OZ Minerals is a revitalised mid-cap mining company with an experienced leadership team. In 2009, OZ Minerals’ sole operating asset, the Prominent Hill operation in South Australia, completed a very successful first year of production. The Company finished the year with a cash balance of $1.1 billion, minimal debt and a new growth strategy to build the Company.
OZ Minerals’ main asset is the Prominent Hill copper-gold operation in South Australia.

OZ Minerals has a preference for copper assets and plans to grow through building a pipeline of projects at various stages of development.

Prominent Hill completed a successful ramp-up in 2009, producing 96,310 tonnes of contained copper and 75,535 ounces of gold; this is forecast to increase in 2010.

Prominent Hill has an eight year mine life remaining, with feasibility studies underway to assess the viability of an underground mine augmenting production from the open-pit operation.

The top exploration priority for OZ Minerals is the large tenement holding surrounding Prominent Hill where the Company hopes to identify further Prominent Hill-style deposits.

OZ Minerals is also exploring in Cambodia, where it has an advanced gold exploration project.

OZ Minerals holds a number of strategic equity interests in smaller mining companies, including a 42.5% interest in Toro Energy Limited and a 13.0% holding in IMX Resources Limited.

The Company has a healthy balance sheet and low gearing.

OZ Minerals is run by a highly experienced and credentialled team of mining professionals.

### FULL YEAR FINANCIAL RESULTS SUMMARY

<table>
<thead>
<tr>
<th>$ million</th>
<th>Prominent Hill Mine</th>
<th>Total Continuing Operations</th>
<th>Discontinued Operations</th>
<th>Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>608.5</td>
<td>608.5</td>
<td>764.9</td>
<td>1,373.4</td>
</tr>
<tr>
<td>Costs</td>
<td>(178.3)</td>
<td>(209.3)</td>
<td>(452.4)</td>
<td>(661.7)</td>
</tr>
<tr>
<td>Net foreign exchange gains/(losses)</td>
<td>(24.6)</td>
<td>(113.0)</td>
<td>(17.3)</td>
<td>(130.3)</td>
</tr>
<tr>
<td>Other expenses, including exploration</td>
<td>(24.7)</td>
<td>(64.3)</td>
<td>(38.9)</td>
<td>(103.2)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>380.9</td>
<td>221.9</td>
<td>256.3</td>
<td>478.2</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>(80.2)</td>
<td>(85.7)</td>
<td>(156.9)</td>
<td>(242.6)</td>
</tr>
<tr>
<td>EBIT</td>
<td>300.7</td>
<td>136.2</td>
<td>99.4</td>
<td>235.6</td>
</tr>
<tr>
<td>Net financing expenses</td>
<td>(0.7)</td>
<td>(88.3)</td>
<td>(5.7)</td>
<td>(94.0)</td>
</tr>
<tr>
<td>Income tax benefit/(expense)</td>
<td>(97.4)</td>
<td>(16.6)</td>
<td>(30.6)</td>
<td>(47.2)</td>
</tr>
<tr>
<td>NPAT (before loss on sale of discontinued operations)</td>
<td>202.6</td>
<td>31.3</td>
<td>63.1</td>
<td>94.4</td>
</tr>
<tr>
<td>Loss on sale of discontinued operations after income tax</td>
<td>n/a</td>
<td>n/a</td>
<td>(606.8)</td>
<td>(606.8)</td>
</tr>
<tr>
<td>NPAT</td>
<td>202.6</td>
<td>31.3</td>
<td>(543.7)</td>
<td>(512.4)</td>
</tr>
</tbody>
</table>

All $ values in Australian dollars unless otherwise specified.
96,310t
Contained copper in concentrate produced in Prominent Hill’s first year of operation.

US$3.33/lb

42%
OZ Minerals’ share price improved over 2009 – outperforming the ASX 200 Index by 42%.
The Company achieved excellent results from Prominent Hill in its first year of operation in 2009, both in terms of the safe and rapid ramp-up of the mine and financial performance.

Barry Cusack, OZ Minerals Chairman since 2002, has announced his intention to retire on 13 April 2010, at which time it is proposed that Neil Hamilton become the new Chairman of OZ Minerals.
Dear Shareholder

2009 was a rebirth year for OZ Minerals, with the sale of assets to China Minmetals and China Sci-Tech. Following the asset sales and the repayment of all the Company’s bank loans, OZ Minerals retained the new Prominent Hill operation in South Australia, exploration tenements around Prominent Hill and in Cambodia, as well as certain other assets and around $1 billion in cash.

The Company achieved excellent results from Prominent Hill in its first year of operation in 2009, both in terms of the safe and rapid ramp-up of the mine and financial performance. When considering the mine’s performance as a stand-alone entity, the net profit after tax of $202.6 million generated for the year was an outstanding maiden result. The overall loss of $(152.4) million for the Group was largely as a result of the $(606.8) million loss recorded on the sale of assets in 2009.

As foreshadowed at the last AGM, the Board has been refreshed over the year. Three new directors have been appointed who will each stand for re-election at the 2010 AGM. We have recruited a new Chairman in Neil Hamilton who joined the Board as a Director in February 2010, and it is proposed that Neil will assume the role of Chairman on my retirement on 13 April 2010. Neil is an experienced company director and has broad industry experience relevant to OZ Minerals.

Also newly elected to the Board was Paul Dowd (in July 2009), who is a mining professional with more than 40 years experience, including as Managing Director of Newmont Australia Limited, and Charles Lenegan (in February 2010), a former Managing Director of Rio Tinto Australia.

These new directors together with Terry Burgess, Brian Jamieson, Michael Eager and Dean Pritchard will form the Board and management of the Company to continue to grow and in the medium term the outlook for the market looks very strong.

