



2017 First Quarter Report Presentation

21 APRIL 2017



A modern
mining company

Disclaimer

Forward looking statements

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All figures are expressed in Australian dollars unless stated otherwise.

This presentation should be read in conjunction with the Quarterly Report released today.

Compliance Statements

Prominent Hill Production Targets Cautionary Statement

Production Targets for the Prominent Hill Underground only are based on:

Proved Ore Reserve 47%
Probable Ore Reserve 33%
Measured Mineral Resource 0%
Indicated Mineral Resource 4%
Inferred Mineral Resource 16%

Production Targets for the entire Prominent Hill asset are based on:

Proved Ore Reserve 46%
Probable Ore Reserve 40%
Measured Mineral Resource 0%
Indicated Mineral Resource 3%
Inferred Mineral Resource 11%

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 Estimate underpinning these Production Targets were prepared by a Competent Person in accordance with the JORC Code 2012. The production targets are the result of detailed studies based on the actual performance of our existing mines and processing plant. These studies include the assessment of mining, metallurgical, ore processing, marketing, government, legal, environmental, economic and social factors.

Further information on Prominent Hill Resources and Reserves is available in the document entitled "Prominent Hill 2016 Mineral Resource and Ore Reserve Statement and Explanatory Notes" which is annexed to the ASX Release entitled "Prominent Hill mine life extended to 2028" released on 15 November 2016 and available at <http://www.ozminerals.com/media/prominent-hill-mine-life-extended-to-2028-and-2016-mineral-resource-and-ore/>. OZ Minerals confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement 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.

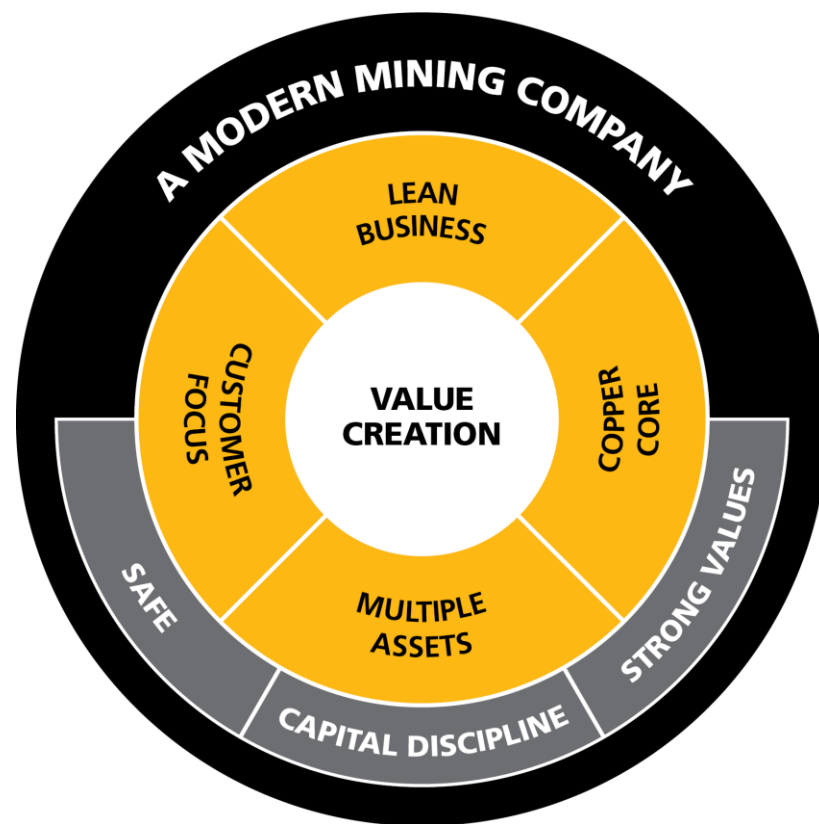
Delivering on our growth strategy

How we will work

- **Safety** – Safe work above all else, strive for a workplace with no injuries.
- **Values** – Integrity and strong governance in all aspects of the way we work.
- **Capital discipline** – Commitment to reliably and predictably deliver with disciplined capital deployment.

What we will focus on

- **Lean business** – Fit for purpose today with an agile and flexible approach to opportunity.
- **Customer focus** – Preferred supplier of mineral products to customers.
- **Copper core** – Foundation built on copper with base metals and gold opportunistically pursued.
- **Multiple assets** – Build and maintain a portfolio of valuable, risk managed cash generating assets.



OZ Minerals Portfolio

Operations, Projects and a Growing Pipeline of Opportunities

PROMINENT HILL	CARRAPATEENA	WEST MUSGRAVE	GROWTH GAWLER CRATON	GROWTH PIPELINE
OP AND UG MINING	LOW RISK JURISDICTION	ESTABLISHED RESOURCE	KHAMSIN	ELOISE
STRONG CASH GENERATION	20+ YEAR UG MINE LIFE	SCOPING STUDY COMMENCED	FREMANTLE DOCTOR	YANDAL ONE
BOTTOM QUARTILE COSTS	BOTTOM QUARTILE COSTS	OPEN PITTABLE	MOUNT WOODS	COOMPANA
ROM STOCK UNWIND 2018-2023	RAPID PAYBACK	LOW STRIP RATIO	INTERCEPT HILL	ALVITO (PORTUGAL)
RESOURCE TO RESERVE CONVERSION	HIGHEST GRADE Cu CONCENTRATE GLOBALLY	REGIONAL EXPLORATION OPPORTUNITIES		OAXACA (MEXICO)
LONG LIFE	EXPANSION OPTIONALITY			M & A

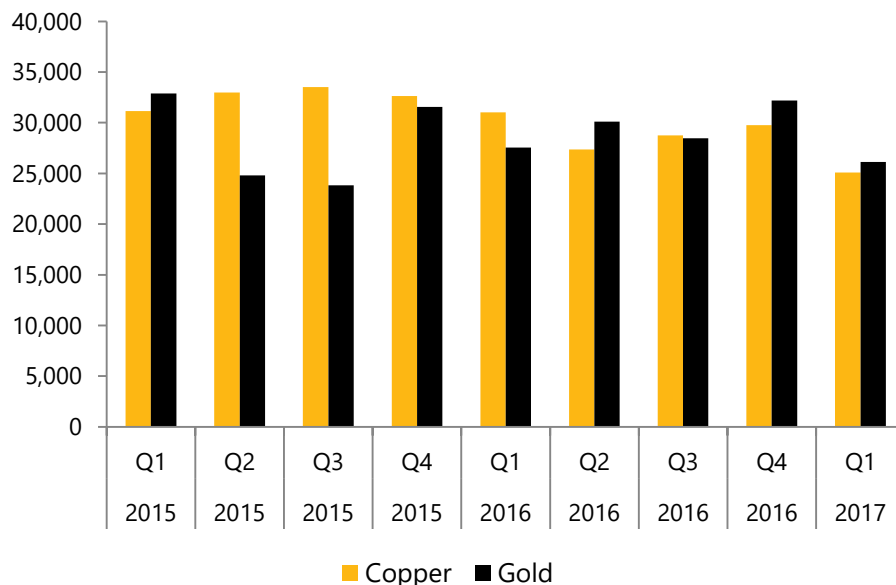
Summary

ITEM	Q1
Contained Copper produced (t)	● 25,079
Contained Gold produced (oz)	● 26,135
All-In Sustaining Cost US c/lb	● 135
C1 costs US c/lb	● 100

● Favourable to annual guidance ● Unfavourable to annual guidance

CONTAINED COPPER AND GOLD PRODUCED

(t/oz)



PH ON TRACK / CARRAPATEENA PROGRESSES

- / Prominent Hill on track for guidance; production increasing in H2 with completion of second decline
- / Power Purchase Agreement in place for Prominent Hill
- / Carrapateena update brought forward; move to Early Contractor Involvement (ECI) model to lock in pricing and advance schedules
- / Key Carrapateena appointments made including Project Management partner, site operations General Manager and Technical Services Manager
- / All three Carrapateena critical threats identified in PFS now reduced
- / Preferred site for Concentrate Treatment Plant secured outside Port Augusta
- / New exploration agreements signed in Portugal and Mexico

