



2020 Half Year Financial Results Presentation

19 AUGUST 2020



A modern
mining company

Disclaimer

Forward Looking Statements

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OZ Minerals financial results are reported under International Financial Reporting Standards (IFRS). This release includes certain non-IFRS measures including Underlying EBITDA, Underlying EBIT and Underlying NPAT. These measures are presented to enable understanding of the underlying performance of the Company without the impact of non-trading items such as impairment and litigation settlement expense. Non IFRS measures have not been subject to audit or review.

Underlying EBITDA and Underlying NPAT are included in the Review of consolidated financial results and operations and Note 1 Operating Segments, which form part of the Financial Report.

All figures are expressed in Australian dollars unless stated otherwise.

This presentation should be read in conjunction with the 2020 Half Year Financial Results released today.

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

2020 H1 Highlights

Underlying NPAT of \$80 million (up 82%) on higher volumes and a strong gold price
EBITDA of \$251 million (up 55%) at a robust operating margin of 44%
Strong operating cash flows of \$151 million (up 49%)
Fully franked interim dividend of 8 cps declared; DRP reinstated

2020 guidance upgrades across all operations following strong H1 performance

Strong balance sheet enables previously deferred funding to be partially released

Carrapateena ramp up exceeding expectations; Block Cave Expansion PFS shows significant value uplift

Prominent Hill is one of the lowest cost producing copper mines in the world today

Consolidating ownership of the West Musgrave Project to 100% through Cassini acquisition

Accelerating strategic aspirations including normalising flexible and remote working; accelerating organic growth pipeline

Aspirations deliver strategy

COVID response – Project Beyond supports our Aspirations

PARTNERING

- Our business model empowers Assets to optimise for their local conditions
- We deliver the activities along our value chain to enable our local stakeholder aspirations for generations to come
- We work closely with our stakeholders to create mutual value by building each other's capability and capacity

GLOBAL COPPER

- We responsibly produce clean value-adding products in partnership with our customers in a transparent manner

LEAN AND INNOVATIVE

- We strive to minimise water use and add value when we do
- We will emit zero Scope 1 emissions and strive to systemically reduce Scope 2 & 3 emissions across our value chain
- We consume and produce in a way that generates zero net waste and creates value for stakeholders
- We use data and technology for tactical decision making, repetitive work and to improve safety, allowing our people to focus on complex and innovative thinking
- Our simplified systems and processes are a competitive advantage

DEVOLVED AND AGILE

- We work with the best talent and capability no matter where it resides, driving an outcome-based organisation
- Our assets are brought to full value early through a rapid approach to our project pipeline and provide optimal value for stakeholders
- Our Assets are scalable and adaptive
- We are a low bureaucracy organisation structured around the work to be done rather than traditional concepts of roles, to enable rapid decision-making free from traditional hierarchy



HOW WE WORK TOGETHER

- We are a virtual organisation, bound by our Purpose and Aspirations, not by geography or physical infrastructure
- We challenge all assumptions about how and where work needs to be done and what's possible
- We deliberately weave personal and professional growth into our everyday work, enabling people to do the best work of their lives

INVESTING RESPONSIBLY

- Our partnering and diversified ownership models create shared responsibility across all stakeholders
- We attract investment due to how we operate, our strong financial returns and our top quartile shareholder returns