One of the pillars of the Company’s strategy is disciplined capital management. This Board supports the principle of returning funds to shareholders that are in excess of the requirements and investment opportunities of the business. With no profits or retained earnings at 31 December, there was no capacity to pay dividends in respect of 2009; however, the Board will review the position in mid-2010 and consider future dividend policy.

Any dividend that may be declared in the future will be unfranked and will remain so until the Company uses its accumulated tax losses.

I appreciate the confidence shown by my Board colleagues in selecting me as Chairman and I look forward to the opportunity of working with the Board and management of the Company to maximise the significant opportunities that sit before us as we embark on what is a new chapter in the life of the Company.

Neil Hamilton
Chairman-elect
31 March 2010

Barry Cusack
Chairman
31 March 2010

OZ MINERALS BUSINESS REVIEW 2009

Dear Shareholder

I am delighted to have joined the OZ Minerals Board at such a promising time for the Company. As Barry said in his letter, it is proposed that I be elected Chairman on his retirement on 13 April and as such I have taken this opportunity to write to you as Chairman-elect. My background is in law and in the investment and funds management industry, and I have been a professional company director for the last 10 years. I also have experience in banking, insurance, retail and wholesale and in resources. I have had a long association with the resources sector through service companies, providers and as a director on the boards of other resource companies.

OZ Minerals is a company which has a long history of exploration, development and operation of mines. In its newly restructured form, the Company boasts an outstanding asset in Prominent Hill and a robust cash balance, but it importantly retains a team of people who are highly skilled and experienced.

It also has a new CEO in Terry Burgess, who has been in the mining industry for over 35 years. Terry has been CEO for eight months and leads a team well equipped to meet the challenges and opportunities facing OZ Minerals. Terry and his team have set a clear and well considered strategy for the Company and it is one which I, and the other Board members, fully endorse.

With Prominent Hill now up and running and with plans to add efficiency improvements in 2010, the outlook for the year is positive. The strong focus on exploration at Prominent Hill and the proposed joint venture with IMX Resources gives significant potential for mineral discovery in the region. Our investment here, both financial and through our people, is reflective of our view of the prospectivity in the Prominent Hill district tenements – all of which are within ‘truckable’ distance of the processing plant.

South Australia is an excellent jurisdiction for exploration and mining. The foresight of the South Australia Government with regard to exploration over a number of decades has been continued in recent years with projects like PACE, in which the government funds exploration drilling. The recent approval of the Mining and Rehabilitation Plan for the underground development at Prominent Hill is indicative of the support that we have had from the Department of Primary Industries and Resources SA and the prompt and professional approach it has shown in all of our dealings.

Barry Cusack
Chairman
31 March 2010

Neil Hamilton
Chairman-elect
31 March 2010

Copper is the focus for the Company. We consider its outlook to be superior to any of the other base or precious metals. Although stockpiles of copper in warehouses increased throughout 2009, this supply remained at less than two weeks of current global consumption. Supply disruptions from, for example, technical issues or labour disputes continue to be experienced and new supply is slow to materialise. Demand from China and also India continues to grow and in the medium term the outlook for the market looks very strong.
When I commenced with the Company, my first priority was to focus on getting to know Prominent Hill intimately. I am pleased to say that it surpassed my expectations in terms of quality and potential.
Dear Shareholder

I feel very fortunate to be the Managing Director and Chief Executive Officer of a company that is so well positioned. The Company has a first-class asset in Prominent Hill, it has excellent exploration potential, a very healthy cash balance and an experienced and skilled team, who have a desire to perform, improve and grow. As a shareholder, it is my intention to realise value for all OZ Minerals’ shareholders.

In 2009, OZ Minerals sold its operating, development and exploration assets, apart from the Prominent Hill operation in South Australia, exploration ground around Prominent Hill, an advanced exploration project in Cambodia and some equity interests in exploration companies. The proceeds from the asset sale allowed the Company to repay all of its bank loans – leaving it largely debt free (apart from a US$105 million convertible bond) and with a cash balance in excess of $1 billion. This was the new start of OZ Minerals.

This major restructuring of the Company meant that our financial results were a story of two halves. During the first half, the Century, Golden Grove, Rosebery and Sepon mines contributed to earnings along with Prominent Hill, which commenced production in February. In the second half, revenue was from Prominent Hill alone. 2009 revenue from Prominent Hill was $608.5 million delivering an NPAT from the mine of $202.6 million. NPAT of the continuing business, including corporate and exploration, was $31.3 million. When taking into account now discontinued operations, the overall business recorded earnings before interest taxes depreciation and amortisation of $478.2 million, leading to net loss after tax of $(512.4) million – largely due to the loss recorded on the sale of assets to China Minmetals in June. At year end, the cash balance stood at $1,076 million.

**PROMINENT HILL**

Before I joined OZ Minerals, I was quite familiar with the Prominent Hill operation, but with an outsider’s perspective. The quality of the operation is well recognised within the industry and I too had a positive view of it. When I commenced with the Company, my first priority was to focus on getting to know Prominent Hill intimately. I am pleased to say that it surpassed my expectations in terms of quality and potential.

The plant is a very robust one, which has been built to outlive the currently known mine-life and will be able to support expansions. The team at Prominent Hill has worked very hard in the first year of production to get the mine and the plant performing better than expectations.

After commencing production in February 2009, Prominent Hill had a very successful ramp-up year. The first year of a mining operation is its most risky as all the design, planning and construction is tested in real time and at real scale. Overall, the operation performed well. We had a period in the third quarter when issues in the plant and the pit affected production, but these issues were overcome and the operation ended 2009 producing of 96,310 tonnes of copper and 75,535 ounces of gold, which was in excess of guidance.