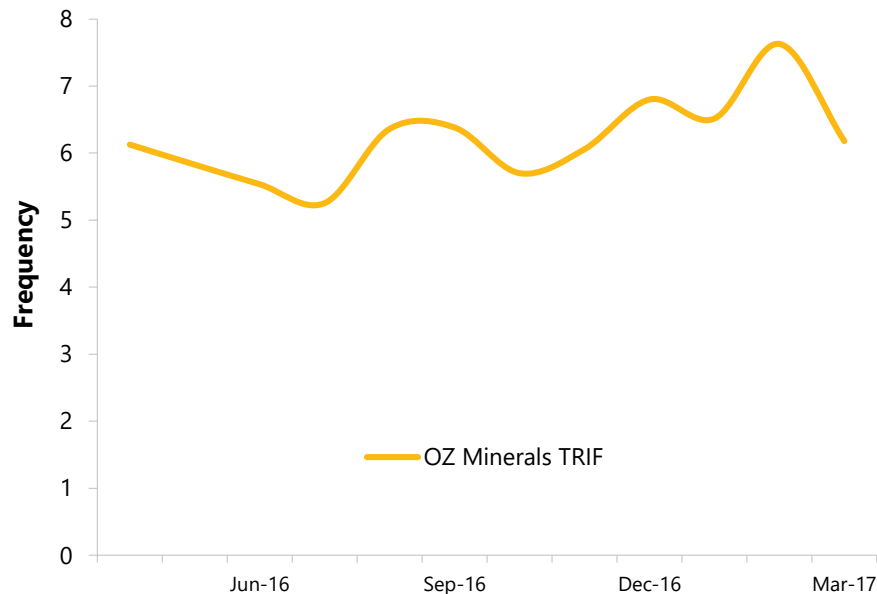
UPCOMING ACTIVITY

- / Prominent Hill mine plan will see production ramp up in H2 with completion of second permanent underground decline in Q3
- / Carrapateena ECI selection process underway; next funding review expected in Q3

Social Performance

SAFETY

- / Q1 TRIFR at 6.18; a 9% decrease on Q4 2016 (6.80)
- / Prominent Hill underground safety improvement plan demonstrating results with two months recordable injury free
- / Prominent Hill engagement commenced with Coober Pedy emergency service providers to align response protocols



OUR PEOPLE

- / Activities focused on supporting effective leadership and positive behaviours implemented across the company
- / Endorsement for new Prominent Hill traditional owner Workready Employment Program
- / 2017 Healthy Lifestyle Program (Health, Fitness, Injury, Risk) planning and implementation preparation underway with SANO Health

EXTERNAL STAKEHOLDERS

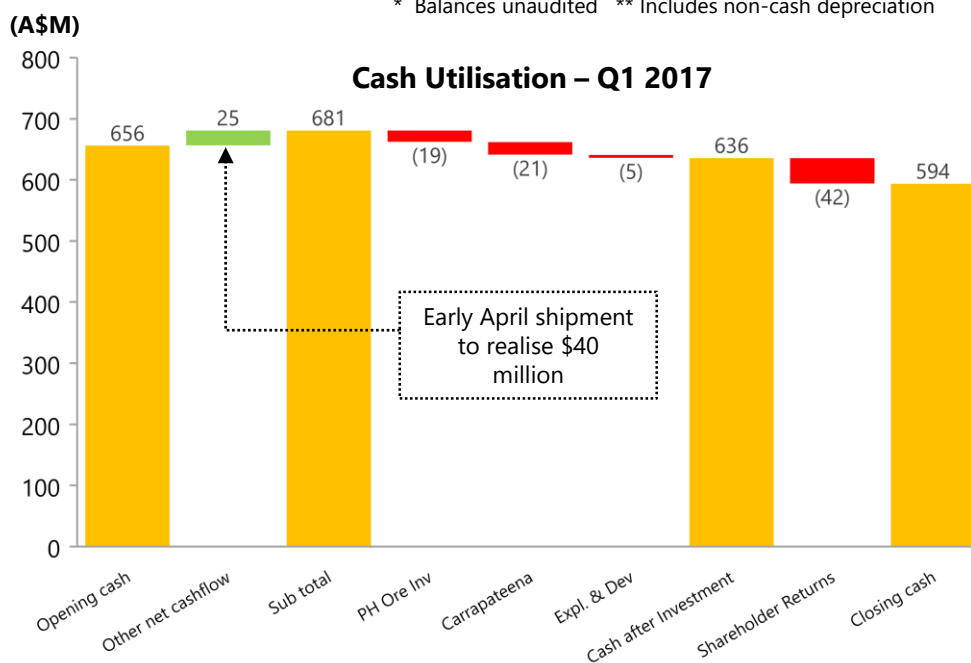
- / Three day workshop with Kokatha people to develop Carrapateena Native Title Mining Agreement
- / OZ Minerals Executive team met with West Musgrave traditional owners
- / Carrapateena formal approvals process underway:
 - / Federal Government EPBC referral: Carrapateena declared a 'controlled' action with additional reporting requirements
 - / Mining Lease Application to State Government prepared and ready for lodgement

Cash Generation

WORKING CAPITAL MOVEMENTS - QUARTER

A\$M	Dec 16	Mar 17*	Change
Trade receivables	69	59	(10)
Concentrate (at cost)**	48	87	39
Trade payables	(74)	(55)	19
Ore inventory**	488	532	44
Working Capital	531	623	92
Cash balance	656	594	(62)

* Balances unaudited ** Includes non-cash depreciation



GROWTH INVESTMENT AND S/H RETURNS

- / Unaudited 31 March cash balance of \$594 million with no debt
- / 2016 fully franked final dividend of \$42 million paid in March
- / Q1 investment in Carrapateena project of \$21 million
- / Prominent Hill ore inventory cash investment of \$19 million (plus \$25 million non-cash)
- / Concentrate inventory increase due to shipment timing; early April shipment to realise \$40 million
- / Gold hedge increased by 19 koz in Q1 bringing total hedge (commencing 2018) to 219 koz at an average price of A\$1,733/oz

UPCOMING ACTIVITY

- / Cash tax monthly instalments and 2016 provision payable H2 2017
- / Ore inventory build to continue; investment to be realised from mid-2018

Power Strategy Update

MOUNT GUNSON SUBSTATION



PROMINENT HILL SUBSTATION



ACTIVITIES PROGRESSED DURING QUARTER

- / Power Purchase Agreement (PPA) in place at Prominent Hill for 18 month term
- / Transmission Connection Agreement (TCA) with ElectraNet signed for Carrapateena; transmission corridor identified
- / Energy Solutions Framework signed with ElectraNet to continue progressing energy infrastructure solutions for Carrapateena
- / Supported submission by Energy Developments (EDL) to the South Australian Grid Connected Battery Storage Request for Expression of Interest
- / Application made to SA Government for Energy Productivity Audit Grant to review energy opportunities
- / Interim ACCC authorisation received to collectively negotiate power supply contracts in South Australia as part of Member of industry buy-in group

UPCOMING WORKPLAN

- / Analysis of opportunities for long term power purchase with retailers and generators
- / Detailed design works for Carrapateena transmission line and substation requirements at Mount Gunson to be completed
- / Onsite and offsite generation options continue to be investigated as a part of the broader Power Strategy to understand short term and / or long term conventional or hybrid power generation capability

Prominent Hill

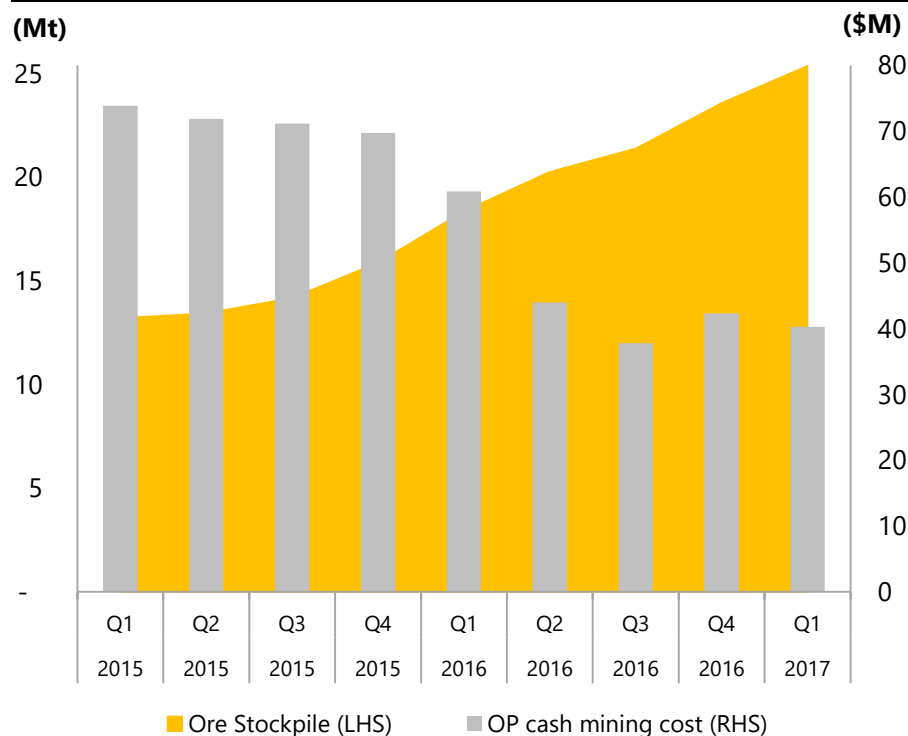


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Open Pit Performance

ITEM	Q1
Open Pit ore mined (Mt)	3.7
Open Pit waste mined (Mt)	2.3

OP CASH MINING COST vs. ORE STOCKPILED



OPEN PIT PERFORMANCE

- / Q1 open pit movement and efficiencies were impacted by two separate severe weather events in January
- / Circa 65ML of water removed in parallel to mining via LOM dewatering infrastructure and water trucks
- / Strip ratio continues to reduce at 0.6:1 for Q1
- / Stockpiled ore continues to grow while cash mining costs have remained consistent
- / Cash costs to reduce with the completion of the next scheduled demobilisation in Q2

