HPM	15,026	17,446
PAYABLE METAL IN CONCENTRATES SOLD		
ZINC (TONNES)	28,228	96,872
COPPER (TONNES)	3,257	17,713
GOLD (OZ)	20,077	26,534
SILVER (OZ)	910,392	1,281,476
LEAD (TONNES)	4,781	5,634

ROSEBERY PRODUCTION STATISTICS		
	DEC QTR 08	YTD
ORE MINED (TONNES)	163,314	734,665
ORE TREATED (TONNES)	202,516	815,345
GRADE - ZINC (%)	11.2	11.1
- LEAD (%)	4.3	4.1
- COPPER (%)	0.3	0.3
- SILVER (G/T)	130	123.2
- GOLD (G/T)	1.6	1.4
RECOVERY - ZINC (%)	88.3	88.6
- LEAD (%)	81.0	79.2
- COPPER (%)	49.2	53.0
- GOLD (%)	21.2	24.7
ZINC CONCENTRATE (TONNES)	35,797	145,243
GRADE - ZINC (%)	55.7	55.4
- SILVER (G/T)	74.8	82.4
- GOLD (G/T)	0.7	0.6
CONTAINING - ZINC (TONNES)	19,929	80,447
- SILVER (OZ)	86,042	384,749
- GOLD (OZ)	746	3,024
LEAD CONCENTRATE (TONNES)	10,950	38,093
GRADE - LEAD (%)	64.6	65
- SILVER (G/T)	1,060	1,163
- GOLD (G/T)	6.2	6.2
- ZINC (%)	11.6	10.1
CONTAINING - LEAD (TONNES)	7,070	24,749
- ZINC (TONNES)	795	3,354
- SILVER (OZ)	373,035	1,424,656
- GOLD (OZ)	2,196	7,640
COPPER CONCENTRATE (TONNES)	1,427	6,658
GRADE - COPPER (%)	20.8	19.4
- SILVER (G/T)	5,706	5,454
- GOLD (G/T)	50	50
CONTAINING - COPPER (TONNES)	296	1,288
- SILVER (OZ)	261,835	1,170,029
- GOLD (OZ)	2,299	10,640
GOLD DORE (OZ)	3,491	15,080
CONTAINING - GOLD (OZ)	2,205	9,401
- SILVER (OZ)	1,143	5,068
TOTAL CONTAINED METAL		
ZINC (TONNES)	21,357	84,939
COPPER (TONNES)	509	2,062
GOLD (OZ)	7,446	30,675
SILVER (OZ)	722,055	2,984,502
LEAD (TONNES)	7,954	28,674
ZINC CONCENTRATE SOLD (TONNES)	35,873	143,096
LEAD CONCENTRATE SOLD (TONNES)	8,930	37,748

AVEBURY PRODUCTION STATISTICS		
	DEC QTR 08	YTD
ORE MINED (TONNES)	163,220	267,670
GRADE - NICKEL (%)	0.91	0.91
ORE TREATED (TONNES)	202,006	336,546
GRADE - NICKEL (%)	0.85	0.91
RECOVERY - NICKEL (%)	68.5%	68.4%
NICKEL CONCENTRATE (TONNES)	7,001	11,797
GRADE - NICKEL (%)	16.1%	17.6%
TOTAL CONTAINED METAL IN CONCENTRATES		
NICKEL (TONNES)	1,129	2,069
NICKEL CONCENTRATE SOLD (TONNES)	6,198	9,347

CENTURY PRODUCTION STATISTICS		
	DEC QTR 08	YTD
ORE MINED (TONNES)	1,513,925	5,283,830
GRADE - ZINC (%)	12.2	13.3
- LEAD (%)	1.5	1.5
- SILVER (G/T)	5.8	4.6
WASTE MINED (TONNES)	28,264,164	111,867,998
ORE TREATED (TONNES)	1,516,883	5,672,022
GRADE - ZINC (%)	10.3	10.5
- LEAD (%)	1.7	1.6
- SILVER (G/T)	49.3	40.8
RECOVERY - ZINC (%)	80.7	79.6
- LEAD (%)	67.9	67.1
ZINC CONCENTRATE (TONNES)	220,032	900,525
GRADE - ZINC (%)	56.4	56.6
- SILVER (G/T)	215	123.4
CONTAINING - ZINC (TONNES)	124,144	509,763
- SILVER (OZ)	1,671,821	3,706,447
LEAD CONCENTRATE (TONNES)	22,760	64,866
GRADE - LEAD (%)	65.5	65.0
- SILVER (G/T)	280	203.7
CONTAINING - LEAD (TONNES)	14,954	42,231
- SILVER (OZ)	231,000	472,516
CONTAINED METAL IN CONCENTRATES		
ZINC (TONNES)	125,333	513,571
SILVER (OZ)	1,902,821	4,178,964
LEAD (TONNES)	18,864	56,387
ZINC CONCENTRATE SOLD (TONNES)	207,309	873,679
LEAD CONCENTRATE SOLD (TONNES)	14,917	53,222