The outlook for Prominent Hill in 2010 is also positive, with confidence in the operation from its good performance in 2009 and plans to further refine the operation.

Approximately 82% of our workforce at Prominent Hill is from South Australia. Of these, 18% are from Coober Pedy and the Upper Spencer Gulf – the region in the State’s north in which our operation is located – and 14% are indigenous people. This high local employment rate is a direct result of a deliberate effort to ensure benefits are shared with local communities and also to endeavour to develop a loyal and steady workforce for our operation.

Our highly successful pre-employment training program, which enables local people with no previous mining experience to gain the skills required to gain a job at Prominent Hill, is something we are extremely proud of and will continue to invest in.

In 2009, the pre-employment training program was held specifically for members of the Antakarinja local community and another will be held for people from the Anangu Pitjantjatjara Yankunytjatara (APY) lands in 2010. The exploration potential around Prominent Hill is undoubtedly one of our greatest assets. We have a large 4,000km² tenement holding in our own right and the soon to be concluded exploration joint venture with IMX Resources Limited in a further 3,000km².

Exploration in this large area recommenced in earnest in July 2009, and we have seen some early signs of encouragement with Prominent Hill-style mineralisation intersected. This will continue to be a major focus for the team and me in 2010.

We also have an advanced exploration project in Cambodia, for which we announced an initial resource in mid-March 2010. This foundation resource at the Okvau project has given us encouragement to continue exploration in the area, which we believe could be a new gold district. Through our next phase of exploration, we hope to achieve a clear indication for the potential for resources of greater than two million ounces.

**STRATEGY**

A major event for the Company during 2009 was the development and release of a new strategy for the new OZ Minerals.

We talk in more detail about our strategy on pages 8 and 9, and have indicated in a diagram at the start of each section which parts of the strategy are being referred to.

We reaffirmed that we have a strong focus on copper. It is the fundamentals of copper we think that give the best outlook of any of the commodities.

Maximising the potential from our current assets, particularly from Prominent Hill, is our first priority. This includes possible underground development and exploration success.

With such a strong cash balance, a question I commonly get asked is, “What are you intending to do with the funds?”

We stated at our strategy presentation that we would look at potential acquisitions applying strict criteria, including commodity, geography, production potential and, most importantly, returns.

It is a competitive market for copper acquisitions due to its favourable outlook and should we not identify an asset that we consider to be of value, we shall re-evaluate how to best deploy surplus capital, be it through capital management initiatives or in continued pursuit of potential merger and acquisition opportunities.

In 2009, OZ Minerals embraced the new philosophy of Zero Harm by Choice, which is driven by a desire to make safety, health, environmental and community concerns foremost in every decision we make. In 2009, improving safety performance at Prominent Hill in its first year of operations was a key consideration. Pleasingly, safety performance improved over the year, but in the final quarter of the year, we suffered two lost time injuries. This poor result continued into 2010, with six lost time injuries in the first quarter. We are determined to improve our safety performance and everyone at OZ Minerals is working towards the goal of Zero Harm.

Thank you for your ongoing support for OZ Minerals.

**Terry Burgess**

Managing Director and Chief Executive Officer

31 March 2010
Restructuring OZ Minerals’ business in 2009 included renewing the Company’s strategy.

To view the strategy day presentations delivered by OZ Minerals’ senior management, visit www.ozminerals.com.
With the restructuring of OZ Minerals’ business in June 2009 came the opportunity to reassess the Company’s strategy. OZ Minerals had become a significantly different business, retaining the high quality Prominent Hill operation in South Australia, advanced exploration assets in Cambodia, a strong cash balance, very minimal debt and a skilled, experienced workforce and management.

The Company considered three key factors in determining its strategy:

- its assets – one high quality copper mine, exploration potential, a strong cash balance;
- its competitive advantages – a team experienced in finding, building and operating base metals and gold projects in Asia and Australia and an availability of funds;
- the markets – for commodities, for equities and for acquisition opportunities.

The strategy that emerged was one designed to enable the business to achieve superior returns (measured by Total Shareholder Return) in the resources sector when measured against a group of comparator companies.

**ZERO HARM**

Zero Harm is an important part of the strategy. It is a philosophy whereby OZ Minerals chooses practices and behaviours that aim to ensure no harm comes to employees or the environment and to ensure that communities close to our operations benefit from our presence.

**FOCUS ON COPPER**

A focus on copper is key to much of the strategy. We believe copper is the commodity with the best outlook of all the base metals in terms of supply/demand fundamentals. It is also a commodity in which we are experienced explorers, developers and operators. Importantly, when considering copper projects worldwide, we believe there is a reasonable number of acquisition opportunities of a scale that would make a material difference to OZ Minerals’ earnings. Projects that produce, or have the potential to produce, 50,000t/a to 150,000t/a of copper have been identified as OZ Minerals’ ‘window of opportunity’.

**MAXIMISE POTENTIAL**

OZ Minerals has a high quality operation in Prominent Hill, which is still in the early stages of its life. Ensuring we extract the maximum amount of value from Prominent Hill is paramount – be this through cost reduction, mining and plant improvement projects, capital investment or exploration.

**PROJECT PIPELINE**

Building a project pipeline to enable delivery of sustainable returns over time is also part of the strategy. This may be through organic development projects like underground development at Prominent Hill, acquiring development stage projects or identifying and advancing exploration projects. The Company will use its balance sheet strength and technical expertise to realise these opportunities.

**EXPLORATION**

One of OZ Minerals’ competitive strengths is also its exploration capability. Exploration is given great priority within OZ Minerals as it is an outstanding way to add value to the business. Our first exploration priority is the region around Prominent Hill, where OZ Minerals has a large tenement holding. The area is relatively underexplored, yet is highly prospective for the discovery of Prominent Hill-style deposits that could be treated through the existing plant. The proposed exploration joint venture with IMX Resources Limited on tenements adjacent to OZ Minerals’ tenements enhances the potential for discovery. Exploration in Cambodia is also underway, with a resource recently announced and OZ Minerals having extensive experience operating in Asia.