UPCOMING FOCUS

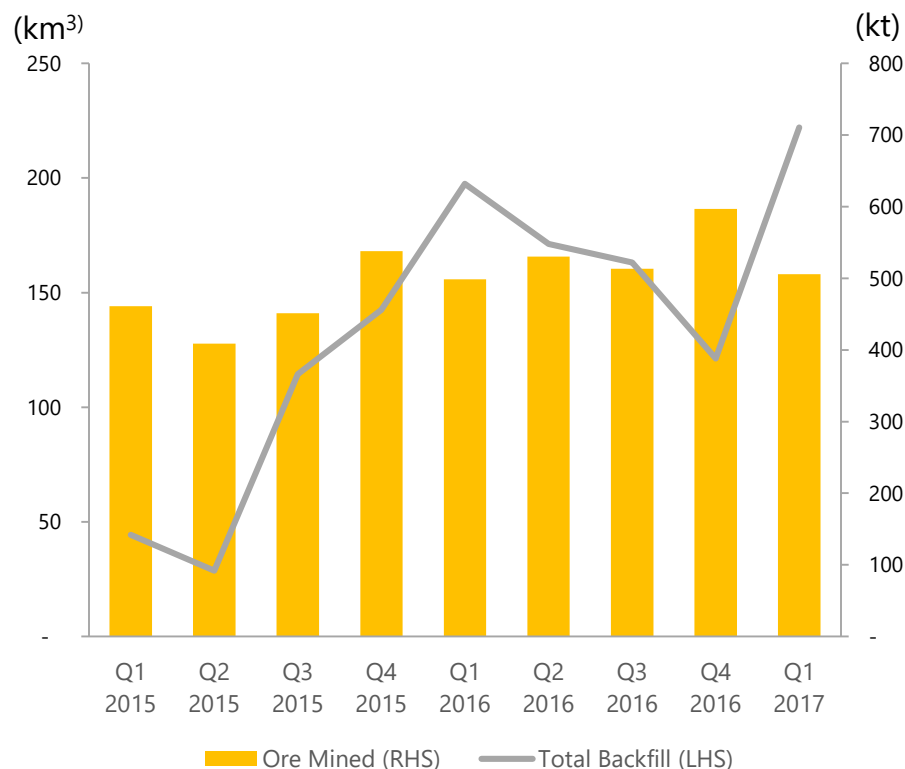
- / Demobilisation of excavator and associated truck fleet remains on track for Q2
- / Extended powder factor trials to increase dig rates and assess mill throughput impacts

Underground Performance

ITEM	Q1
Underground ore mined (kt)	506

● Favourable to annual guidance ● Unfavourable to annual guidance

ORE HAULED vs. TOTAL BACKFILL



UNDERGROUND PERFORMANCE

- Underground mine contributed 506kt of ore at 1.84% Cu
- Tonnes hauled in Q4 2016 were higher due to temporary haulage access which has since reverted to long term ventilation infrastructure
- High grade underground Au ore stockpiled in the quarter provides opportunity to flex Au mill feed grades higher
- Second permanent decline scheduled to break through in Q3 supporting increased haulage and production in H2 2017
- Significant increases to stope filling activity following interruption due to the power outage in Q4 2016; Record quarterly backfill volumes placed underground

FURTHER ACTIVITIES PLANNED

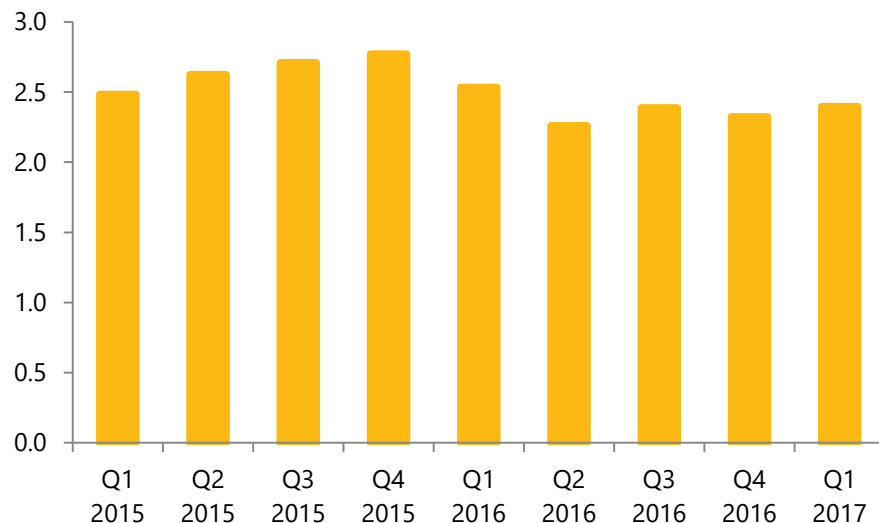
- Mobilisation of two additional haulage trucks to facilitate underground production profile increase
- Detailed second decline breakthrough planning to mitigate open pit interaction impacts and maximise haulage efficiencies

Processing Plant Performance

ITEM	Q1
Ore milled (Mt)	2.4
Copper recovery (%)	87
Gold recovery (%)	72

MILL THROUGHPUT

(Mt)



CONCENTRATOR PERFORMANCE

- / Tonnes milled for the quarter in line with Q4 2016
- / Scheduled concentrator shutdown (17 week cycle) completed safely with excellent availability post shutdown
- / Lower quarter on quarter Cu head grade reflected reduced underground tonnages treated and lower open pit grades
- / Lower quarter on quarter Au recoveries reflect a lower head grade, with Au sourced from Cu ore only in the quarter
- / Copper and gold head grades expected to increase in the near term to improve metal in concentrate outputs per the mine plan

CONCENTRATOR IMPROVEMENT FOCUS

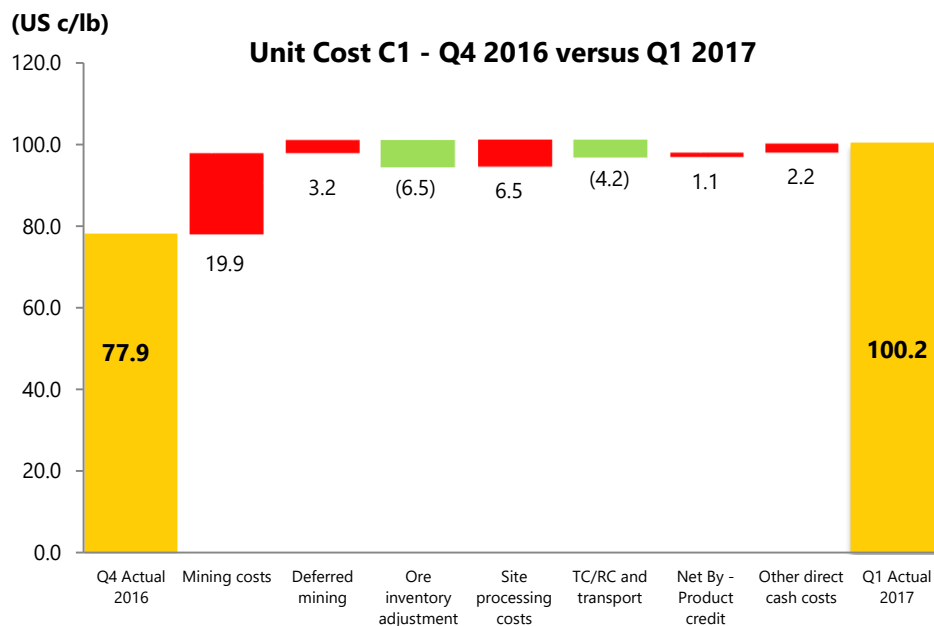
- / Preventive maintenance strategies improvement process underway targeting improved availability and costs reductions

Cost Performance

ITEM		Q1
All-In Sustaining Cost US c/lb	●	135
C1 costs US c/lb	●	100
Open Pit unit costs \$/t	●	6.74
Underground unit costs \$/t	●	65

● Favourable to annual guidance ● Unfavourable to annual guidance

C1 COST ANALYSIS



HIGHER UNIT COSTS EXPECTED TO REDUCE

- / Q1 All-In Sustaining Cost of US 135c/lb; Q1 C1 cost of US 100c/lb; on target for annual guidance
- / C1 costs impacted by less payable copper produced
 - / Underground mining costs higher with increased stope filling
 - / Deferred mining lower due to strip ratio and higher processing costs with planned shutdown
 - / Larger inventory adjustment as more OP material milled
 - / Lower TC/RC and transport reflecting customer parcels
- / Q1 OP unit mining costs of \$6.74 higher than the prior quarter with hauled tonnes impacted by two significant wet weather events in January
- / Q1 Underground operating unit costs of \$65/t was higher than the prior quarter with less ore hauled and increased stope filling

IMPROVEMENTS TARGETED

- / Second decline completion in Q3 will enable increased production to positively impact unit cost metrics in H2
- / Q2 demobilisation to reduce cash costs