**23 ACCELERATION PRIORITIES
SUPPORT THE ASPIRATIONS ABOVE**

Priorities support the Aspirations and Strategy

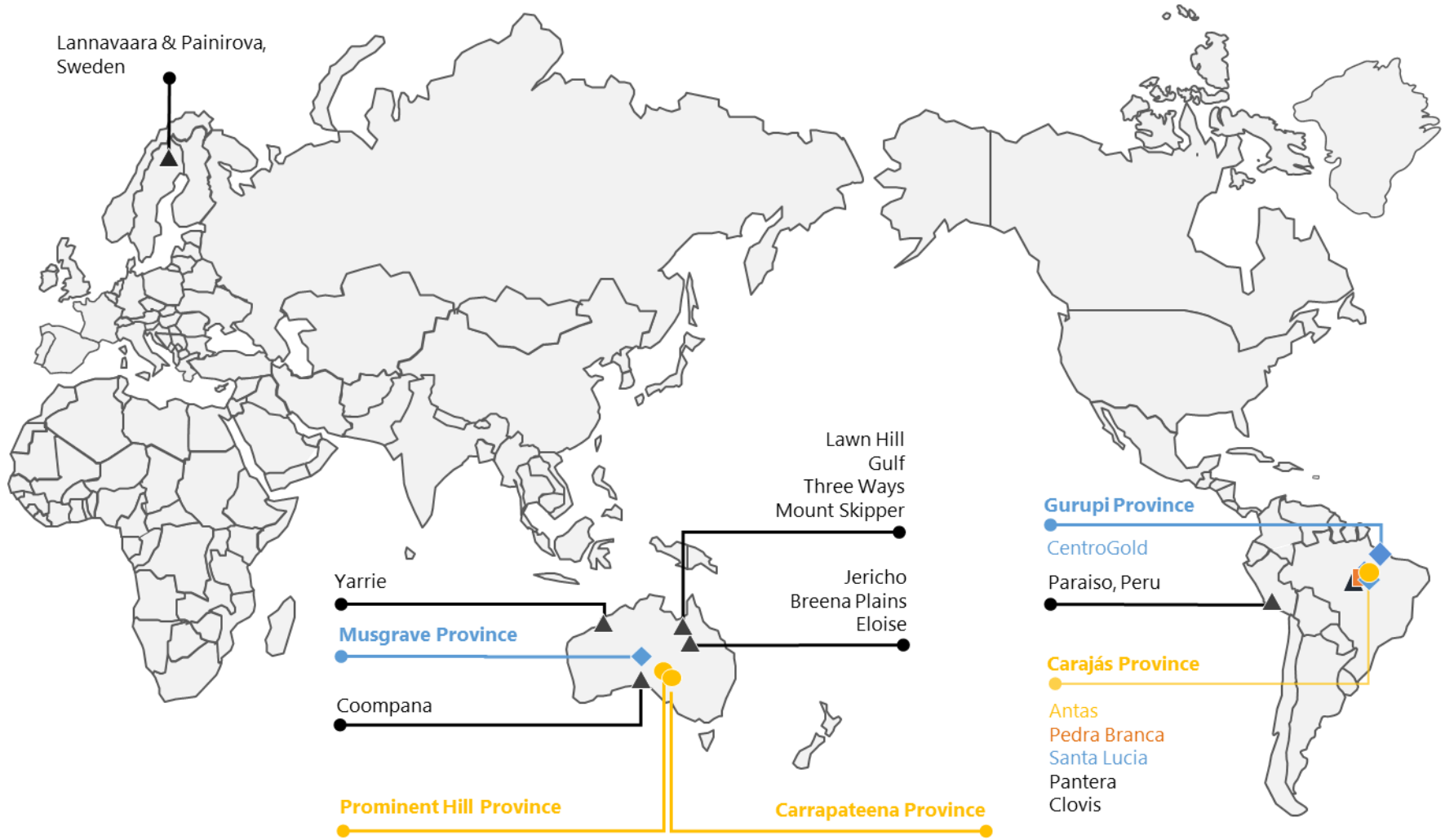
Project Beyond acceleration priorities

Acceleration Priorities

- / Flexible workforce
 - / work life plans
 - / remote working where possible
 - / remote operations centres
- / Accelerate organic growth pipeline including
 - / bring forward Prominent Hill decline
 - / update CentroGold PFS
 - / resume exploration and resource drilling
- / Agile
 - / project management
 - / mindset
- / Ethical and sustainable
 - / reduce high-emissions use
 - / baseline scope 3 emissions
 - / concentrate traceability
- / Innovation
 - / making it easier to bring forward and develop ideas
- / Data
 - / greater use of data to make faster, better decisions
- / Partnering for mutual value and better outcomes