**CAPITAL MANAGEMENT**

To maximise Total Shareholder Returns, it will also be the Company’s approach to distribute cash flows from operations that are surplus to the immediate needs of the business through disciplined capital management initiatives.

**GOVERNANCE**

An important part of OZ Minerals’ approach is maintaining high standards of governance in all areas of the business and enacting the Company’s core values of Respect, Integrity, Action and Results.

Management regularly reviews the Company’s policies and practices to ensure that the Company maintains and improves governance standards. The identification and management of risk is also an essential aspect of the Company’s approach to generating shareholder value. We apply risk management strategies to our business systems, mining operations and exploration activities.

---

When looking at potential acquisition opportunities, OZ Minerals will focus on jurisdictions it considers to be low or medium risk, depending on the quality of the project. The map shows OZ Minerals’ country rankings across the globe.
Prominent Hill had a very successful first year of production in 2009. The performance of the mining and processing operations were both pleasing as was the continued strong relationships with the operation’s stakeholders.

Prominent Hill is located in central South Australia, 650km north-west of Adelaide and 130km south-east of the town of Coober Pedy. The operation comprises an open pit, grinding and flotation plant, a village to accommodate more than 1,000 people, an airstrip and a borefield.

The Prominent Hill mining operation began its start-up in early 2009 and the plant moved into first production in February. While commissioning and ramp-up periods can be testing times for mining operations, Prominent Hill has performed extremely well in its first year.

In the first quarter, the operation reached 80% of its copper production rate, which was according to plan.

Prominent Hill concentrates are high quality, with copper grades in 2009 higher than 50% and impurities within normal contract specifications.

The operation made its first sale of concentrates in February 2009. Prominent Hill concentrates are transported via the Adelaide to Darwin railway, which is approximately 120km from the mine site. The concentrates are shipped from the Port of Darwin, with a very competitive shipping time of around two weeks to most major Asian ports.

After a strong start to the year, production in the third quarter, although higher than in the second quarter, was lower than expected. This was mainly due to an electrical system failure in the milling system that saw the plant on stand-by for an extended period. In the pit, access to mining areas was impeded by sloughing in some parts of the pit wall and there were some problems with blasting.

Once these issues were resolved, the fourth quarter started particularly well. This provided confidence to undertake ‘blending trials’ on the different ore types at Prominent Hill.
FOCUS ON COPPER
MAXIMISE ASSETS
PROJECT PIPELINE
EXPLORATION
BUILT ON GOVERNANCE

PRODUCT
Copper concentrate (containing gold and silver)

MINING METHOD
Open pit

PROCESSING METHOD
Conventional crushing, grinding and flotation

2009 PRODUCTION
96,310 tonnes contained copper
75,535 ounces gold

PRODUCTION FORECAST – 2010–2012
100,000 – 110,000 tonnes copper
80,000 – 90,000 ounces gold

RESOURCES* (refer to page 13)
Copper gold
189.7Mt @ 1.32% Cu, 0.5g/t Au
(2.5Mt Cu, 2.9Moz Au)
Gold only
78.8Mt @ 0.06% Cu, 1.4g/t Au
(0.05Mt Cu, 3.4Moz Au)

RESERVES* (refer to page 13)
75.7Mt @ 1.19% Cu, 0.59 g/t Au
(0.9Mt Cu, 1.4Moz Au)

SALES
Prominent Hill concentrates travel to customers via the Adelaide to Darwin railway to the Port of Darwin and then via ship to Asia and Europe. Concentrates are also transported by road to local customers

WORKFORCE
Approximately 600
(including staff and contractors)

* As at 30 June 2009. (See OZ Minerals’ website for full statement of Mineral Resources and Ore Reserves.)
There are four main ore types at Prominent Hill: chalcocite, bornite, chalcopyrite dominant and gold-only ore. The chalcocite dominant ore type was the main ore type processed during the year. Two other ore types, bornite dominant and gold-only ore, were tested during the final quarter and processing of these ores was highly successful, with good recoveries from both. At the end of the year, a blend of chalcocite, bornite and gold-only ore was being treated.

The operation produced 96,310 tonnes of copper and 75,535 ounces of gold contained in concentrate for the year. Prominent Hill copper concentrates are the highest grade traded on the open market. In 2009, the average concentrate grade was 54% copper. This makes Prominent Hill concentrates attractive to smelters as they can be blended with lower grade concentrates to improve their overall feed grades.

The success of the ore blending trials at Prominent Hill has increased confidence that all ore types can be successfully processed together, an important factor for operation of the plant over its life. Production guidance averaging 100,000 to 110,000 tonnes of copper and 80,000 to 90,000 ounces of gold average per annum has been given for the three years from 2010.

Continuing to improve the efficiency of the operation is now the priority at Prominent Hill. Margin improvement projects to increase recovery of copper and gold, reduce costs and increase ore throughput.

The average ‘C1’ cash cost of production for the year of US70.7c/lb was very competitive, placing the operation in the second quartile of copper producers worldwide. Mining and production costs were largely as planned, with the negative impact of the stronger Australian dollar offset by the positive impact of the higher gold price on by-product credits.
### Prominent Hill Mineral Resources and Ore Reserves as at 30 June 2009 Summary

The information set out in this table that relates to Mineral Resources is a summary of the information relating to Mineral Resources set out in the ‘Mineral Resources and Ore Reserves Explanatory Notes as at 30 June 2009’ that was summarised in the announcement released to the ASX on 30 November 2009 (and available at www.ozminerals.com/Operations/Resources--Reserves), which was based on information compiled by Mr. Jim Hodgkinson MAusIMM, who is a full-time employee of OZ Minerals.