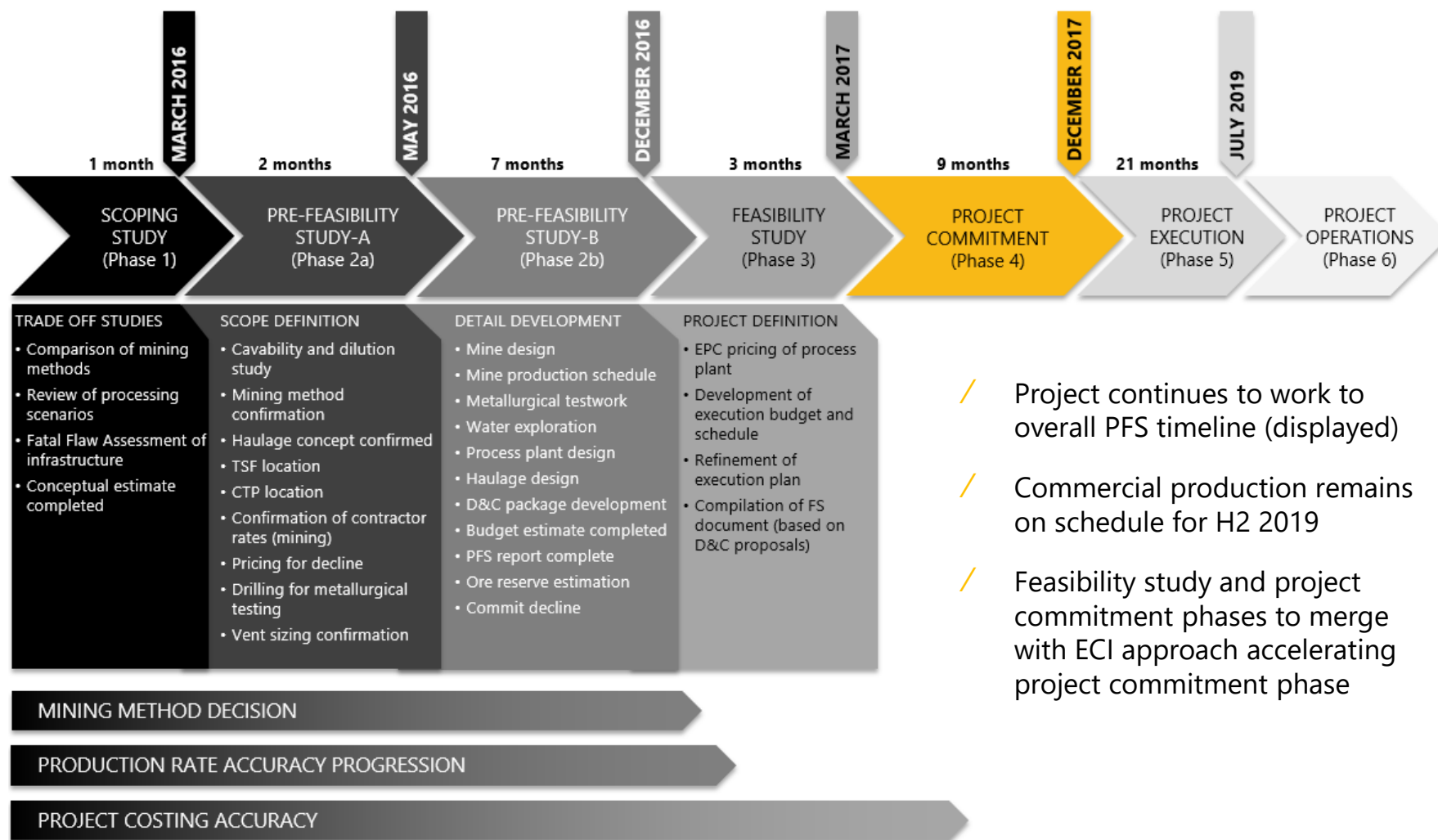
Carrapateena



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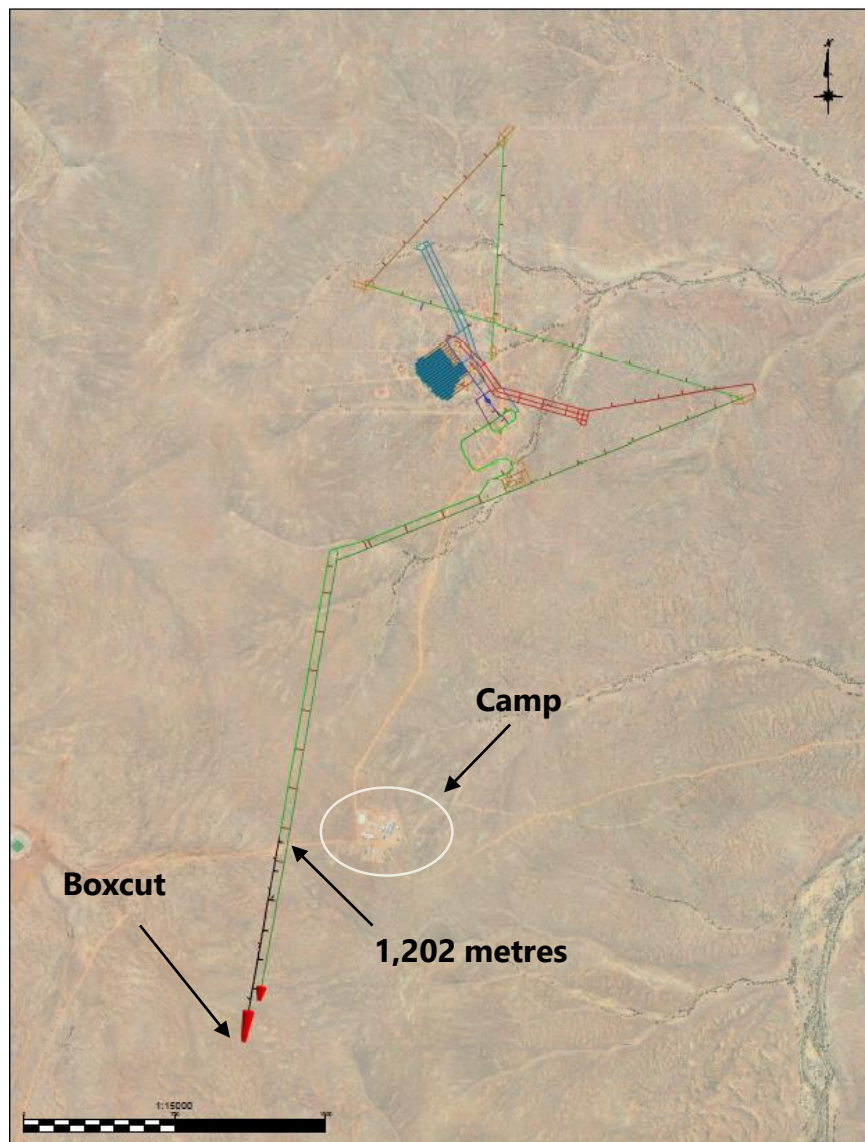
Carrapateena

Project Phases and Timing



- / Project continues to work to overall PFS timeline (displayed)
- / Commercial production remains on schedule for H2 2019
- / Feasibility study and project commitment phases to merge with ECI approach accelerating project commitment phase