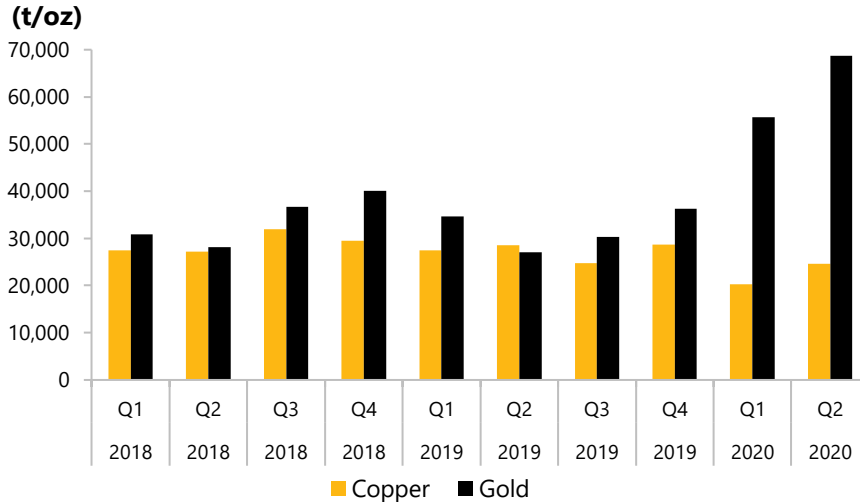
Company Snapshot



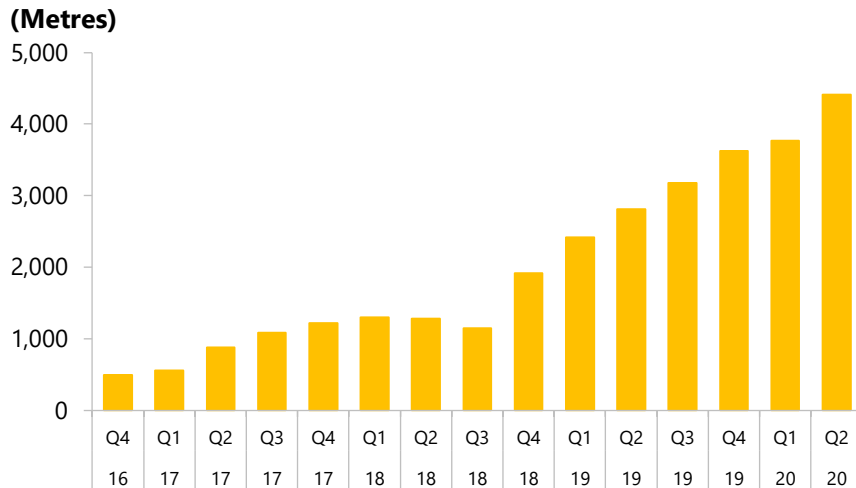
H1 2020 Performance

Delivering on production

CONTAINED COPPER AND GOLD PRODUCED



CARRAPATEENA DEVELOPMENT METRES



PROMINENT HILL RELIABILITY AND GROWTH

- / On track to achieve recently raised 2020 guidance:
 - / Gold production guidance raised following ore grade and recovery improvements
 - / C1 cost guidance of US (40)–(30) c/lb; one of the world’s lowest cash cost copper producing mines
- / Malu paste plant commissioned
- / Underground haulage on track for full year guidance of 3.7–4.0Mtpa; ~4.5Mtpa run rates achieved in July
- / Accelerated decline development to further consolidate UG ore movement and increase mining rates to between 4–5 Mtpa from 2022; enabler for shaft haulage expansion
- / Shaft haulage expansion study update expected Q4

CARRAPATEENA RAMPING UP

- / Copper and gold production guidance recently raised with reduced C1 and All-In Sustaining Costs for 2020
- / Ramp up performance exceeding expectations and on track for 4.25Mtpa run rate by year-end

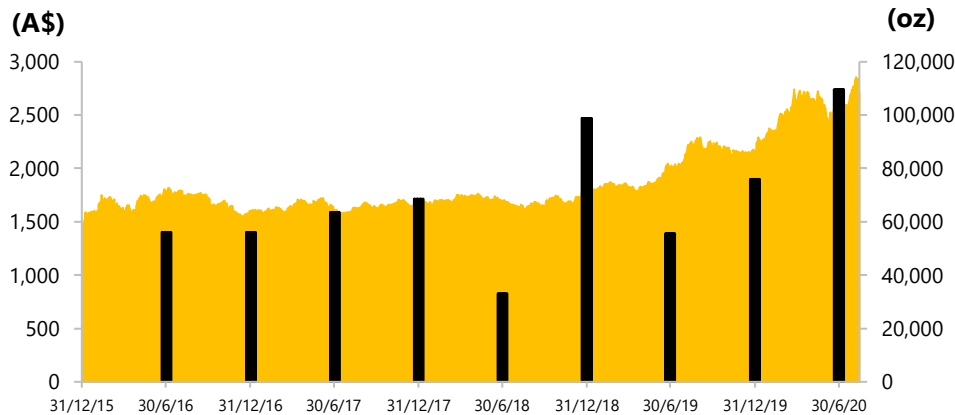
CARAJÁS HUB STRATEGY PROGRESSING

- / Pedra Branca development ore stockpiled for Q3 processing
- / Utilisation of Vale’s port and rail infrastructure commenced
- / Ore sorting equipment installed and operating at Antas

