

28 August 2017

OZ Minerals offers unmarketable parcels sale facility

- OZ Minerals is offering eligible shareholders an opportunity to sell unmarketable holdings without having to pay brokerage or other handling costs
- OZ Minerals' administration costs incurred in maintaining large numbers of small holdings will be reduced

Unmarketable Parcels Sale Facility

OZ Minerals has initiated a share sale facility to allow eligible shareholders to sell their unmarketable parcels of shares (less than A\$500 worth of shares) simply and without incurring any brokerage or handling costs and to assist OZ Minerals in reducing costs associated with servicing smaller holdings.

Consistent with the Company's Constitution and recognising that the cost to shareholders of selling small holdings can be prohibitive, shareholders with an unmarketable parcel of shares will shortly receive a letter in the form attached.

The letter explains that, unless shareholders advise the Company's Share Registry otherwise, their shares will be sold on market and the proceeds remitted to them at no cost to them. Shareholders who wish to retain their unmarketable parcels of shares must return the form enclosed with the letter, otherwise their shares will be sold.

For further information contact:

Investors

Tom Dixon

T 61 8229 6628

M 61 450 541 389

Tom.Dixon@ozminerals.com

Media

Sharon Lam

T 61 8 8229 6627

M 61 0420 928 824

Sharon.Lam@ozminerals.com

28 August 2017

**THIS LETTER CONTAINS IMPORTANT INFORMATION ABOUT YOUR OZ MINERALS SHAREHOLDING
AND REQUIRES YOUR IMMEDIATE ATTENTION**

Dear Shareholder

Unmarketable Parcels Sale Facility

I am writing to advise all shareholders who hold less than A\$500 worth of OZ Minerals shares (known as an unmarketable parcel), that OZ Minerals is implementing an unmarketable parcels share sale facility (the Unmarketable Parcels Sale Facility) under section 5.4 of OZ Minerals' Constitution.

Our records indicate that you are the holder of an unmarketable parcel of shares as at 28 August 2017, therefore your holding has been included in the Unmarketable Parcels Sale Facility. If the market value of your shareholding remains less than A\$500 on 16 October 2017, as detailed below, your OZ Minerals shares will be sold, unless you notify OZ Minerals' Share Registry otherwise. If you wish to retain your shares, please notify us of your intention, by following the opt-out procedure set out below.

Ability to Opt-Out

If you wish to retain your OZ Minerals shares, you must complete the 'Share Retention' form attached to this letter and ensure that you return it to OZ Minerals' Share Registry so that they receive it by the offer closing date, which is 16 October 2017 (**Offer Closing Date**).

If you do not return a completed 'Share Retention' form and your OZ Minerals shareholding remains less than a marketable parcel, your OZ Minerals shares will be sold as soon as practicable following the end of the Offer Closing Date.

Sales Price

OZ Minerals will pay all transaction costs associated with the sale, including brokerage, and any applicable GST. The sale price of each of your OZ Minerals shares will be the average price of every share sold on the ASX under the Unmarketable Parcels Sale Facility. All holders of unmarketable parcels who are participating in the Unmarketable Parcels Sale Facility will receive the same sale price per share, and the payment for your holding will be the sale price multiplied by your number of shares.

Why is OZ Minerals implementing an Unmarketable Parcels Sale Facility?

The Company welcomes the support of all shareholders, however, OZ Minerals incurs administrative costs in producing and distributing shareholding statements, annual reports, notices of meeting and other communication, irrespective of the size of the shareholding. The cost of maintaining shareholder accounts can be disproportionately high when compared with the dollar value of small shareholdings. Additionally, the facility will assist those shareholders who hold a small number of shares and find it difficult or expensive to dispose of those shares through the normal means.

Authority to implement the Unmarketable Parcels Sale Facility

Under Section 5.4 of OZ Minerals' Constitution, the Company may notify shareholders who hold less than A\$500 worth of OZ Minerals shares that it intends to sell their shares. This letter, and the 'Share Retention' form which accompanies this letter, satisfy the notice requirements under Section 5.4 of the Company's Constitution.

However, shareholders who hold unmarketable parcels have the opportunity to inform the Company's Share Registry that they wish to retain their shareholding. If a shareholder notifies the Company's Share Registry

prior to the Offer Closing Date, their shares will not be sold. Otherwise, after the Offer Closing Date, the Company is entitled to sell the unmarketable parcels with the proceeds of sale remitted to the shareholder whose shares were sold. Shares will be sold on the Australian Stock Exchange at prevailing market prices.

