

12 NOVEMBER 2018

Underground Ore Reserve growth at Prominent Hill extends mine life to 2030

- **Prominent Hill underground Ore Reserve increased to 40Mt @ 1.7% copper equivalent¹ with a 50% increase in Proved Reserves**
 - **Mine life extended to 2030 with circa 80Mt of underground Resource outside of Reserve**
- **Fremantle Doctor initial estimated Inferred Resource of 104Mt @ 0.7% copper and 0.5g/t gold provides further optionality in life of province planning**
- **Carrapateena Mineral Resource and Ore Reserve restated from 2017; updates to be provided through 2019 following further drilling**

OZ Minerals has released updated Mineral Resource and Ore Reserve estimates as at 30 June 2018 for Prominent Hill and an initial Inferred Resource for Fremantle Doctor as at 12 November 2018. The Carrapateena Mineral Resource and Ore Reserve has been restated from 2017. Highlights from the update include:

Prominent Hill Province*

Prominent Hill Category (estimated) ¹	Tonnes	Cu	Au	Ag	Cu	Au	Ag	Increase / Decrease ²
	(Mt)	(%)	(g/t)	(g/t)	(kt)	(koz)	(Moz)	
Total copper Mineral Resource	130	1.1	0.6	3	1500	2400	12	↓ 7%
Total Ore Reserve	69	1.0	0.6	3	660	1300	6	↓ 7%
Underground Ore Reserve	40	1.3	0.6	3	530	760	4	↑ 2%
Includes: Proved underground Ore Reserve	28	1.4	0.6	3	410	510	3	↑ 50%
Proved copper stockpiles	13	0.8	0.5	2	110	200	1	↑ 8%
Proved gold stockpiles	15	0.1	0.8	2	17	380	1	—

1: In Situ Cut-off = nominal A\$52/t NSR envelope; Stockpile Cut-off = A\$16/t NSR. 2: Change in mineralisation tonnes versus 2017

Decreases in Prominent Hill copper and gold Mineral Resources and Ore Reserves were primarily due to mining depletion from both the open pit and underground.

A 2% increase in underground Ore Reserve after mining depletion has extended the Prominent Hill mine life by another year, enabling the expected underground production rate of 3.5-4.0Mtpa[#] from 2019 to continue into 2030.

Underground Ore Reserve tonnes and contained metal remain in line with the prior year, with open pit and underground mining depletion partially offset by increases in underground Ore Reserves. Improved geological confidence from diamond drilling activity through the year has resulted in Proved underground Ore Reserves increasing by 50% to 28Mt.

Stockpiles grew by ~6% to 29Mt, with copper metal up ~12% and gold metal up ~6%. Stockpile growth was due to higher volume and lower stripping from the open pit, partially offset by the commencement of stockpile processing following the open pit closure late in Q1 2018. Stockpile processing will maintain the plant at full capacity to 2023.

Approximately 254koz of stockpiled gold is currently hedged at an average price of A\$1,738/oz, representing more than A\$440 million of secured revenue.

Carrapateena Province*

Fremantle Doctor Category (estimated) ³	Tonnes	Cu	Au	Ag	Cu	Au	Ag	Increase /
	(Mt)	(%)	(g/t)	(g/t)	(kt)	(koz)	(Moz)	Decrease
Total Inferred Resource	104	0.7	0.5	3	800	1,600	10	Initial

3: In Situ Cut Off = 0.4% Cu based on a nominal mining cost of A\$50/t.

An initial estimated Inferred Resource of 104Mt @ 0.7% copper and 0.5g/t gold has been released for Fremantle Doctor. This Resource lies just over 2km from the Carrapateena ore body and will be considered in the broader Carrapateena life of province planning and expansion studies as an adjunct development to the Carrapateena project.

Carrapateena Category (estimated)	Tonnes	Cu	Au	Ag	Cu	Au	Ag	Increase /
	(Mt)	(%)	(g/t)	(g/t)	(kt)	(koz)	(Moz)	Decrease
Total Mineral Resource ⁴	134	1.5	0.6	6.5	1970	2570	28	Restated
Total Ore Reserve ⁵	79	1.8	0.7	8.5	1400	1800	22	Restated

4: In Situ Cut-off = nominal A\$70/t NSR envelope. 5: In Situ Cut-off at A\$90/t NSR.

The 2017 Carrapateena Mineral Resource and Ore Reserve estimates have been restated for 2018 due to limited drilling activity during the year. The Mineral Resource estimate is expected to be updated in Q1 2019 and Ore Reserve estimates will be updated in Q4 2019 on commencement of production.

OZ Minerals Managing Director and Chief Executive Officer, Andrew Cole, said "Prominent Hill has again demonstrated the ability to extend mine life through conversion of its extensive Resource base, whilst reliably delivering production and costs to guidance.