H1 2020 Performance

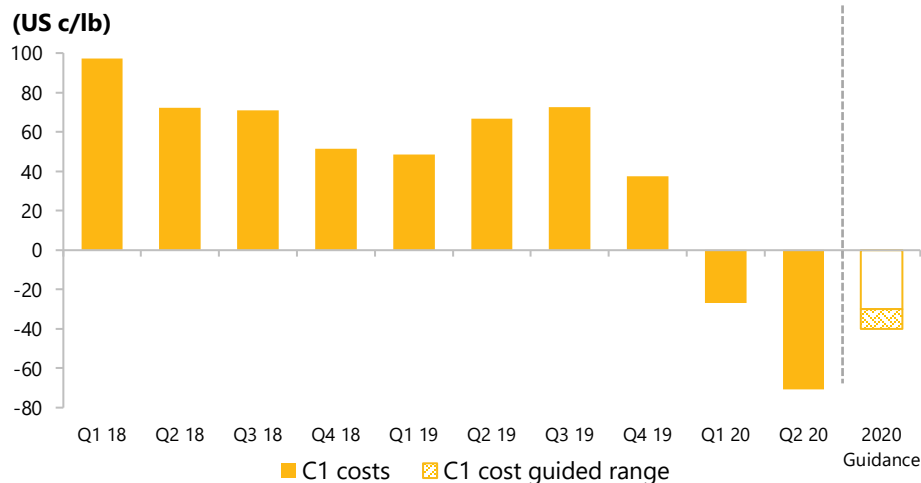
Strong financial results and cash generation

A\$ SPOT GOLD PRICE vs GOLD SALES



Source: Bloomberg ■ A\$ Spot Gold (LHS) ■ HY Gold Sales Volume (RHS)

PROMINENT HILL C1 COSTS*



* Prominent Hill open pit closed end Q1 2018; 2020 C1 cost guidance is (40)-(30) US c/lb

STRONG PERFORMANCE VS COMPARATIVE PERIOD

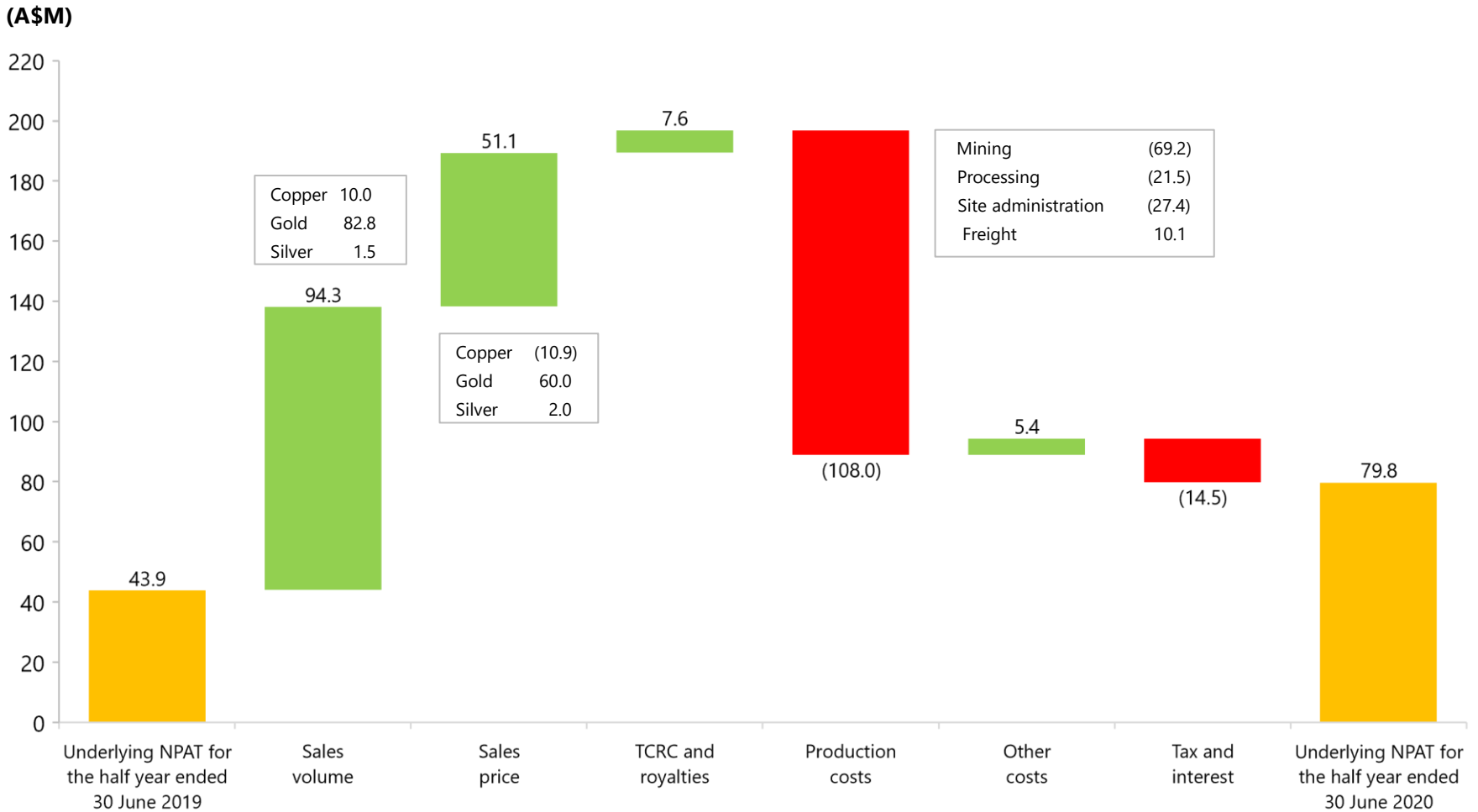
- / H1 2020 financial performance:
 - / Net revenue of \$576 million (up 37%)
 - / Underlying EBITDA of \$251 million (up 55%)
 - / Underlying NPAT of \$80 million (up 82%)
 - / Earnings per share of 25 cps (up 81%)
- / Improved financial metrics versus H1 2019 driven by higher gold volumes and price
- / \$37 million net proceeds from sale of Carrapateena concentrate attributable to ore mined during development recognised as a reduction against capitalised development costs
- / Operating cash flows of \$151 million with closing cash at \$115 million and debt at \$100 million; revolving credit facility extended to \$480 million
- / Strong cash flows expected to continue with Carrapateena ramp up and stockpile processing at Prominent Hill
- / Fully franked interim dividend of 8 cps to be paid in October 2020; Dividend Reinvestment Plan reinstated