Mr. Hodgkinson has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the ‘Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (the JORC Code 2004 Edition). Mr. Hodgkinson consented to the inclusion in the ‘Mineral Resources and Ore Reserves Explanatory Notes as at 30 June 2009’ of the matters based on his information in the form and context in which it appears in that statement.

The information set out in this table that relates to Ore Reserves set out in the ‘Mineral Resources and Ore Reserves Explanatory Notes as at 30 June 2009’ that was summarised in the announcement released to the ASX on 30 November 2009 (and available at www.ozminerals.com/Operations/Resources--Reserves), which was based on information compiled by Mr. David Goodchild MAusIMM, who is a full-time employee of OZ Minerals.

Mr. Goodchild has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the ‘Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (the JORC Code 2004 Edition). Mr. Goodchild consented to the inclusion in the ‘Mineral Resources and Ore Reserves Explanatory Notes as at 30 June 2009’ of the matters based on his information in the form and context in which it appears in that statement.

#### Copper-gold Mineral Resource Summary**

<table>
<thead>
<tr>
<th>Classification</th>
<th>Tonnes (Mt)</th>
<th>Cu (%)</th>
<th>Au (g/t)</th>
<th>Ag (g/t)</th>
<th>Contained Cu (kt)</th>
<th>Contained Au (Moz)</th>
<th>Contained Ag (Moz)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measured</td>
<td>36.6</td>
<td>1.65</td>
<td>0.5</td>
<td>3.6</td>
<td>604</td>
<td>0.6</td>
<td>4.2</td>
</tr>
<tr>
<td>Indicated</td>
<td>70.2</td>
<td>1.30</td>
<td>0.5</td>
<td>3.2</td>
<td>910</td>
<td>1.2</td>
<td>7.1</td>
</tr>
<tr>
<td>Inferred</td>
<td>83.0</td>
<td>1.18</td>
<td>0.4</td>
<td>2.9</td>
<td>982</td>
<td>1.1</td>
<td>7.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>189.7</strong></td>
<td><strong>1.32</strong></td>
<td><strong>0.5</strong></td>
<td><strong>3.1</strong></td>
<td><strong>2,496</strong></td>
<td><strong>2.9</strong></td>
<td><strong>19.0</strong></td>
</tr>
</tbody>
</table>

#### Gold Only Mineral Resource Summary***

<table>
<thead>
<tr>
<th>Classification</th>
<th>Tonnes (Mt)</th>
<th>Cu (%)</th>
<th>Au (g/t)</th>
<th>Ag (g/t)</th>
<th>Contained Cu (kt)</th>
<th>Contained Au (Moz)</th>
<th>Contained Ag (Moz)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Measured</td>
<td>8.4</td>
<td>0.10</td>
<td>1.1</td>
<td>1.8</td>
<td>8</td>
<td>0.3</td>
<td>0.5</td>
</tr>
<tr>
<td>Indicated</td>
<td>19.0</td>
<td>0.06</td>
<td>1.3</td>
<td>1.1</td>
<td>11</td>
<td>0.8</td>
<td>0.7</td>
</tr>
<tr>
<td>Inferred</td>
<td>51.4</td>
<td>0.06</td>
<td>1.4</td>
<td>0.7</td>
<td>31</td>
<td>2.4</td>
<td>1.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>78.8</strong></td>
<td><strong>0.06</strong></td>
<td><strong>1.4</strong></td>
<td><strong>0.9</strong></td>
<td><strong>51</strong></td>
<td><strong>3.4</strong></td>
<td><strong>2.4</strong></td>
</tr>
</tbody>
</table>

### Prominent Hill Ore Reserves Summary

#### Classification | Tonnes (Mt) | Cu (%) | Au (g/t) | Ag (g/t) | Contained Cu (kt) | Contained Au (kOz) | Contained Ag (kOz) |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Proved</td>
<td>46.1</td>
<td>1.29</td>
<td>0.57</td>
<td>3.11</td>
<td>597</td>
<td>845</td>
<td>4,613</td>
</tr>
<tr>
<td>Probable</td>
<td>29.6</td>
<td>1.04</td>
<td>0.61</td>
<td>2.85</td>
<td>307</td>
<td>581</td>
<td>2,714</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>75.7</strong></td>
<td><strong>1.19</strong></td>
<td><strong>0.59</strong></td>
<td><strong>3.01</strong></td>
<td><strong>804</strong></td>
<td><strong>1,426</strong></td>
<td><strong>7,327</strong></td>
</tr>
</tbody>
</table>

* Resources are inclusive of Reserves.
** Cut off grade is 0.3% Cu above 9730m RL and 0.8% Cu below 9730m RL.
*** Cut off grade is 0.5g/t Au above 9730m RL and 1.0g/t Au below 9730m RL (exclusive of copper-gold Mineral Resource).
**** Based on US$2.10/lb Cu, US$8.00/oz Au, US$12.50/oz Ag and FX rate of AS1:US$0.78.

#### UNDERGROUND MINING STUDIES

Part of OZ Minerals’ strategy is to maximise the potential value of its assets and also to build its project pipeline. Current studies are underway at Prominent Hill to investigate the viability of mining underground in addition to the current open pit operations. Mineral Resources additional to those currently included in the open pit mine plan have been defined. In addition to those underneath the pit – known as the ‘Main’ underground area – Resources have also been defined immediately to the east and west of the pit, as well as at the ‘Western Copper’ area, a separate deposit located 800 metres to the west of the pit.