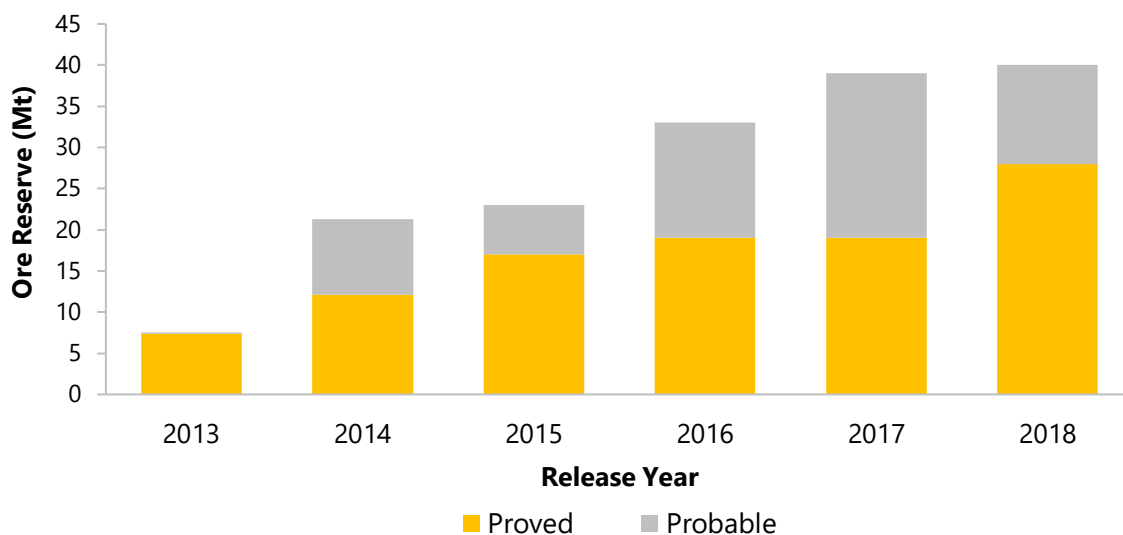
"A 50% increase to underground Proved Reserves has materially increased confidence in the Prominent Hill ore body and further de-risked Life of Mine planning. With an estimated 80Mt of underground Mineral Resource outside of the Ore Reserve, we will continue our drilling program to convert more material into Reserves, with the aim of extending mine life year on year.

"We are also very pleased to announce the initial Inferred Resource for Fremantle Doctor. This provides another valuable input into our life of province planning and will help inform our expansion studies that are currently in progress.

"In addition to releasing an updated Carrapateena Mineral Resource estimate in Q1 2019, we are working on updated resource statements for West Musgrave, Antas, Pedra Branca and CentroGold, and an initial resource statement for Pantera. These will be progressively released through 2019 and build on the consolidated OZ Minerals position."

An animated sequence of the revised underground mine plan can be viewed at:
<http://ozminerals.com/media/gallery>

Prominent Hill Underground Ore Reserve Growth



Summary of Prominent Hill and Carrapateena province Mineral Resource estimates at 30 June 2018*

Mineral Resources		Classification	Tonnes	CuEq ⁱ	Cu	Au	Ag	Cu	Au	Ag
			Mt	%	%	g/t	g/t	kt	koz	Moz
PROMINENT HILL PROVINCE	Copper Mineral Resource ⁶	Measured	63	1.5	1.2	0.5	3	760	1,100	6
		Indicated	23	1.4	1.1	0.6	3	240	430	2
		Inferred	46	1.4	1.0	0.6	2	480	850	4
		Sub-Total	130	1.4	1.1	0.6	3	1,500	2,400	12
	Gold Mineral Resource ⁶	Measured	15	0.5	0.1	0.8	2	17	380	1
		Indicated	2	1.3	0.0	2.3	1	0.9	160	0.1
		Inferred	3	1.5	0.0	2.7	0.7	1	250	0.1
Sub-Total		20	0.7	0.1	1.2	2	19	790	1	
CARRAPATEENA PROVINCE	Carrapateena Mineral Resource ⁷	Measured	61		1.4	0.6	6	880	1,200	12
		Indicated	65		1.8	0.6	7	1,000	1,300	15
		Inferred	8		0.8	0.4	4	60	90	1
		Sub-Total	130		1.5	0.6	7	2,000	2,600	28
	Fremantle Doctor Mineral Resource ⁸	Inferred	100		0.7	0.5	3	800	1,600	10
		Sub-Total	100		0.7	0.5	3	800	1,600	10
Prominent Hill and Carrapateena province total[^]			390		1.1	0.6	4	4,200	7,300	51

6: In Situ Cut-off = nominal A\$52/t NSR envelope; Stockpile Cut-off = A\$16/t NSR. 7: In Situ Cut-off = nominal A\$70/t NSR envelope 8: In Situ Cut Off = 0.4% Cu based on a nominal mining cost of A\$50/t. ^Grades calculated as a weighted average of sub-total tonnes and grades.