Operational Update



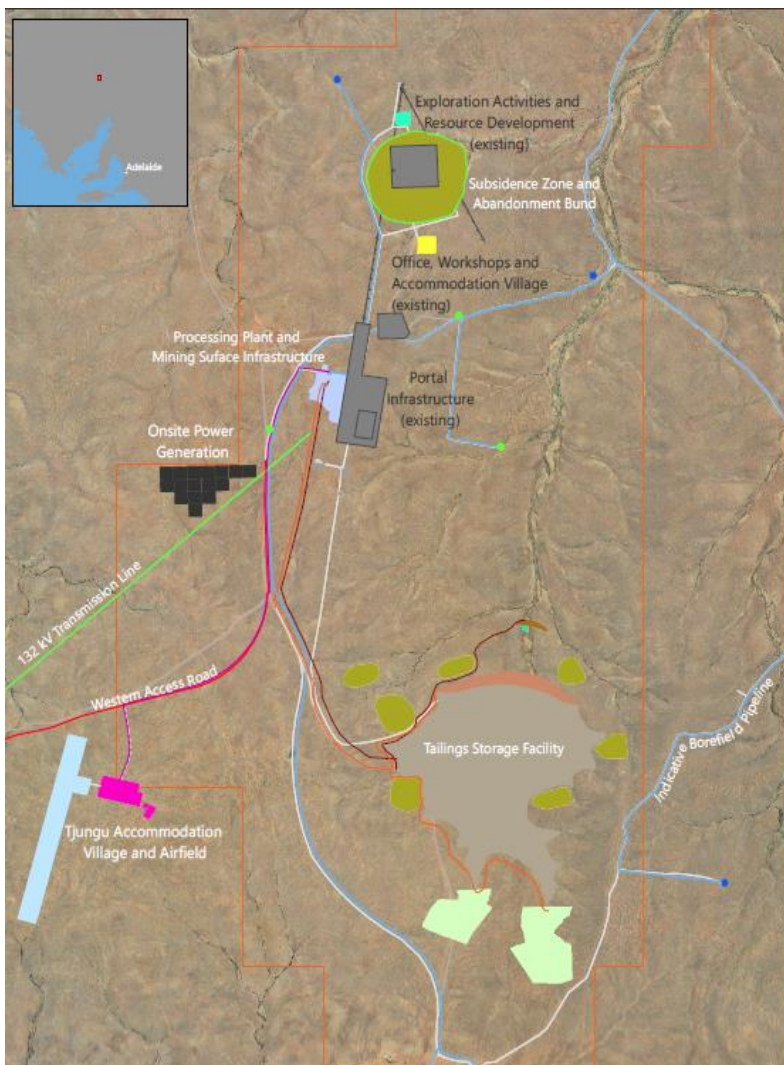
ACHIEVEMENTS TO DATE

- / Key appointments made: Site Operations General Manager and Technical Services Manager
- / Decline development 1,202m; Vertical depth 166m
- / Profile narrowed in line with the dual decline which commenced in April
- / Second decline parallel to the existing Tjati decline:
 - / Opens more headings to facilitate faster advance rate
 - / Provides ventilation and emergency egress
 - / Provides a separate pathway for the ore conveyor from the mobile fleet
- / Smaller dual decline approach is cost neutral with the removal of a number of previously included vent rises; provides a significantly lower risk profile with increased future operational flexibility and productivity
- / Decline development rate on budget
- / On site infrastructure completion e.g. settling dams

NEXT STEPS

- / Continued decline build and second boxcut completion

Studies Update



ACHIEVEMENTS TO DATE

- / International engineering procurement and construction firm KBR engaged to partner with the OZ Minerals team to manage project
- / Significant progress made with most non-mining work packages now at feasibility study level of definition
- / Mining optimisation required to reach feasibility study level
- / All three critical threats identified in PFS (power, water and caveability) significantly reduced
- / Transmission Connection Agreement with ElectraNet signed; corridor for the transmission line identified in partnership with key stakeholders
- / Lower risk, more versatile dual access decline layout deployed
- / Decision to remove temporary surface crusher and install third permanent underground crusher to enable early production capacity
- / Staged technology implementation strategy developed
- / Updated Tailings Storage Facility design issued to market and budget pricing received
- / Design of non-process infrastructure including accommodation village progressed

NEXT STEPS

- / Optimised mine design work to be completed to feasibility study level by new consulting company
- / Water supply drilling to continue to identify closer sources

ECI Approach

ECI DRAFT PACKAGING STRATEGY

PACKAGE	SCOPE
1	Processing Plant Non Processing Infrastructure Underground Materials Handling Temporary Services & Power Mine Ventilation & Power
2	Western Access Road Village
3	Tailings Storage Bulk Civils Quarry Temporary Water Dam
4	Wide Area Network
5	Regional Power
6	Ancillary Services & Cleaning
7	Concrete Batch Plant
8	Water & Temporary Services
9	Communications & Telemetry
10	Geotechnical
11	Decline / Mine Development
12	Spares & Fleet

EARLY CONTRACTOR INVOLVEMENT

- / Move to ECI model is an opportunity under the agile process to accelerate construction readiness and provide cost certainty
- / Smaller number of work parcels apportioned to experienced head contractors who will submit a fixed maximum price and timeline for each parcel
- / ECI will ensure schedule and cost risks are minimised as design, engineering and scheduling is undertaken with preferred contractors
- / Allows OZ Minerals to proactively manage risk, minimise total project cost and exploit contractors' specialist knowledge of construction processes
- / Successful contractors also responsible for delivering local content and traditional owner involvement in line with OZ Minerals' expectations

NEXT STEPS

- / ECI scope and contract T&C's finalised to meet performance and risk requirements
- / Finalise selection of the preferred ECI partners for each package and obtain firm fixed cost and schedule bids

Approvals Update



ACHIEVEMENTS TO DATE

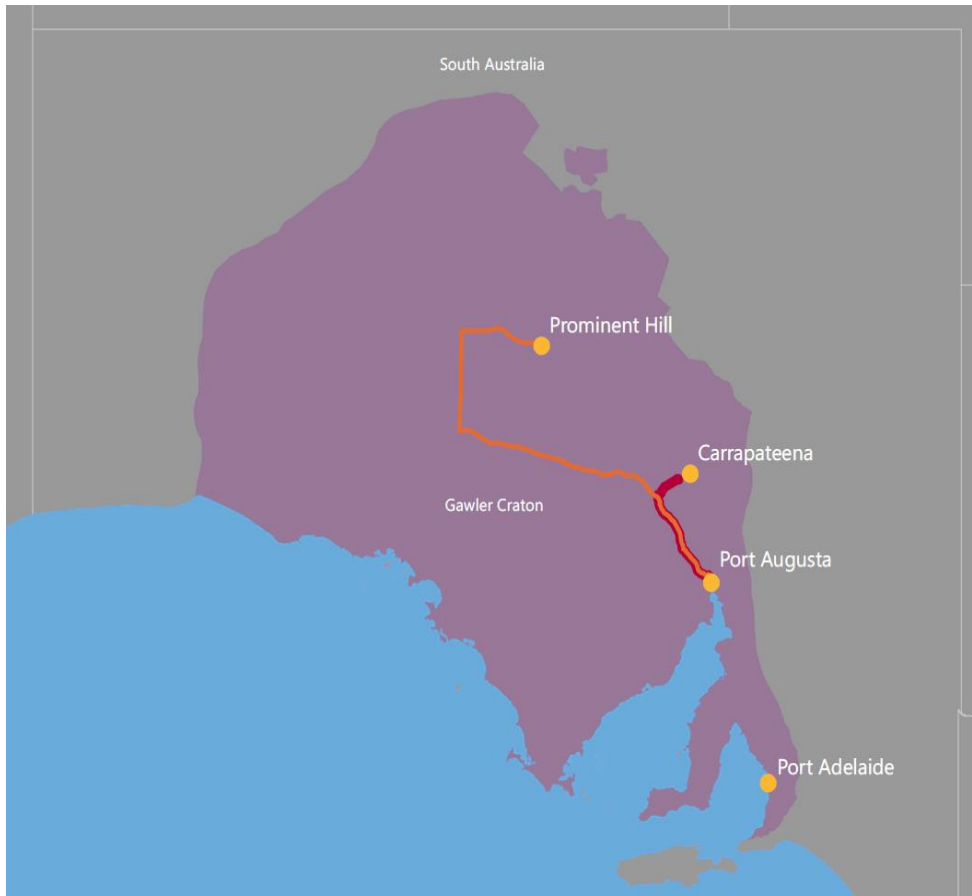
- / Carrapateena formal approvals process underway:
 - / Federal Government EPBC referral: Carrapateena declared a 'controlled' action with additional reporting requirements
 - / Mining Lease Application to State Government prepared and ready for lodgement
- / Advancement of the Native Title Mining Agreement with the Kokatha Aboriginal Corporation

NEXT STEPS

- / Complete Native Title Mining Agreement with the Kokatha Aboriginal Corporation
- / Finalise access agreements with pastoralists
- / Mining Lease Application to be lodged with State Government

CTP Studies Update

PORT AUGUSTA NOW PREFERRED CTP LOCATION

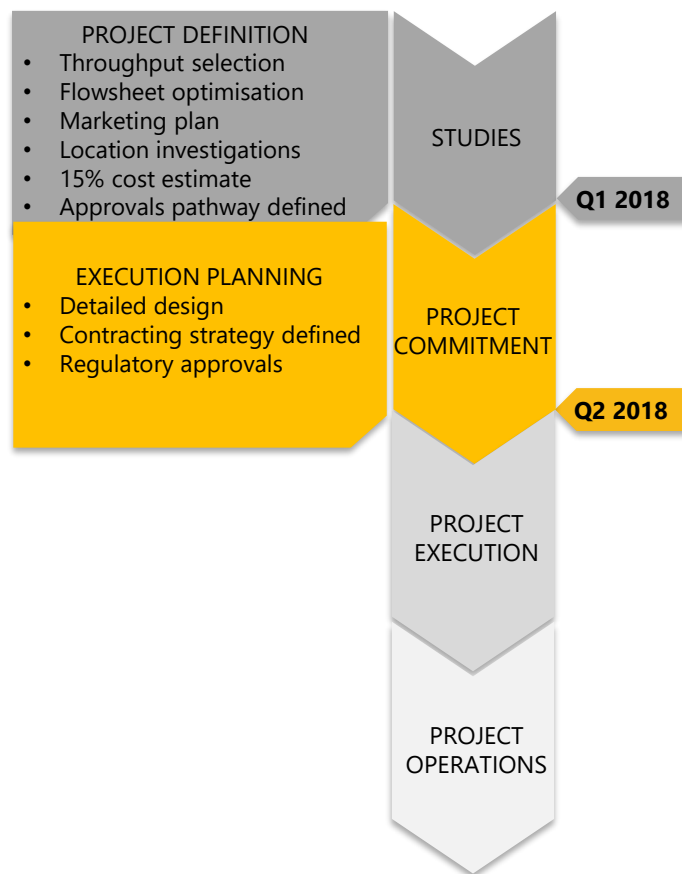


CTP STUDIES PROGRESSING

- / CTP now managed as a separate but interdependent project
- / Brett Triffett, former Carrapateena Project Director, appointed CTP Project Director
- / New base case plant located at Port Augusta, now the preferred location, with waste returned to Carrapateena
- / Parcel of land purchased outside of Port Augusta township; baseline test work and community consultation now focused on this site
- / Engineering and test work progressing
- / Optimum CTP size currently under review – opportunity to process Prominent Hill material being explored