Mining assessments have ascertained that these deposits would be best mined using underground mining methods. Metallurgical test work undertaken on this material has indicated similar performance and product quality to that achieved with ore from the open pit.

Following resolution of the Company’s refinancing difficulties in June, work resumed on the Prominent Hill underground feasibility studies. As part of these studies, a 23,500 metre infill drilling program was undertaken on the Western Copper deposit aimed at converting the Mineral Resources from Inferred status to Indicated and to test for extensions to the deposit to the east, west and at depth.

These studies have indicated that the Western Copper deposit will be a major driver in the underground mining strategy. When complete, the infill drilling program results will be incorporated into an updated resource model and fed into the studies.

Study results are expected to be presented to the Board for consideration in mid 2010. This will potentially allow a commitment to the project in the third quarter of 2010, leading to possible first underground production in 2013.

At the end of 2009, a separate program of step-out drilling commenced, aimed at extending the known Resources close to the open pit at depth and along strike to the west and east.

---

**Geologist examining a core sample.**
Discovery of a new deposit near Prominent Hill could add significant value to OZ Minerals. A discovery within the Prominent Hill tenement package has the potential for ore to be trucked to the existing processing plant and as such could potentially be a low cost addition to production.

The Prominent Hill deposit sits within a large tenement holding of approximately 4,000km². Given knowledge gained from bringing Prominent Hill into production, together with the existence of other iron-oxide-copper-gold deposits in the Gawler Craton, the area is considered highly prospective for the discovery of more Prominent Hill-style orebodies. This is OZ Minerals’ highest exploration priority.

The area immediately around Prominent Hill is covered by up to 100 metres of sedimentary rocks, which overlie the bedrock that hosts Prominent Hill. With no outcropping rocks to map or sample, geophysical remote sensing techniques are necessary for exploration. Magnetics and gravity data are the main techniques used. Using this geophysical information, along with information now known about the deposit, a number of targets have been identified.

Recent work has included ground geophysical surveys using the Induced Polarisation technique. Induced Polarisation involves measuring ‘chargeability’ of rocks beneath the surface to try to detect sulphides, including copper sulphides.

This technique has allowed exploration geologists to refine the location of the targets generated by the other geophysical techniques prior to drilling.

In June 2009, drilling on the regional exploration program commenced. Encouraging results, including Prominent Hill-style mineralisation, were returned at several targets.

For example, at Triton, a low grade but wide intersection of copper mineralisation – 185 metres at 0.25% copper – demonstrated that targeting methods were successful.

In November 2009, the Company announced a Heads of Agreement with IMX Resources Limited (‘IMX’) for a proposed joint venture to explore for copper-gold projects on IMX’s tenements, which adjoin OZ Minerals’ tenements to the west, north and south. When added to OZ Minerals’ tenement holding, this agreement will allow the Company access to more than 7,000km² of highly prospective exploration acreage.

OZ Minerals plans to spend $20 million on regional exploration at Prominent Hill in 2010, including work on the IMX joint venture tenements.
Okvau is a promising area that OZ Minerals believes has the potential to be part of a gold district.

**CAMBODIA**

OZ Minerals’ strategy includes exploration as a key pillar of growth. In addition to regional exploration around Prominent Hill, the Company currently has four exploration projects in Cambodia. The most advanced of these is the Okvau project.

OZ Minerals has been exploring in Cambodia since 2005 when it first identified the Okvau area. Okvau is a promising area that OZ Minerals believes has the potential to be part of a gold district. Exploration, including mapping, surface sampling and drilling, over the past four years has identified a gold mineralised system that exists over approximately 400 metres by 500 metres.

An initial JORC (Joint Ore Reserves Committee) compliant Inferred Resource of 8.1 million tonnes at 2.3g/t gold for 605,000oz of contained gold (at a 0.5g/t cut-off) was recently announced for the Okvau area. This Resource, in conjunction with other nearby targets within a 3km radius of Okvau, will be the focus of further exploratory studies throughout April and May of 2010. Following on from this work, OZ Minerals will then test a number of nearby targets at Oput, Granite Hill, Area 6 and Okhlek Khlok as part of the stated regional strategy to identify at least the potential for a plus two million ounce Resource in the broader Okvau district.

OZ Minerals is also working to identify new projects globally that have the potential to meet its project criteria.

### OKVAU GOLD MINERAL RESOURCE SUMMARY

<table>
<thead>
<tr>
<th>Mineral Resource Category</th>
<th>Reporting Lower Cut (Au ppm)</th>
<th>Tonnes (Mt)</th>
<th>Au (ppm)</th>
<th>Contained Ounces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inferred</td>
<td>0.5</td>
<td>8.1</td>
<td>2.3</td>
<td>605,000</td>
</tr>
<tr>
<td>Inferred</td>
<td>1.0</td>
<td>6.5</td>
<td>2.7</td>
<td>570,000</td>
</tr>
</tbody>
</table>

The information set out in the table and description above that relates to Inferred Mineral Resources is a summary of the information relating to Inferred Mineral Resources set out in the ‘Okvau Resource Statement March 2010’ that was summarised in the announcement released to the ASX on 18 March 2010 (and available at www.ozminerals.com/Operations/Resources-Reserved), which was based on information compiled by Mr Duncan Hackman of Hackman & Associates Pty. Ltd, who is a member of the Australian Institute of Geoscientists.

Mr Hackman has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the ‘Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (the JORC Code 2004 Edition). Mr Hackman consented to the Inferred Mineral Resource figures released in the ‘Okvau Resource Statement March 2010’ of the matters based on his information in the form and context in which it appears in that statement.
OZ Minerals has a deliberate strategy to promote a diverse workforce and has been successful in achieving a growing representation from local indigenous groups and local community.