Income Statement

A\$M	Jun-19	Jun-20	
Revenue	419	576	Higher gold volumes and price, excludes \$37 million net revenue from Carrapateena allocated against capital costs
Cost of goods sold	(195)	(308)	Inclusion of Carrapateena and higher proportion of underground ore at Prominent Hill
Net foreign exchange gain/(loss)	(2)	2	
Exploration, studies and drilling	(37)	(25)	Investment into Carrapateena expansion and province studies, Carajas, exploration earn-ins and corporate development
Head office costs	(17)	(20)	
Other net benefit/(expense)	(5)	26	Provision for potential one off legal costs
Underlying EBITDA	163	251	
Net Depreciation	(89)	(127)	Includes NRV write up in relation to inventory due to higher gold price assumptions
Underlying EBIT	74	124	
Tax, net interest	(30)	(44)	Tax expense higher with higher profit and financing costs related to debt and leases
Underlying NPAT	44	80	

Underlying NPAT: H1 2020 vs. H1 2019

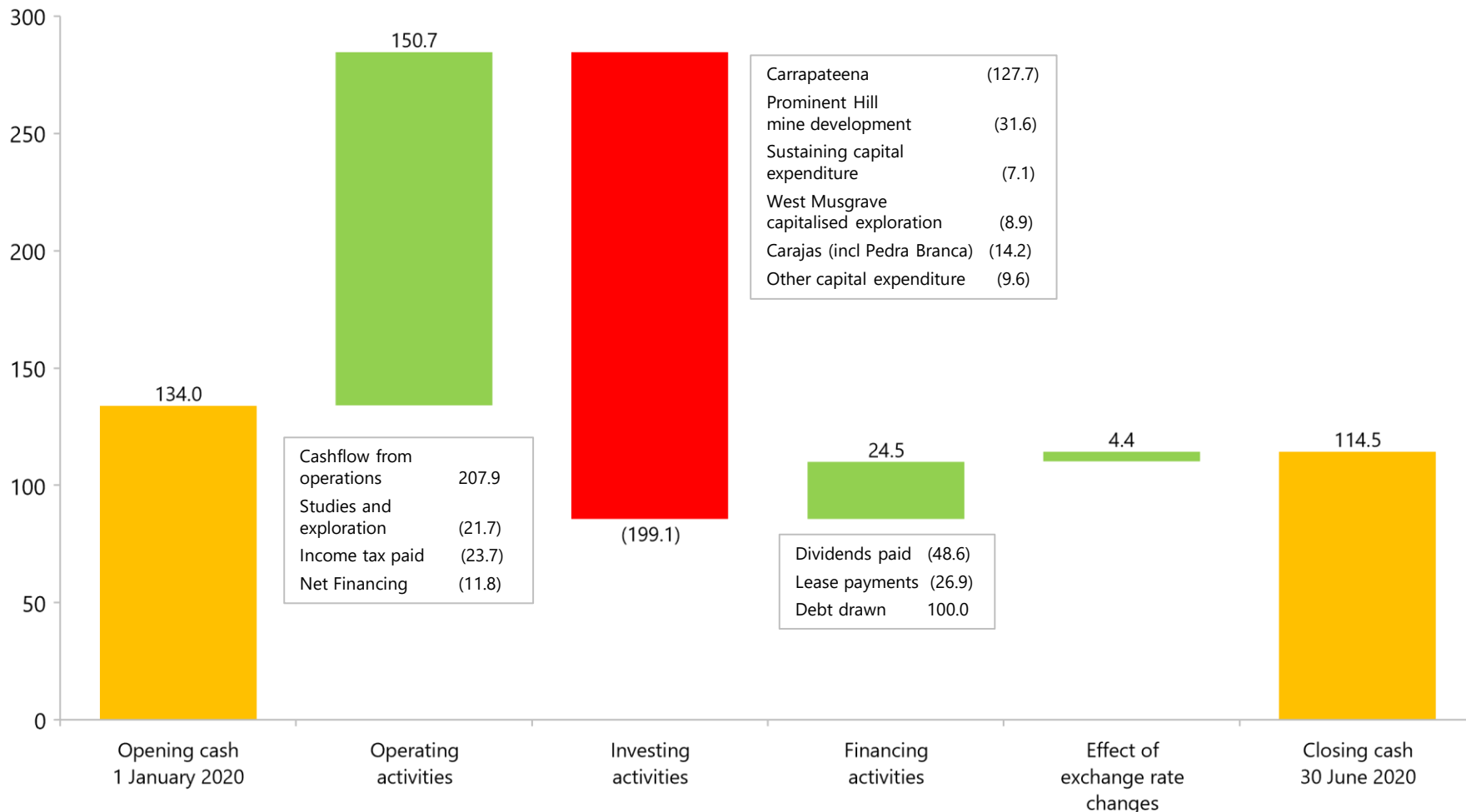
NPAT benefiting from strong gold sales and price



Cash Utilisation H1 2020

Investing in the business and rewarding shareholders

(A\$M)



Balance Sheet

A\$M	Dec-19	Jun-20	
Assets			
Cash	134	115	Carrapateena capex, investment into growth pipeline, shareholder returns, debt drawdown and operating cash
Receivables	83	156	Increase in trade receivables due to inclusion of Carrapateena
Inventories	538	535	NRV writeup and Carrapateena inventory offset Prominent Hill stockpile depletion
Property plant & equipment and exploration assets	2,808	2,896	Increase in PP&E with capex at Carrapateena and Prominent Hill underground, partially offset by depreciation
Right-of-Use assets	176	257	Right of use asset (AASB 16) includes recognition of new Prominent Hill underground services contract
Other assets	75	59	Debt drawdown
Total Assets	3,814	4,018	Recognition of lease liability (AASB 16) corresponding to increase in Right-of-Use assets
Liabilities			
Creditors	177	162	
Tax liabilities	276	280	
Provisions	115	114	
Debt	0	100	
Lease liabilities	184	261	
Other liabilities	82	93	
Total Liabilities	834	1010	
Net Assets	2,980	3,008	

Finance

Disciplined capital management strategy

- / Strong cash generation in the first-half and revolving debt facility extension to A\$480 million provides ample liquidity to execute growth strategy and reward shareholders within the capital allocation framework
- / Strong response to initial COVID outbreak with \$150 million in cash preservation measures; prudent release points focussed on growth opportunities
- / Fully franked interim dividend of 8 cents per share declared
 - / Record date 18 September
 - / Dividend Reinvestment Plan record date 21 September
 - / Payment date 5 October
- / Dividend Reinvestment Plan reinstated

Dividend policy

- / Prioritise returns to shareholders by paying a sustainable ordinary dividend from pre-growth cash flow, while having regard to near term, identified capital investment opportunities that create superior value, and the need to maintain a strong balance sheet

Gold hedging

- / Gold forward contracts for 110,901 ounces of gold were outstanding at half year-end with strike prices ranging from A\$1,746 to A\$1,825 per ounce