**Summary of Prominent Hill and Carrapateena province Ore Reserve estimates
at 30 June 2018***

Ore Reserves		Classification	Tonnes	CuEq ⁱ	Cu	Au	Ag	Cu	Au	Ag
			Mt	%	%	g/t	g/t	kt	koz	Moz
PROMINENT HILL PROVINCE	PH Copper Ore Reserves ⁹	Proved	42	1.5	1.2	0.5	3	520	710	4
		Probable	12	1.5	1.1	0.7	3	120	250	1
	PH Gold Ore Reserves ⁹	Proved	15	0.5	0.1	0.8	2	17	380	1
		All PH Ore Reserves ⁹	Proved	57	1.3	0.9	0.6	3	530	1,100
	Probable		12	1.5	1.1	0.7	3	120	250	1
	Sub-Total	69	1.3	1.0	0.6	3	660	1,300	6	
CARRAPATEENA PROVINCE	Carrapateena Copper Ore Reserves ¹⁰	Probable	79	2.3	1.8	0.7	9	1,400	1,800	22
		Sub-Total	79	2.3	1.8	0.7	9	1,400	1,800	22
Prominent Hill and Carrapateena province total[^]			150	1.8	1.4	0.7	6	2,100	3,100	28

9: In Situ Cut-off = nominal A\$52/t NSR envelope; Stockpile Cut-off = A\$16/t NSR. 10: In Situ Cut-off at A\$90/t NSR. ^Grades calculated as a weighted average of sub-total tonnes and grades.

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ⁱ The copper equivalent per cent was calculated with the following formulas:

Prominent Hill Cu Eq% = (Cu % + ((Au g/t * Au US\$/oz * Au Rec) + (Ag g/t * Ag US\$/oz * Ag Rec)) * 100 / (2205 * Cu US\$/lb * Cu Rec * 31.1)). Based on assumed recoveries of 88% for Cu, 71% for Au and 72% for Ag.

Carrapateena Cu Eq% = Cu (%) + Au (g/t) × 0.6354 + Ag (g/t) × 0.009425. Based on assumed recoveries of 91% for Cu, 73% for Au and 79% for Ag.

In the company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

* Tables subject to rounding errors. Please refer to relevant Mineral Resource and Ore Reserve Explanatory Notes and Table 1 for full details.

Forward Looking Statements

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Certain statistical and other information included in this document is sourced from publicly available third party sources and has not been independently verified.

All figures are expressed in Australian dollars unless stated otherwise.

This document should be read in conjunction with the following documents:

- Prominent Hill Mineral Resources and Ore Reserves Statements and Explanatory Notes as at 30 June 2018
- Fremantle Doctor Project Mineral Resource Statement and Explanatory Notes as at 12 November 2018
- Carrapateena Project Mineral Resource Statement and Explanatory Notes as at 18 November 2016
- Carrapateena Project Ore Reserve Statement and Explanatory notes as at 4 August 2017

Production Target Cautionary Statement

The Production Targets referred to in this ASX release in so far as they relate to the entire Prominent Hill Asset are based on 77% Proved Ore Reserves, 17% Probable Ore Reserves, 1% Measured Mineral Resources, 1% Indicated Mineral Resources and 4% Inferred Mineral Resources. In so far as they relate to production targets only for the Underground, are based on 64% Proved Ore Reserves, 27% Probable Ore Reserves, 1% Measured Mineral Resources, 1% Indicated Mineral Resources and 7% Inferred Mineral Resources. The modifying factors used in the estimation of the Ore Reserve were also applied to the Mineral Resources in the generation of the production target. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production targets will be realised.

The Ore Reserve and Mineral Resource estimates underpinning the production targets were prepared by a Competent Person in accordance with the JORC Code 2012.

The material assumptions used in the estimation of the production targets and associated financial information can be found in the attached appendix - Prominent Hill 2018 Mineral Resource and Ore Reserve Statement and Explanatory Notes, as at 30 June 2018 released on 12 November 2018.

Competent Persons' Statements:

The information set out in these tables is a summary of information compiled by the competent persons listed in the table below, as set out in the following documents:

- Prominent Hill Mineral Resources and Ore Reserves Statements and Explanatory Notes as at 30 June 2018
- Fremantle Doctor Project Mineral Resource Statement and Explanatory Notes as at 12 November 2018
- Carrapateena Project Mineral Resource Statement and Explanatory Notes as at 18 November 2016
- Carrapateena Project Ore Reserve Statement and Explanatory notes as at 4 August 2017

These documents are available at: www.ozminerals.com/operations/resources-reserves/

The information in this report that relates to Mineral Resources and Ore Reserves is based on and fairly represents information and supporting documentation compiled by the competent persons who consent to the inclusion in the report of the matters based on their information in the form and context in which they appear and has been reported in accordance with the guidelines defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2012 Edition).

Activity	Competent Person	Organisation Membership	OZ Minerals Relationship
Prominent Hill Mineral Resource	Colin Lollo	AusIMM - Member	OZ Minerals full-time employee
Prominent Hill Ore Reserve	Hendric	AusIMM - Member	OZ Minerals full-time employee
Fremantle Doctor Mineral Resource	Heather Pearce	AusIMM - Member	OZ Minerals full-time employee
Carrapateena Mineral Resource	Stuart Masters	AusIMM - Member	CS-2 Pty Ltd full-time employee
Carrapateena Ore Reserve	Murray Smith	AusIMM - Member	Mining Plus Pty Ltd full-time employee