CTP Schedule

CTP PROJECT EXECUTION



CTP FORWARD LOOKING ACTIVITIES

- / Range of CTP throughput options being investigated; expected treatment of Carrapateena and Prominent Hill concentrates
- / Options analysis scheduled for completion in H2 2017 with preferred option expected to progress to final design for completion in Q1 2018
- / Progress CTP to feasibility study level:
 - / Flowsheet being optimised
 - / Further metallurgical testing to be completed
 - / Final sizing to be determined
 - / Fabrication of titanium clad plate for NONOX autoclave and continuation of engineering and test work studies
- / Schedule may change depending on study outcomes
- / Metallurgical test work of pre-CTP Carrapateena concentrate demonstrates significant downgrade of uranium by flotation, confirming international saleability
- / CTP will enable OZ Minerals to produce the cleanest and highest grade concentrate to our customers and de-risks against future regulatory changes

Costs

CARRAPATEENA AND CTP EXPENDITURE



ACTUAL SPEND AND FURTHER APPROVAL

- / Board approved expenditure since 1 July 2016 of \$90 million
- / Actual expenditure to 31 March 2017: \$53 million
- / All approved expenditure is included in the pre-production combined Carrapateena and CTP capital cost of \$980 million announced at PFS stage and is not an additional cost
- / Remaining \$37 million to fund:
 - / Access decline development
 - / Further mining studies
 - / CTP studies
 - / Additional water exploration and infrastructure
 - / Final scope definition on key ECI packages
- / Expenditure to 31 March is \$31 million lower than previously anticipated due to a combination of cost savings, timing and project scope changes

NEXT STEPS

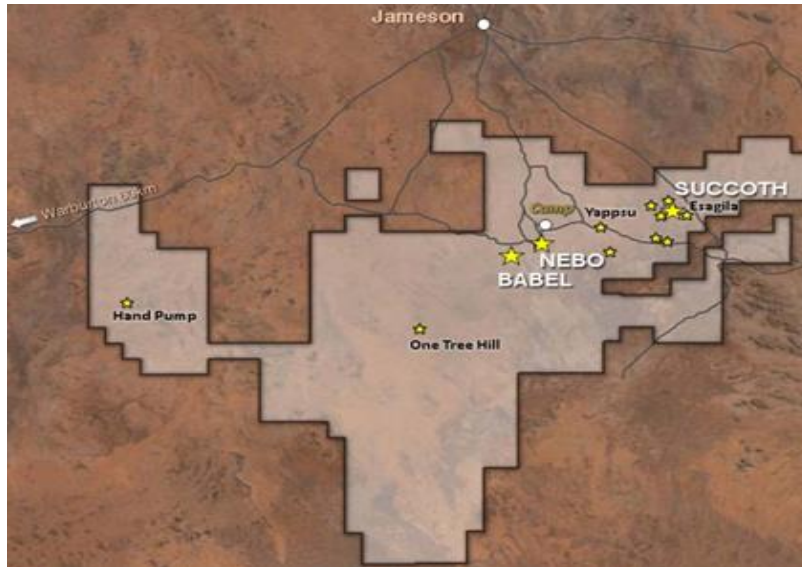
- / Mining packages expected to be at feasibility study level of definition and ECI packages ready to execute in Q3; at this time the Board will consider the next phase of expenditure pending regulatory approvals

West Musgrave



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Nebo-Babel Scoping Study



ACTIVITIES PROGRESSED DURING QUARTER

- / Metallurgical test work program commenced
- / High level review of hydromet options completed
- / Review of environment and land access requirements commenced
- / Site visit and community meeting held in Jameson
- / Energy and water studies underway

UPCOMING WORKPLAN

- / Resource extension drilling program approved for commencement in April
- / Drilling of water bores commenced in April
- / Master composites for locked cycle tests to be finalised
- / Independent metallurgical test work to commence in Q2
- / Logistics study to be completed in April
- / Mining study scope of works to be finalised



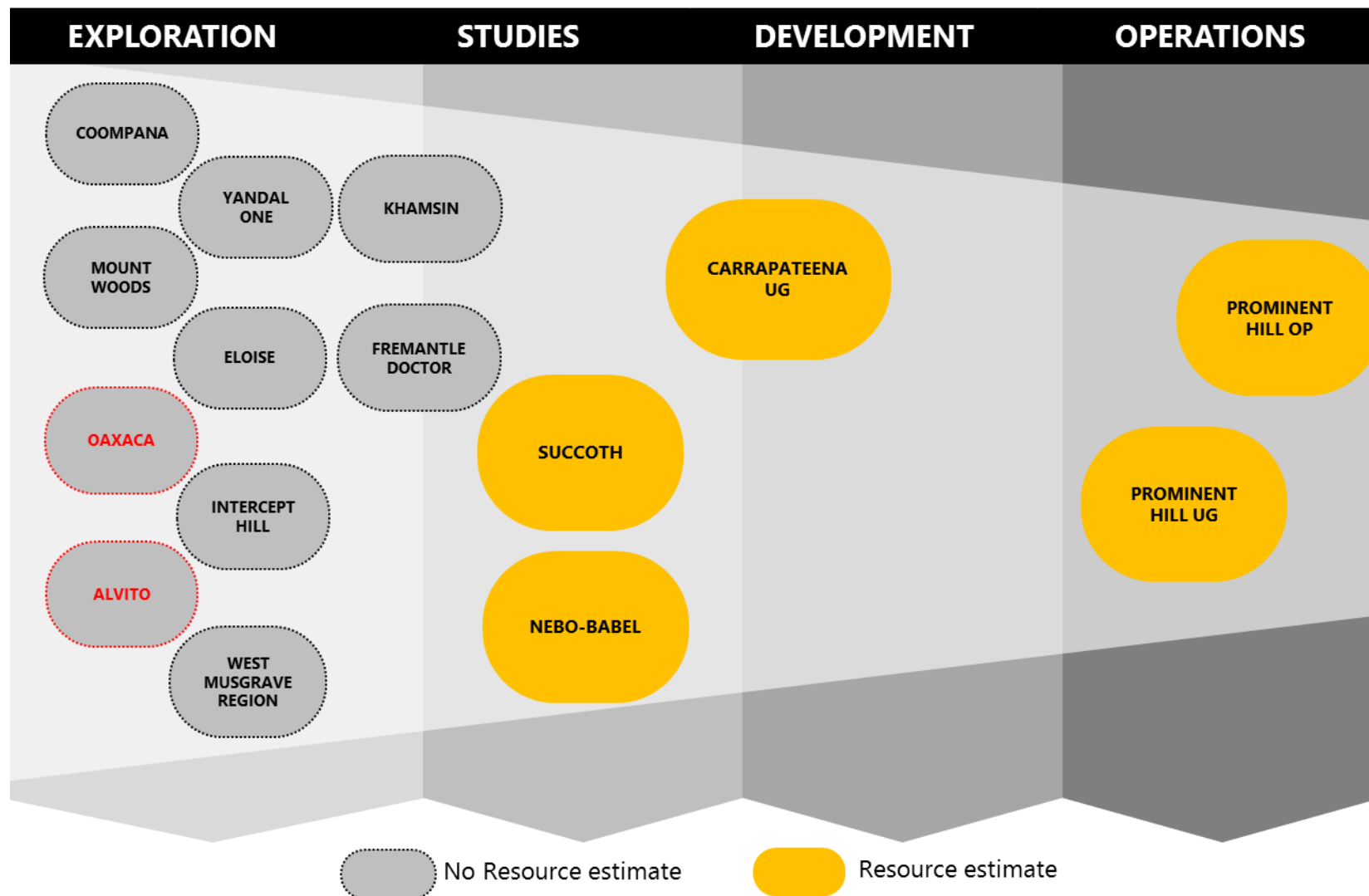
Exploration and Growth



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Exploration

Pipeline continues to grow



Oaxaca Project

PROJECT LOCATION



Line complete

OVERVIEW

- / Targeting Copper / Zinc VHMS systems with Acapulco Gold
- / Salina Cruz port, Oaxaca, Southern Mexico
- / OZ Minerals earn up to 78% by spending US\$6.8 million over 6 years
- / Hosted in bi-modal volcanic and marine sedimentary rocks, early to mid-Cretaceous in age
- / Preliminary field evidence supports a geological setting and geochemical anomalism consistent with VHMS mineralisation
- / On ground activities to be undertaken by Acapulco Gold with oversight from OZ Minerals