GOLDEN GROVE COSTS (US CENTS PER LB)		
	DEC QTR '08	YTD '08
MINING COSTS	20.7	42.8
TOTAL SITE PROCESSING COSTS	7.6	14.3
ZINC TC AND TRANSPORT	38.9	41.1
NET BY-PRODUCT CREDIT (INCL PROCESSING/TC/RC/TRANSPORT)	(22.7)	(69.0)
OTHER DIRECT CASH COSTS	3.5	5.4
TOTAL C1 COSTS	48.0	34.6
ROYALTIES	1.5	4.6
OTHER INDIRECT COSTS	2.1	3.9
TOTAL CASH COSTS	51.6	43.1
DD&A	7.5	19.4
OTHER NON CASH COSTS	1.0	(0.6)
TOTAL COSTS	60.1	62.0

CENTURY COSTS (US CENTS PER LB)		
	DEC QTR '08	YTD '08
OPERATING	27.55	30.6
ZINC TC AND TRANSPORT	29.24	31.6
NET BY-PRODUCT CREDIT (INCL PROCESSING/TC/RC/TRANSPORT)	(4.01)	(6.1)
TOTAL C1 COSTS	52.8	56.1
ROYALTIES	1.7	2.1
OTHER DIRECT CASH COSTS	-	-
TOTAL CASH COSTS	54.5	58.2
DD&A	21.1	23.6
OTHER NON CASH COSTS	-	-
TOTAL COSTS	75.6	81.8
\$67.5M WAS SPENT IN 4Q ON ACCELERATED PRE STRIPPING OF 25.9MT OF WASTE (\$78.4M FOR 28MT IN THE 3Q)		

SEPON COPPER COSTS (US CENTS PER LB)		
	DEC QTR '08	YTD '08
MINING COSTS	4.4	8.0
MINE SITE PROCESSING COSTS	37.4	36.4
MARKETING AND TRANSPORT COSTS	6.7	6.1
OTHER DIRECT CASH COSTS	41.3	34.0
TOTAL C1 COSTS	89.8	84.6
COPPER ROYALTY	5.6	13.1
OTHER INDIRECT CASH COSTS	6.0	8.7
TOTAL CASH COSTS	101.4	106.4
DD&A	18.4	16.4
OTHER NON CASH COSTS	1.1	1.1
TOTAL COSTS	121.0	124.0

ROSEBERY COSTS (US CENTS PER LB)		
	DEC QTR '08	YTD '08
OPERATING	64.7	67.4
ZINC TC AND TRANSPORT	30.6	31.3
NET BY-PRODUCT CREDIT (INCL PROCESSING/TC/RC/TRANSPORT)	(48.8)	(59.7)
TOTAL C1 COSTS	46.5	39.0
ROYALTIES	0.0	1.2
OTHER DIRECT CASH COSTS	-	-
TOTAL CASH COSTS	46.4	40.2
DD&A	10.9	19.3
OTHER NON CASH COSTS	-	-
TOTAL COSTS	57.3	59.5

SEPON GOLD COSTS (USD PER OZ)		
	DEC QTR '08	YTD '08
MINING COSTS	154.3	135.6
MINE SITE PROCESSING COSTS	138.2	156.9
NET BY PRODUCT CREDIT (INCL. RC AND TRANSPORT)	(5.0)	(8.9)
TRANSPORT, REFINING AND MARKETING COSTS	3.0	3.7
ROYALTIES	40.2	38.1
OTHER DIRECT CASH COSTS	195.1	213.0
TOTAL CASH COSTS	526.0	538.3
DD&A	135.5	129.7
CAPITALISED MINE DEVELOPMENT/DEFERRED WASTE STRIPPING	74.9	88.7
OTHER NON CASH COSTS	14.4	31.5
TOTAL COSTS	751	788

AVEBURY COSTS (USD PER LB)		
	DEC QTR '08	YTD '08
OPERATING	6.7	9.6
NICKEL TC AND TRANSPORT	0.6	0.5
NET BY-PRODUCT CREDIT (INCL PROCESSING/TC/RC/TRANSPORT)	(0.3)	(0.3)
TOTAL C1 COSTS	7.0	9.8
ROYALTIES	0.3	0.1
OTHER DIRECT CASH COSTS	-	-
TOTAL CASH COSTS	7.1	9.9
DD&A	5.5	5.3
OTHER NON CASH COSTS	-	-
TOTAL COSTS	12.6	15.2

**Note:** All costs are on a units of payable production basis. Prior to 3Q 2008 Golden Grove was calculated on a units of contained metal basis.

Sepon copper costs now do not include the copper cathode premium which for Q4 was US\$4.1/lb.

Century and Rosebery year to date numbers are for the 12 months to date whereas their contribution to the OZ Minerals financial statements will be from July 1, 2008.

Base metal mine costs are prepared in line with Brook Hunt cost guidelines whereas Sepon gold is prepared in line with NAGIS reporting standards.

By product credits for unit cost calculations are prepared in line with Brook Hunt guidelines and are based on the notional sales revenue, whereby actual production for the quarter is multiplied by the average price for the quarter.