

A modern mining company



22 February 2018

The Manager, Companies
Australian Securities Exchange
Companies Announcement Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

OZ Minerals' 2017 Full Year Financial Results

Further to the release of the OZ Minerals' 2017 Full Year Financial Results and Presentation, a management presentation will be available to view on the OZ Minerals website at www.ozminerals.com at 10am AEDT. An archive will be available later in the day.

Sincerely,

A handwritten signature in black ink, consisting of a stylized 'M' followed by a long, horizontal, wavy line.

Michelle Pole

Company Secretary and Senior Legal Counsel



2017 Full Year Financial Results Presentation

22 FEBRUARY 2018



A modern
mining company

Disclaimer

Forward Looking Statements

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

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

Underlying EBITDA, Underlying EBIT and Underlying NPAT are included in Note 1 Operating Segments, which form part of the Financial Report.

All figures are expressed in Australian dollars unless stated otherwise.

This presentation should be read in conjunction with the Annual and Sustainability 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	44%
Probable Ore Reserve	47%
Measured Mineral Resource	1%
Indicated Mineral Resource	3%
Inferred Mineral Resource	5%

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

Proved Ore Reserve	47%
Probable Ore Reserve	45%
Measured Mineral Resource	1%
Indicated Mineral Resource	2%
Inferred Mineral Resource	5%

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.

Prominent Hill Resources and Reserves

The information on Prominent Hill Mineral Resources and Ore Reserves in this presentation is extracted from the document entitled "Prominent Hill 2017 Mineral Resource and Ore Reserve Statement and Explanatory Notes" which is annexed to the ASX Release entitled "Prominent Hill underground Reserve growth continues, mine life extended to 2029" released on 21 November 2017 and available at www.ozminerals.com/media/asx. 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.

Compliance Statements

Carrapateena Production Targets Cautionary Statement

Production targets for Carrapateena are based on:

Probable Ore Reserves:	94%
Inferred Mineral Resources:	6%


There is a low level of geological confidence associated with Inferred Mineral Resources. There is no certainty that further exploration work and studies will result in the determination of Inferred Mineral Resources or that the production targets will be realised.

The Ore Reserve and Mineral Resource estimates underpinning the production targets were prepared by a Competent Person in accordance with the JORC Code 2012. The material assumptions used in the estimation of the production targets and associated financial information referred to in this presentation can be found in the Carrapateena Feasibility Study Update released on 24 August 2017, the Restated 2016 Carrapateena Mineral Resource Statement as at 18 November 2016 released on 9 December 2016, and the Carrapateena Ore Reserve Statement as at 4 August 2017 released on 24 August 2017.

Carrapateena Resources and Reserves

The information on the 134 Mt Carrapateena Mineral Resource in this presentation is extracted from the document entitled "Carrapateena Project Mineral Resource Statement and Explanatory Notes as at 18 November 2016" released on 9 December 2016 and available at www.ozminerals.com/media/asx. 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, 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.

The information on Carrapateena Ore Reserves in this presentation is extracted from the document entitled "Carrapateena Project Ore Reserve Statement and Explanatory Notes as at 4 August 2017" released on 24 August 2017 and available at www.ozminerals.com/media/asx. 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, 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.



“OZ Minerals’ strongest financial result in six years supports our global growth strategy and allows us to reward shareholders.”