If your shares are in a CHESS holding and remain in a CHESS holding on 16 October 2017, and are to be sold under the Unmarketable Parcels Sale Facility, you should note that OZ Minerals may, without further notice to you, sell the relevant shares while they remain in your CHESS holding, and may initiate a holding adjustment to move those shares to an issuer sponsored holding or a certificated holding for the purposes of that sale.

Sales Process and Sale Proceeds

The Company will bear the brokerage and handling costs in respect of the sales. OZ Minerals has arranged for Pacific Custodians to act as the sale agent to effect these sales. These sales will take place following the end of the Offer Closing Date. Pacific Custodians may sell in batches the shares of multiple shareholders.

It is expected that the proceeds (in Australian dollars) will be remitted to you by 31 October 2017. The proceeds of the share sale will be deposited in your bank account if you have previously provided banking instructions to OZ Minerals' Share Registry or alternatively will be sent to you by cheque at the address last recorded in OZ Minerals' register of members. We encourage you to ensure that your bank account details and address have been provided to OZ Minerals' Share Registry by the Offer Closing Date to enable a prompt payment.

Change in the value of your holding

If the market value of your OZ Minerals shares increases before the Offer Closing Date, due to an increase in the OZ Minerals share price, so that your shares that were previously identified by OZ Minerals as being an 'unmarketable parcel' become a 'marketable parcel' (i.e. their value becomes equal to or greater than A\$500) the Company will not sell your shares.

Alternatively, if you increase your holding of OZ Minerals shares before the Offer Closing Date to a marketable parcel, the Company will not sell your shares. If you sell your OZ Minerals shares prior to the end of the Offer Closing Date, no further action will be taken.

Important Notes

Neither OZ Minerals, Link Market Services Limited nor Pacific Custodians makes any recommendation or gives any advice to you regarding whether to retain your shares or permit them to be sold under the Unmarketable Parcels Sale Facility. If you are in any doubt about whether to retain your shares or permit them to be sold, please consult your financial adviser.

If you have any questions regarding how the Unmarketable Parcels Sale Facility works, or you have a number of holdings that you wish to consolidate, please contact the OZ Minerals Share Registry Call Centre on 1300 306 089 (within Australia) or on +61 1300 306 089 (outside Australia).

Yours sincerely,



ROBERT MANCINI

Head of Legal and Company Secretary



OZ Minerals Limited
ABN 40 005 482 824

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1300 554 474
From outside Australia: +61 1300 554 474
Facsimile: +61 2 9287 0303
ASX Code: OZL
Website: www.linkmarketservices.com.au

SRN/HIN:

**Number of Shares held as at
the Record Date, 7:00pm (AEST)
on 28 August 2017:**

IMPORTANT NOTICE

Please return this slip if you do not wish your Shares in OZ Minerals Limited to be sold. If you do not understand this notice you should immediately consult your financial adviser.

SHARE RETENTION FORM

If you wish to retain your Shareholding in OZ Minerals Limited ("OZ Minerals") you must detach this slip and return it to OZ Minerals's Registry, so that it is received no later than 5:00pm (AEDT), on 16 October 2017. Slips may be mailed or delivered to the addresses below.

Mailing Address

OZ Minerals Limited
C/- Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

or

Hand Delivery

OZ Minerals Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
RHODES NSW 2138
(Do not use this address for mailing purposes)

**THIS FORM MUST BE RECEIVED BY LINK MARKET SERVICES LIMITED
BY NO LATER THAN 5:00PM (AEDT) ON THE 16 OCTOBER 2017**

If you require further information regarding this form, please contact the OZ Minerals Limited Information Line on 1300 306 089 (within Australia) or +61 1300 306 089 (from outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.



Please detach

SRN/HIN:



RETENTION SLIP

I/We the Shareholder(s) described above by returning this retention slip, hereby give notice that I/we wish to retain my/our Shareholding in OZ Minerals Limited, under Section 5.4 of OZ Minerals Constitution.



DO NOT SELL MY SHARES

CONTACT DETAILS – Telephone number

()

Telephone number – after hours

()

Contact name