PROGRESS TO DATE

- / Agreement reached in early April 2017

UPCOMING ACTIVITY

- / Land access, geological mapping and geochemical sampling to commence Q2 2017

Alvito Project



OVERVIEW

- / Exploring for IOCG mineralisation with Avrupa Minerals
- / 60km southeast of Lisbon, Portugal
- / OZ Minerals can earn up to 75% by spending A\$4 million over 2.5 years
- / Strong mining culture and supportive community with easily accessible terrain for exploration activities
- / On ground activities to be undertaken by Avrupa Minerals with oversight by OZ Minerals

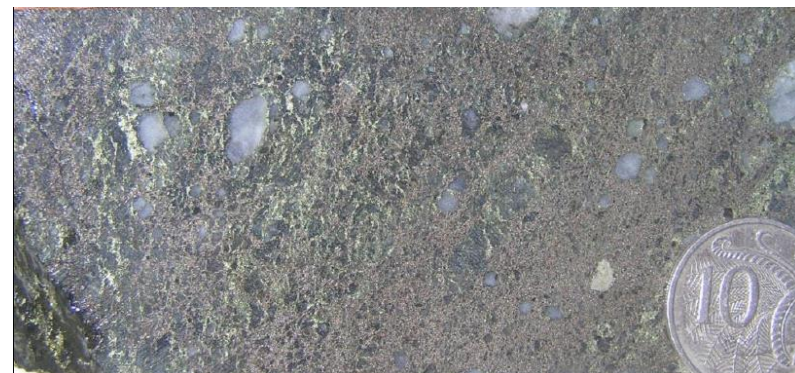
PROGRESS TO DATE

- / Agreement reached early April, 2017
- / Over 66,000 densely spaced historic soil samples define a >24km copper in soil anomaly
- / OZ Geologists confirm IOCG alteration and mineralisation in Avrupa's 2015 top-of-bedrock drilling

UPCOMING ACTIVITY

- / Geophysics to start in Q2 2017 to define initial focus area – mostly grazing land with low relief and widely spaced trees
- / Follow up base of cover sampling to define targets

Eloise Project



OVERVIEW

- / Targeting Eloise style massive sulphides with Minotaur Exploration
- / 60km southeast of Cloncurry, Queensland
- / OZ Minerals can earn up to 70% by spending A\$10 million over 6 years

PROGRESS TO DATE

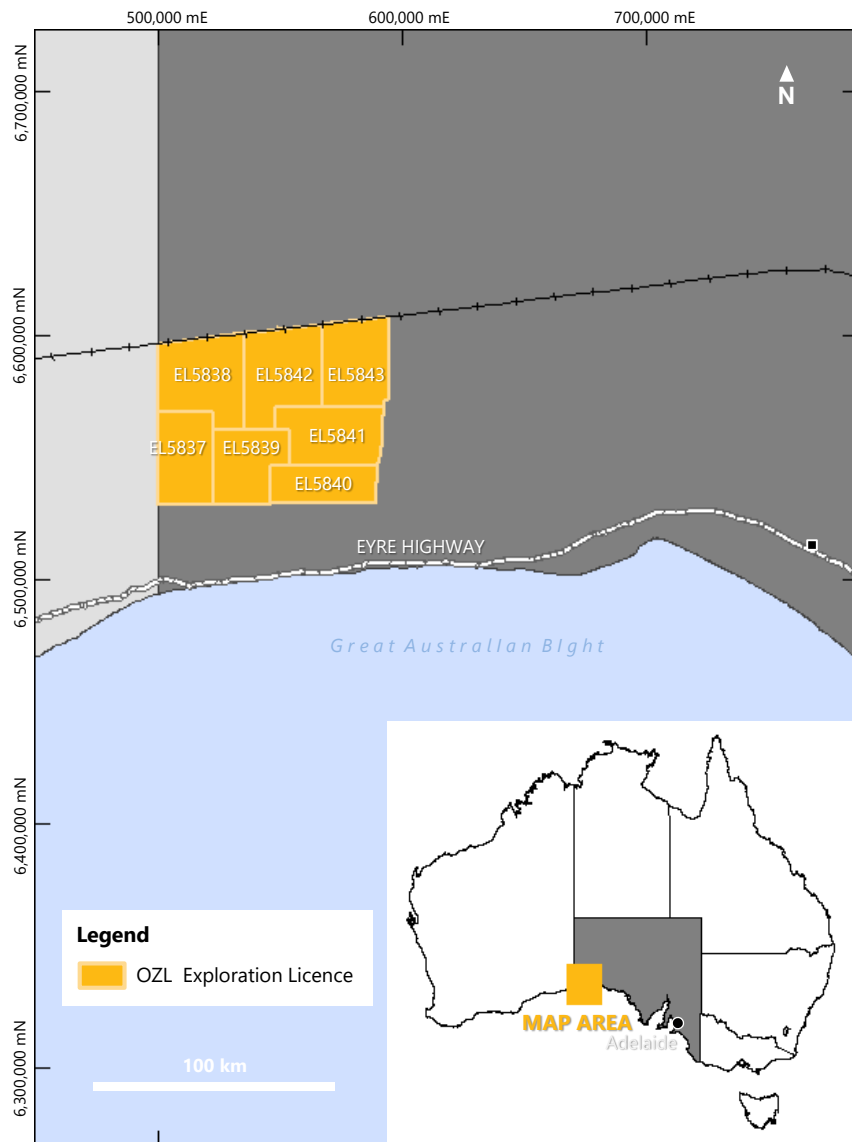
- / Ground EM conducted over the structural corridor north of Eloise mine defined initial targets
- / Drilling in 2016 intersected the targeted mineralisation style: EL16D08 – 26m @ 0.73% Cu and 0.61g/t Au from 168m (including 0.4m @ 12.35%Cu and 14.3g/t Au from 175.3m)*

UPCOMING ACTIVITY

- / Follow up drilling and testing of newly defined targets commencing April, 2017
- / Compilation of Q2 drilling results expected in June 2017
- / Further geophysics expected to commence in Q2 2017

* This information is extracted from the announcement by Minotaur Exploration Limited titled "Iris-Electra results confirm copper-gold potential" released on 24 November 2016 and is available at www.minotaurexploration.com.au/investor-information/asx-announcements. OZ Minerals is not aware of any new information or data that materially affects the information included in that announcement. OZ Minerals confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from that announcement

Coompana Project



OVERVIEW

- / Targeting nickel – copper magmatic sulphides with Mithril Resources
- / Coompana, far south west of South Australia
- / OZ Minerals to dilute to 80% if Mithril elect to co-fund drilling program

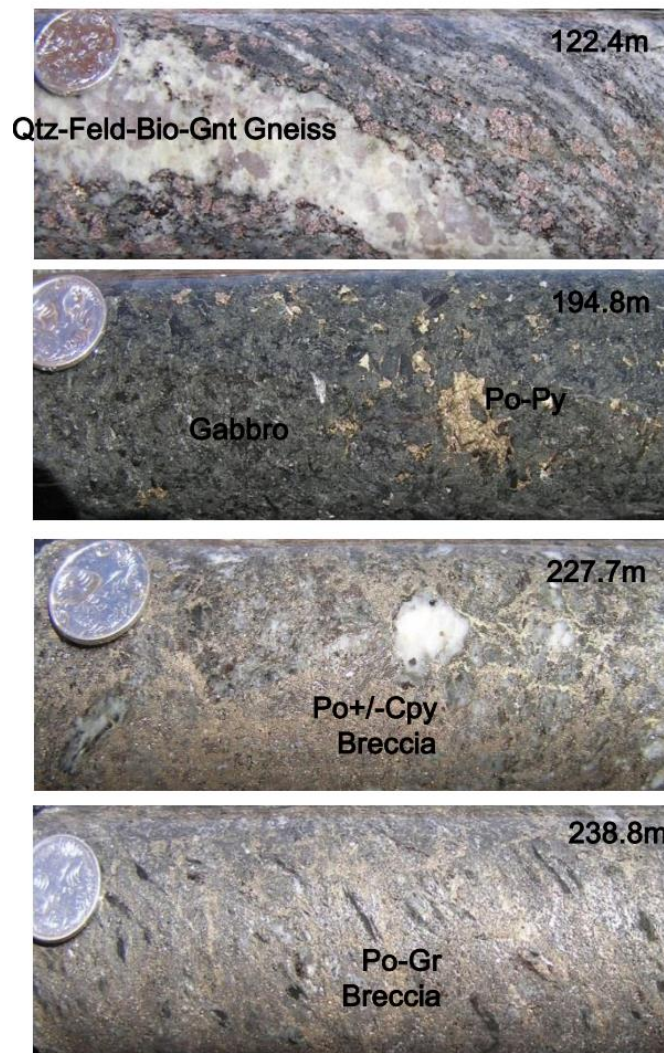
PROGRESS TO DATE

- / State government funded geophysical programs
- / DSD sponsored gravity survey complete
- / Geological Survey of South Australia (GSSA) and Geoscience Australia (GA) scientific drilling underway
- / Desktop study complete