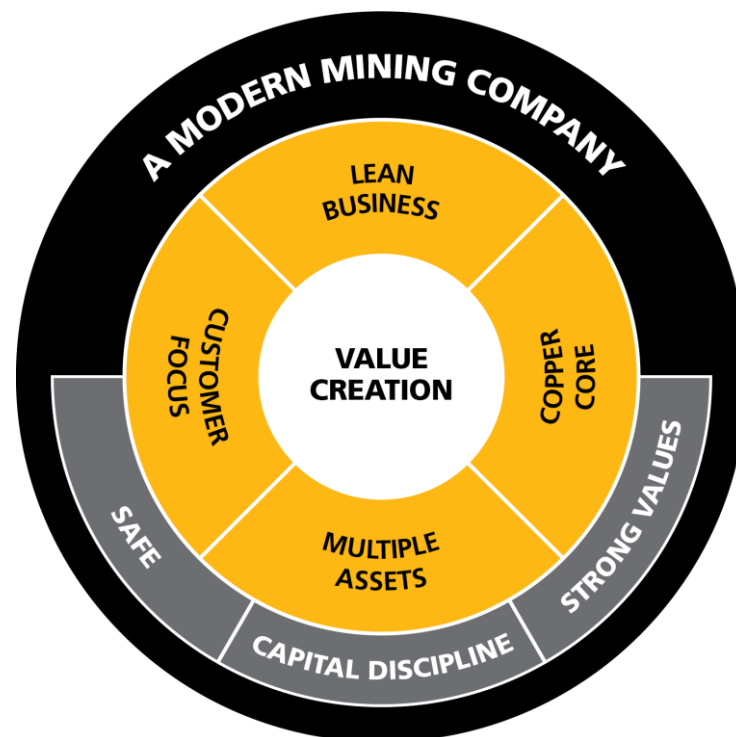
Andrew Cole – Managing Director and Chief Executive Officer

- / Net Profit After Tax of \$231 million (up 114%)
- / Underlying EBITDA of \$539 million (up 44%)
- / Fully franked final dividend of 14 cps; 20 cps total dividend for 2017

2017 Highlights

Strong financial results driven by operating discipline

- / Underlying EBITDA \$539 million (up 44%); underlying NPAT \$231 million (up 72%); EPS 77 cps (up 117%)
- / Fully franked final dividend of 14 cps declared; 20 cps total dividend for 2017
- / Cash balance increased to \$729 million with no debt
- / Copper guidance achieved for 2017 and for the third consecutive year; gold production exceeded guidance
- / Prominent Hill mine life extended to at least 2029 with 18% growth in underground Ore Reserve
- / Board approved Carrapateena copper-gold mine with development progressing on schedule and budget
- / West Musgrave project advanced to Pre-Feasibility Study with significant upside potential
- / Growth pipeline continued to evolve with new exploration partnerships in Portugal, Mexico and Australia



Company Snapshot

MARKET CAPITALISATION

~ A\$2.7 BILLION

S&P/ASX100 COMPANY
CASH A\$729 MILLION (AT 31 DECEMBER 2017)

NO DEBT
STRONG ONGOING CASH GENERATION
2018 GUIDANCE:

100Kt–110Kt Cu; 120Koz–130Koz Au*

C1 US 75c– 85c/lb; AISC US 120c–130c/lb

PROMINENT HILL PROVINCE
Current position

- Operating Mine
- OP and UG mining
- Strong cash generation
- Bottom quartile costs
- Long life

Upside opportunity

- Stockpile processing 2018–2023
- Life extension through resource conversion
- UG mining method and haulage studies

STRATEGIC OPERATIONAL PROJECTS

- Concentrate Treatment Plant
- Power

WEST MUSGRAVE PROVINCE
Current position

- Project in pre-feasibility study
- Established resource
- Open pit mine
- Bottom quartile costs
- Low strip ratio

Upside opportunity

- Life extension through resource conversion
- Succoth copper resource
- One Tree Hill and Yappu mineralisation
- Regional exploration

GROWTH PIPELINE
Eloise

- Drilling and geophysics on the Jericho discovery
- Infill geophysics and drill testing on regional targets