Growth Pipeline

Operations, projects and a growing pipeline of opportunities

	EXPLORATION	STUDIES	DEVELOPMENT	OPERATIONS
PROMINENT HILL PROVINCE	MT WOODS	UNDERGROUND EXPANSION STUDY FS		PROMINENT HILL UG + STOCKPILES
CARRAPATEENA PROVINCE	KHAMSIN, THE SADDLE & CARRA REGIONAL	FREMANTLE DOCTOR BC-C, BC-E & BC-W CARRAPATEENA BC-S & STOPEs CARRAPATEENA BC-1 & BC-2 FS		CARRAPATEENA SLC
CARRAJAS PROVINCE	SANTA LUCIA CIRCULAR NORTH CLOVIS ESTRELLA SUL PAULINHO CAPIVARA AGUAS BOA N MARQUES SUL CANAA WEST PAES CARVALHO	PANTERA	PEDRA BRANCA UG FS	ANTAS OP
GURUPI PROVINCE	SEQUIRO PICA PAU JIBOIA	CENTROGOLD OP PFS COMPLETE		
MUSGRAVE PROVINCE	ONE TREE HILL YAPPSU	SUCCOTH NEBO-BABEL OP PFS COMPLETE		
OTHER REGIONS	PARAISO PAINIROVA LANNAVARRA YARRIE GULF THREE WAYS LAWN HILL BREENA PLAINS ELOISE MOUNT SKIPPER JERICHO			