OZ Minerals is committed to achieving Zero Harm by Choice, which requires us to embed a culture that ensures the management of safety, health, environment and community comes naturally to our workforce and is a foremost consideration in every decision we make. Zero Harm by Choice requires OZ Minerals to adopt targets of zero for health, safety and environmental and community incidents. While these may be difficult targets, it is not practical to have any others if we wish to achieve the cultural shift required.

Our sustainability policy has been updated to reflect our goal of Zero Harm by Choice as well as incorporating the OZ Minerals’ values of Respect, Integrity, Action and Results.

OUR PEOPLE

We have recently emerged from a very challenging year for both our business and our people. During 2009, OZ Minerals sold a significant part of the business and this impacted on many of our employees. However, most of our former employees, particularly those based at operational sites, were able to continue on under the respective new owners of those assets.

At the close of 2009, OZ Minerals had 331 employees and 476 contractors. Most of our workforce is now Australian based, with 608 employees and contractors based at our Prominent Hill operation. Outside of Australia, we have 122 employees and contractors primarily working for our exploration division on projects in Cambodia.

OZ Minerals has a deliberate strategy to promote a diverse workforce and has been successful in achieving a growing representation from local indigenous groups and local community. OZ Minerals also has one of the highest female representation levels within the industry. Approximately 82% of our workforce at Prominent Hill is from South Australia. This includes 18% from the region in which our operation is located and 14% indigenous people.
This high local employment rate is a direct result of a directed effort to ensure benefits are shared with local communities.

Cross-cultural training has taken place regularly during the reporting period. This constitutes a two-day program, which is mandatory for all Prominent Hill employees and long-standing contractors. A coaching and mentoring program was also implemented aimed specifically at supporting indigenous employees, their families and their supervisors.

OZ Minerals promotes and encourages learning and development. This includes self-paced learning modules as well as compulsory training programs in areas of induction training and safety.

We continue to focus on attracting skilled employees who are committed to working in a high performance culture. A range of engagement strategies have been developed to enhance workforce satisfaction, including remuneration, performance related bonuses, flexible roster patterns and family site visits.

**SAFETY AND HEALTH**

It is our objective to protect the health, safety and wellbeing of our employees and contractors and never to compromise on health and safety.

At the close of 2009, our Total Recordable Injury Frequency Rate (TRIFR) per one million hours worked was 12.36; this was an improvement on a TRIFR of 15.10 in 2008. Our 2009 Lost Time Injury Frequency rate (LTIFR) was 0.95 lost time injuries per million hours worked, which was slightly lower than 2008’s result of 1.10.

In the reporting year, we recorded 30 significant safety incidents. These incidents are those with actual or potential consequences classified as Level 4 and above on our internal consequence severity matrix. The majority of these incidents resulted in no injury.

All significant safety incidents were investigated using the Incident Cause Analysis Method (ICAM) and lessons learnt from these incidents were recorded and communicated across the organisation. These investigations were also used to identify opportunities to improve our management systems and practices across the Company.

Zero Harm by Choice requires us to move from a compliance based approach to one where our culture ensures that safety comes naturally. To support this, there has been a focus on developing leading indicators as a way of measuring safety and health performance.
It is our objective to ensure that the communities in which we operate receive real benefit from our activities.

**COMMUNITY**

As outlined in our sustainability policy, it is our objective to ensure that the communities in which we operate receive real benefit from our activities. We strive to build trusting relationships by engaging clearly, openly and honestly with our host communities and other key stakeholders.

Before operations commenced at Prominent Hill, baseline social and environmental assessments were completed. Regular monitoring through engagement with local community representatives has occurred since then.

During the reporting year, there has been extensive engagement with the local indigenous Antakarinja community, who are the traditional owners of the land where the mine is located, mostly relating to participation in our pre-employment training program. We are particularly proud of this program, which allows local indigenous and non-indigenous people an opportunity to gain an understanding of, and attain skills suitable for a job in, the mining industry.

Since the launch of the program in 2006, five groups of trainees comprising 42 graduates have completed the program and taken up roles at Prominent Hill.

The fifth Prominent Hill Pre-employment Training Program, completed in September 2009, was specifically organised for members of the Antakarinja community. Seven trainees successfully completed the program and have been placed in various roles at the Prominent Hill operation, including in the environment, exploration, geology and training departments.

The OZ Minerals community investment program is primarily focused on areas in which we operate. Therefore most of our efforts have been focused on the communities close to Prominent Hill.

In 2009, we contributed $25,000 to supporting local community rodeos and gymkhanas and we continued our sponsorship of local football team, the Coober Pedy Saints, with a $10,000 donation. In Coober Pedy, we also donated $6,000 towards improved kitchen facilities at the Umoona Aged Care facility and we engaged the Umoona Community Council to create a community garden at the Prominent Hill village at a cost of $15,000.

OZ Minerals continued to support the Royal Flying Doctor Service (RFDS), donating $80,000 in 2009, as an ongoing partnership with the RFDS worth $280,000 over four years from 2007.

We also have a program of assisting local businesses to gain work at Prominent Hill, with four local contractors commencing work in 2009.
Our most significant environmental incident was at Prominent Hill, where a spill of approximately 60 tonnes of concentrate resulted when a trailer on a road-train, transporting concentrate to the Wirrida siding, left the road and overturned. The spilled concentrate was subsequently recovered and the area remediated. The incident was reported to the regulator and no further action was required.

During the year, OZ Minerals completed its first report under the National Greenhouse and Energy Reporting Act 2007 (NGERS). Prior to the submission of the report, a comprehensive independent readiness assessment was conducted on the processes that OZ Minerals had developed to meet the requirements of the NGERS Act. OZ Minerals continues to participate in the Australian Government Energy Efficiency Opportunities program and the Global Carbon Disclosure Project.