Coompana

- Land access negotiations

East Musgrave

- Finalise NTMA
- Geophysics and drilling

Oaxaca

- Drill permitting
- Geological mapping and sampling

MEXICO
Alvito

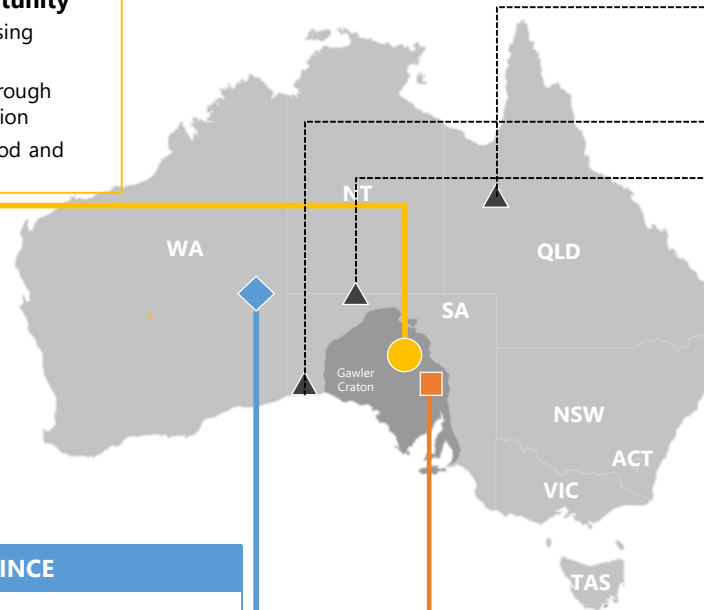
- Drill testing targets

PORTUGAL
CARRAPATEENA PROVINCE
Current position

- Carrapateena mine in construction
- Supportive stakeholders
- 20 year UG mine life
- Bottom quartile costs
- Rapid payback

Upside opportunity

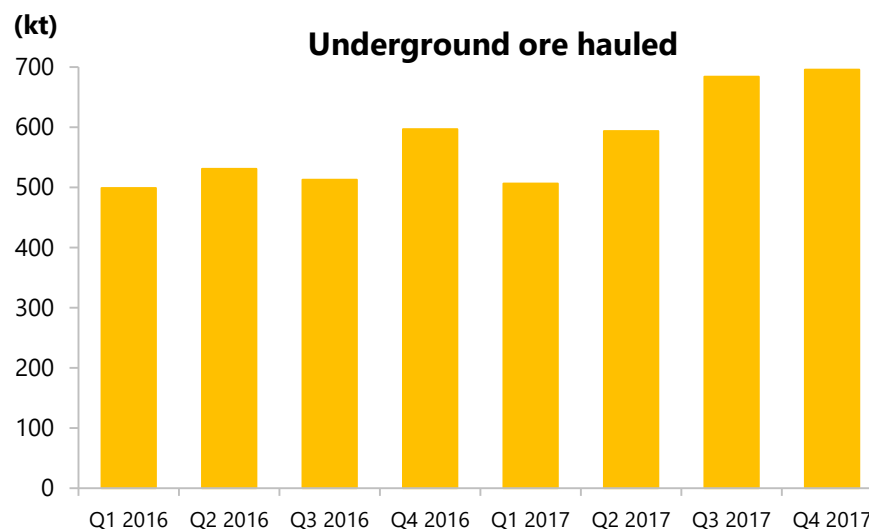
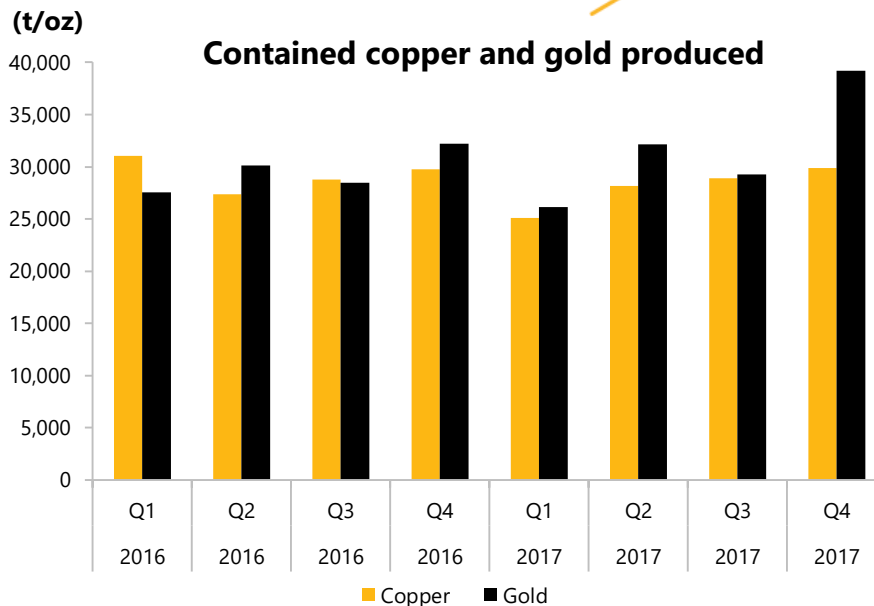
- Plant and mining rate optimisation
- Khamsin and Fremantle Doctor infill drilling
- Punt Hill and regional target testing
- Extended Carrapateena mineralised zone