FS: Feasibility Study
PFS: Pre-Feasibility Study
SS: Scoping Study

No Resource estimate

Resource estimate

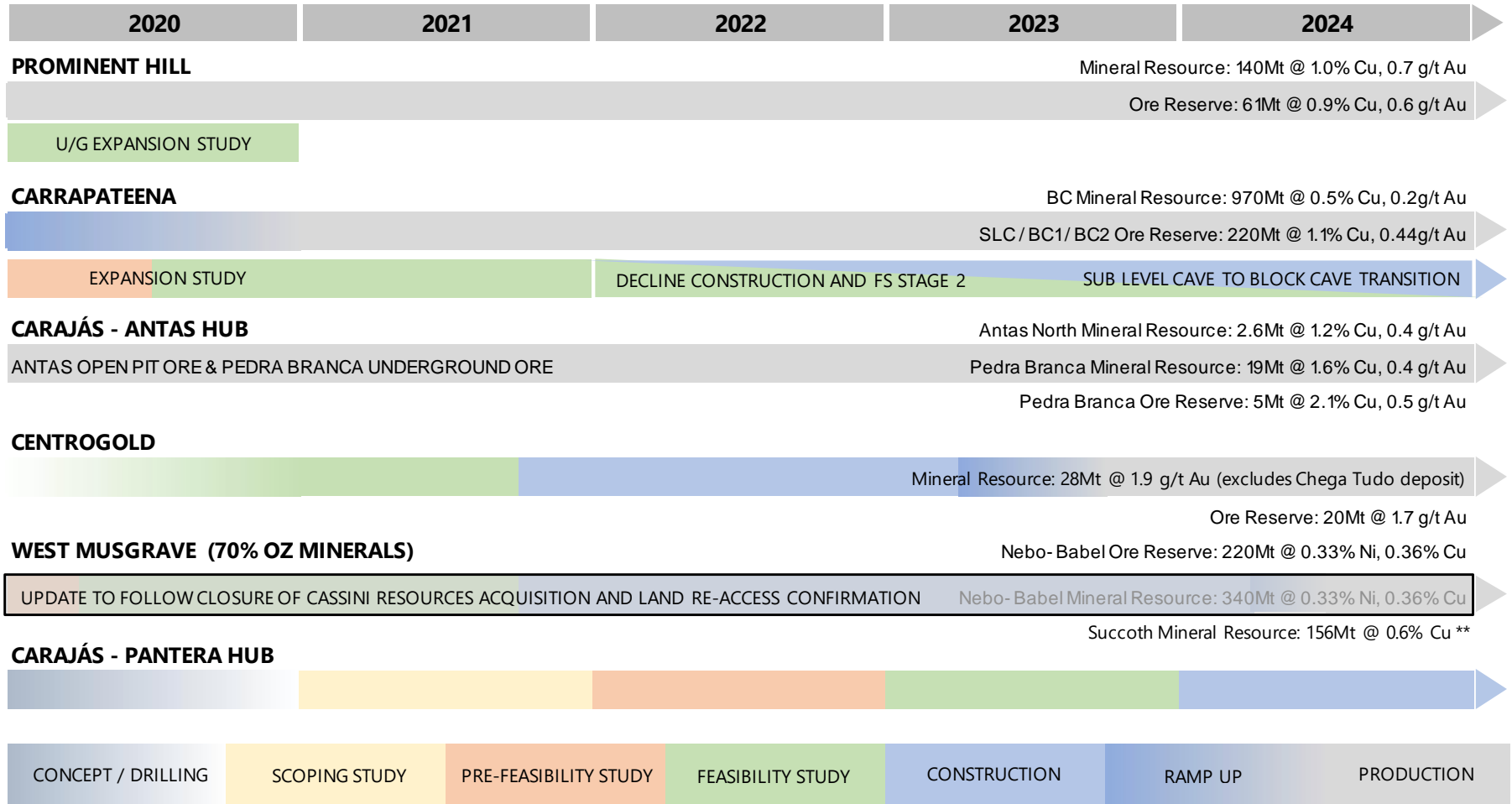
Reserve estimate



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Asset Timeline*

Multiple projects progressing through build and study phases



* Indicative timeline assumes required study hurdles and proposed timeframes achieved.

** See Cassini Resources' ASX Release entitled "Maiden Succoth Resource Estimate" dated 7 December 2015 and available at: www.cassiniresources.com.au/investor-relations/asx-announcements

The MROR information on this timeline is extracted from the company's previously published MROR statements and are available at: www.ozminerals.com/operations/resources-reserves/ . OZ Minerals confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. OZ Minerals confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement. All Mineral Resource figures are estimates.

2020 Key Milestones

Business Area	Milestone	2020			
		Q1	Q2	Q3	Q4
Prominent Hill Province	Malu Paste Plant commissioned		✓		
	Expansion study and investment decision update				
	Mineral Resource and Ore Reserve update				
Carrapateena Province	Carrapateena expansion Pre-Feasibility Study update		✓		
	Life of Province Plan Scoping Study update		✓		
	Carrapateena Sub Level Cave ramp-up reaches 4.25Mtpa run rate				
	Mineral Resource and Ore Reserve update				
Carajás Province	Pedra Branca first development ore		✓		
	Hub studies and Mineral Resource update				
Gurupi Province	CentroGold injunction removal / commencement of Feasibility Study				
	Mineral Resource update				
Musgrave Province	West Musgrave Pre-Feasibility Study update	✓			
	Mineral Resource update and maiden Ore Reserve	✓			

✓ Milestone completed

Guidance

GUIDANCE	2020			
	PROMINENT HILL	CARRAPATEENA	CARAJÁS	TOTAL