Our energy consumption in 2009 was 2.06 petajoules, which primarily related to our Prominent Hill operation. Our greenhouse gas emissions were equivalent to 263,000 tonnes of carbon dioxide, most of which was produced at our main operation, Prominent Hill.

Water for our Prominent Hill operations comes from the Arkaringa Basin, which is separate from the Great Artesian Basin. We conduct an ongoing bore monitoring program to understand our impacts. In 2009, we used 5,243 megalitres of water for operations at Prominent Hill. Over the reporting period, operations produced 35 million tonnes of waste rock and 6.5 million tonnes of tailings. The waste rock generated was placed in rock dumps within the mining areas or used for mine infrastructure and the tailings impounded in a tailings storage facility.

At the end of 2009, OZ Minerals’ exploration and mining tenements covered approximately 5,500km², of which approximately 19km² have been disturbed for mining and processing related activities. Land will be progressively rehabilitated when it is no longer being used for operations or further resource investigation.

For more information about OZ Minerals’ sustainability performance, see our Sustainability Report website at www.ozminerals.com.

ENVIRONMENT

A range of environmental improvement programs and initiatives was implemented during the reporting period, primarily at our Prominent Hill operation. As this is a new operation, there was a focus on understanding the site’s resource usage and environmental data to set baselines for future reference.

There were no environmental non-compliances at our operations in the reporting year. We had one incident rated at level four by our internal incident severity matrix. Incidents are rated from one to five, and none of these incidents were rated as causing, or having the potential to cause, major environmental impact.
Barry Cusack and Peter Mansell have indicated their intent to retire from the OZ Minerals Board in April 2010.
TERRY BURGESS
BSc, FAusIMM, FIMM, ACMA, CEng
Managing Director and Chief Executive Officer
Terry Burgess joined OZ Minerals as Managing Director and Chief Executive Officer in August 2009. Terry was most recently the Head of Business Development for AngloBase, the base metals business of Anglo American plc, where he was responsible for growing Anglo’s base metals business. Prior to this, he was the Global Head of Metals and Mining at ABN AMRO. Terry was also formerly the Managing Director and CEO of Australian listed mid-cap mining company Delta Gold and its successor, AurionGold, between 1997 and 2002.

ANDREW COLES
B.Ec, MBA
Chief Financial Officer
Andrew has over 25 years experience in the resources industry, including CRA Ltd and Esso Australia. In 2003, Andrew joined Pascmico in administration as Group Treasurer, then held this role in Zinifex following the 2004 float. From 2007, Andrew worked primarily in M&A, including the Nyrstar IPO and the Oxiana merger. Andrew was appointed Chief Financial Officer of OZ Minerals in June 2009. Andrew is a non-executive director of Toro Energy Limited.

RICHARD HEDSTROM
B.Com, ASIA
Head of Business Development
Richard was appointed Head of Business Development in September 2009. Richard was Head of Investor Relations for OZ Minerals and Oxiana from 2003 to 2009. Prior to joining Oxiana, Richard worked at Goldman Sachs JBWere in New York for seven years as an equity analyst covering North and South American base, precious and bulk commodity equities.

ANTHONY HOU STON
BSc
Head of Exploration
Anthony is a geologist with over 25 years in mineral exploration and evaluation, having worked extensively in Australia and Asia, along with considerable exposure to South America and Eastern Europe. Prior to joining OZ Minerals in 2006, he worked as a consultant throughout Asia and spent 12 years working with MIM Exploration in a variety of technical and management roles. Anthony was appointed Head of Exploration in September 2009. His previous role at OZ Minerals was Manager Exploration – Asia.

FRANCESCA LEE
BCom, LLB (Hons), LLM, Grad. Dip. CSP, ACIS
Company Secretary and General Counsel
Francesca was a Group Counsel at BHP Billiton and has also held a number of senior positions at Rio Tinto Limited, including General Manager Internal Audit and Group Counsel, and was vice president of Structured Finance at Citibank Limited. Francesca is a board member of the Metropolitan Waste Management Group, a Victorian statutory authority and a member of the Takeovers Panel. Francesca was appointed to the position of General Counsel and Company Secretary of Zinifex in March 2004 and OZ Minerals in July 2008.

JOHN NITSCHKE
BEng (Hons), MSc, DIC, FAusIMM, GAICD
Executive General Manager – Projects & Technical Services
John is a mining engineer with over 35 years experience in the resources industry. He was formerly EGM – Australian Operations at Oxiana. His experience includes project and operations management of surface and underground mines, both in Australia and overseas, for major mining companies. John was appointed Executive General Manager – Projects and Technical Services in July 2008. John is a non-executive director of Toro Energy Limited and IMX Resources Limited.

MICK WILKES
BEng(Hons), MBA, MAusIMM
Executive General Manager Operations
Mick is a mining engineer with 25 years experience in operations and project development. Prior to joining OZ Minerals’ predecessor, Oxiana, in 2001, he spent 17 years with MIM working in Mt Isa, Great Britain and Papua New Guinea in various technical and management positions. Mick was the General Manager Operations at OZ Minerals’ Sepon Mine and more recently the General Manager of Prominent Hill. Mick was appointed Executive General Manager Operations in June 2009.

NATALIE WORLEY
BSc(Hons), Grad. Dip. Comm
Head of Investor & External Relations
Natalie is a mining industry professional with 13 years experience. She is a geologist and has postgraduate qualifications in communications. Natalie worked as an exploration geologist for Normandy Mining Limited and had a period as a resource journalist before joining OZ Minerals’ predecessor Oxiana in 2003 where she has held external relations roles. Natalie was appointed Head of Investor and External Relations in September 2009.