2017 Performance

Prominent Hill Production

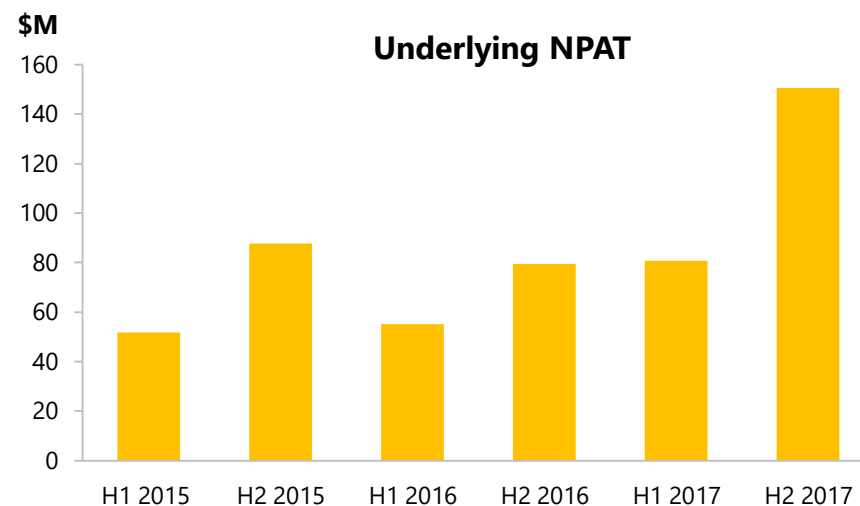
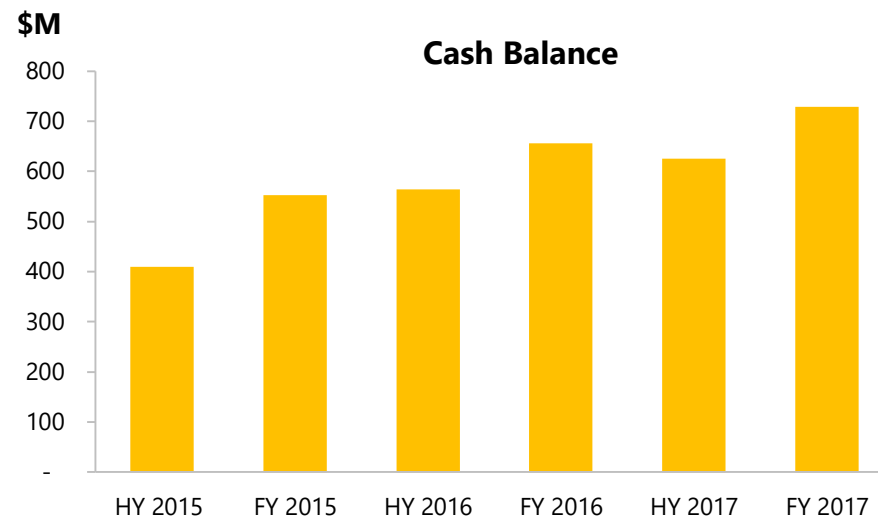
- / Copper guidance met, gold guidance exceeded:
 - / Copper production 112,008 tonnes
 - / Gold production 126,713 ounces
- / Copper production guidance raised by a total of 15,000 tonnes over 2018 and 2019
- / Bottom quartile costs: FY 2017 All-in sustaining cost of US 120c/lb; C1 cost of US 83c/lb
- / Mine life extended to at least 2029 driven by 18% growth in underground Ore Reserve
- / Underground ramp up progressing to schedule and on-track for 3.5-4.0Mtpa from 2019*
- / Safety programs through 2017 saw a 41% drop in asset level TRIF, primarily through improved underground operations
- / Open pit closure brought forward to Q1 2018 with associated fixed cost savings of circa \$10 million