Copper Production (tonnes)	55,000-65,000	25,000-30,000	8,000-10,000	88,000-105,000
Gold Production (ounces)	175,000-190,000	45,000-50,000	7,000-9,000	227,000-249,000
Underground Ore Movement (Mt)	3.7-4.0	2.0-2.6		
Sustaining Capital Expenditure (A\$M)				
- Mine Development	40-50	15-20	-	55-70
- Site	20-30	9-12	5-8	34-50
Growth Capital Expenditure (A\$M)				
- Mine Development	6-9 (-)	110-125	10-15	126-149 (120-140)
- Other	17-22	120-130 ^{3,4}	35-40	172-192
AISC (US c/lb) ²	25-35	150-170 ⁴	155-175	70-85
C1 Costs (US c/lb) ²	(40)-(30) ¹	100-120 ^{1,4}	100-120	10-25
Exploration (A\$M)				15-20
Project studies to next stage gate (A\$M)				55-60⁵ (45-50)

Note: Changes to guidance reflect updates released with the 2020 Half Year Financial Results. Figures in brackets denote previously issued guidance.

1. US dollar denominated C1 costs for Prominent Hill will be impacted by US2.5c and Carrapateena by US3.0c per US1c change in the AUD/USD exchange rate.
2. AUD/USD of 0.68 has been used in converting A\$ costs to US\$ and assumed gold price of US\$1,620/oz for C1 and AISC guidance.
3. Excludes deferred consideration of US\$50 million which will be paid in H2 2020 following achievement of contractual milestones, in addition to growth capital.
4. Revenue and associated direct processing and selling costs for ~295kt of stockpiled development ore has been offset against pre-production capital and is excluded from the 2020 operating and capital expenditure guidance.
5. Reflects anticipated expenditure on Board approved studies to their next milestone. It is expected ~65% of expenditure will be expensed in the current year. Should the Board approve a project to proceed to a further milestone, additional funds will be incurred and guidance will be updated as required.

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