UPCOMING ACTIVITY

- / Monitoring of GSSA / GA drilling results
- / OZ Minerals to commence discussions with the Far West Coast Aboriginal Corporation (FWCAC) to develop a Native Title Mining Agreement for exploration

Mt Woods Project



Jupiter core

OVERVIEW

- / ISCG and IOCG exploration with Minotaur
- / Mount Woods Inlier, host of Prominent Hill
- / Alliance formed by co-funding drilling programs on mutually agreed targets

PROGRESS TO DATE

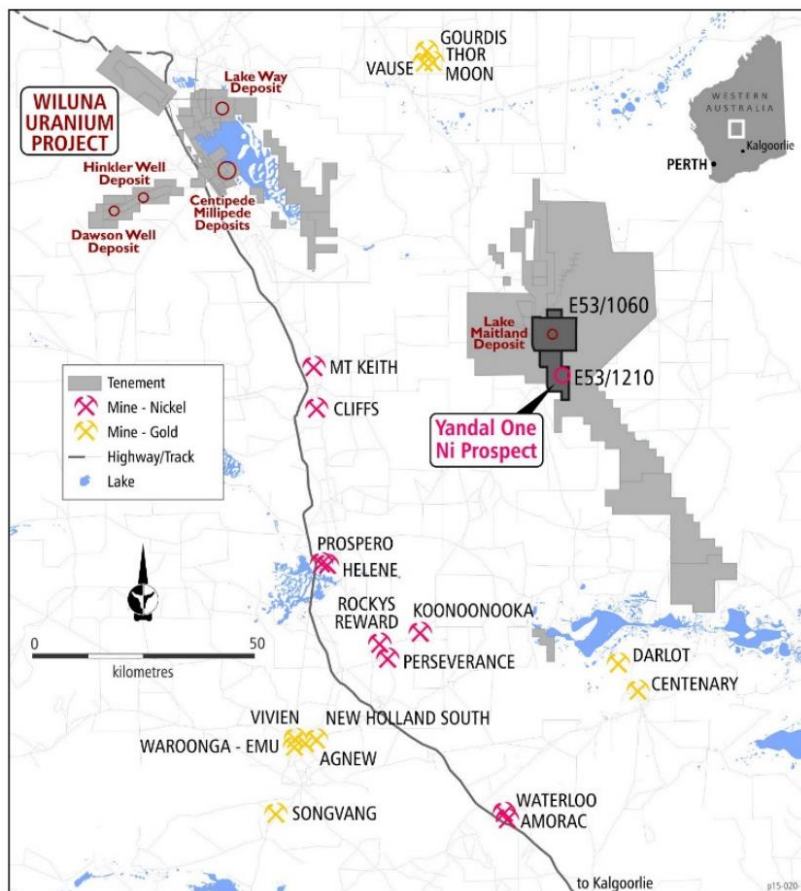
- / 5 holes drilled for 1867.4m completed in Q4 2016
- / Further analysis of results and drill target generation ongoing
- / Bellatrix returned 9m @ 0.41% Cu from 242m*

UPCOMING ACTIVITY

- / Finalisation of program for Q2

*This information is extracted from the announcement by Minotaur Exploration Limited titled "Exploration for IOCG and ISCG copper gold giants" released on 2 December 2016 and is available at www.minotaurexploration.com.au/investor-information/asxannouncements. OZ Minerals is not aware of any new information or data that materially affects the information included in that announcement. OZ Minerals confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from that announcement.

Yandal One Project



OVERVIEW

- / Targeting nickel sulphide mineralization with Toro Energy
- / Central Yandal Greenstone belt, Western Australia
- / OZ earning up to 70% by spending A\$5 million

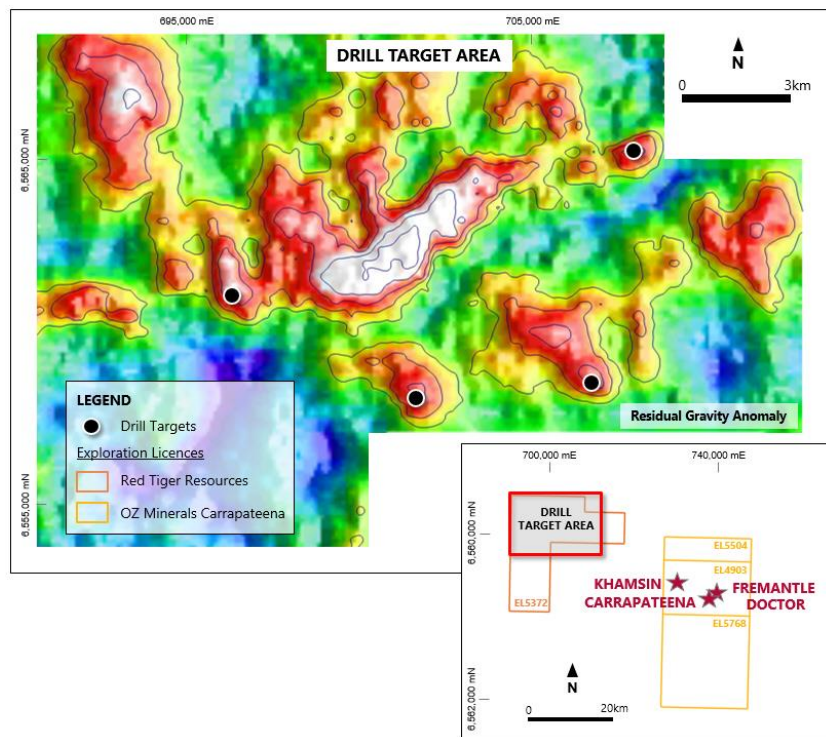
PROGRESS TO DATE

- / 4,000m RC program completed in Q4 2016
- / Drilled four cross-sections across the target formation

UPCOMING ACTIVITY

- / Compilation and interpretation of Q4 2016 drilling data
- / Project review in Q2 2017 to determine next steps

Intercept Hill Project



OVERVIEW

- / Targeting Iron Oxide Copper Gold (IOCG) mineralization with Red Tiger Resources
- / 30km north-west of Carrapateena
- / Initial drill funding of circa \$1.2 million provided by OZ Minerals
- / OZ Minerals earning up to 75% by spending \$9 million

PROGRESS TO DATE

- / Agreement formed with Red Tiger in Q4 2016
- / Currently in final stages of drill program preparation
- / Heritage clearances complete

UPCOMING ACTIVITY

- / Four hole, 4000m diamond drilling program to commence in Q2 2017



Supplementary Slides



A modern
mining company

Guidance

Guidance	2017	2018	2019
PROMINENT HILL:			
Copper production*	105,000 to 115,000 tonnes	90,000 to 100,000 tonnes	90,000 to 100,000 tonnes
Gold production*	115,000 to 125,000 ounces	120,000 to 130,000 ounces	120,000 to 130,000 ounces
Open pit total movement	15Mt to 20Mt	< 5Mt	
Open pit strip ratio	Circa 0.5 times	Circa 0.25 times	
Open pit unit mining costs**	\$7.25 - \$7.75/tonne		
Underground ore movement	2.3 - 2.6Mt		
Underground unit mining costs**	\$50 to \$60/tonne		
Underground capital expenditure	\$45M - \$55M (inc. development)		
Site sustaining capital expenditure	\$15 to \$20 million		
All in sustaining cost	US 120c – US 130c/lb		
C1 costs (OP & UG)	US 85c - US 95c/lb		
OTHER:			
Exploration	\$10 - \$15 million		
West Musgrave Scoping Study	Circa \$3 million		

* These production targets must be read in conjunction with the production cautionary statement on slide 3

** Open Pit Unit Mining Costs include geology costs. Underground Unit Mining Costs include geology costs and exclude underground capital expenditure.

Prominent Hill Depreciation

Indicative depreciation and capitalisation into ore inventory 2017 - 2019

- / PP&E at Prominent Hill includes the capitalisation of mining activity (OP deferred waste and UG capital development), the processing plant and other sustaining capital incurred over the life of mine. All OP assets including deferred waste will be fully depreciated by mid 2018 with the pit completion
- / Prominent Hill will continue to add to the ore inventory through to mid 2018 with accelerated mining of the open pit ('OP') with resulting capitalisation of depreciation of OP mining assets
- / As the ore inventory is drawn down from mid 2018 (after the OP ceases) the capitalised depreciation will be recognised in the income statement
- / This unwind of capitalised depreciation begins in 2018 and increases in 2019 as more of the OP ore is consumed from stockpile until exhausted in 2023
- / Net depreciation expense in the income statement is expected to be relatively flat over the next three years

Prominent Hill depreciation forecasts 2017 - 2019			
Depreciation and amortisation (\$M)	2017	2018	2019
Depreciation of PP&E	310 – 350	180-200	110-130
Capitalised depreciation into OP ore inventory	(70 – 90)	55-75	120-140
Net depreciation in the Income statement	240 – 260	235-275	230-270