2017 Performance

Financial

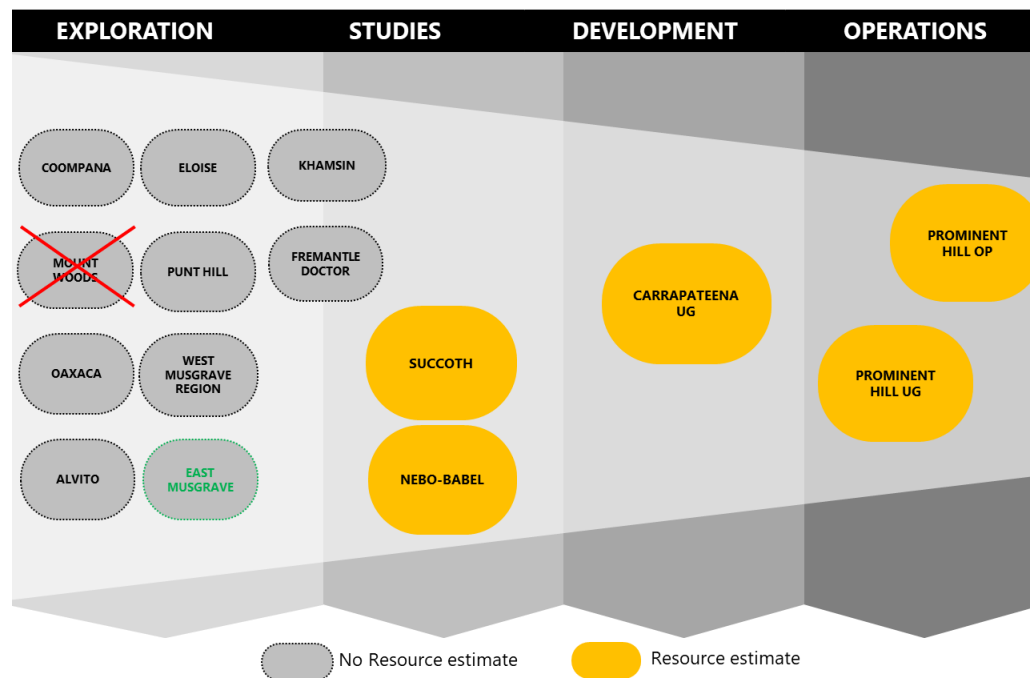
- / Strong financial performance for 2017:
 - / Revenue of \$1,023 million (up 24%)
 - / Underlying EBITDA of \$539 million (up 44%)
 - / Underlying NPAT of \$231 million (up 72%)
 - / Underlying EPS of 77 cps (up 117%)
- / EBITDA margin improved by 18%, supported by higher A\$ copper price and cost saving initiatives
- / Cash balance of \$729 million at 31 December with undrawn debt facility available
- / Net cash generation (pre-dividend) of \$133 million after growth investment of \$119 million into Carrapateena and \$67 million into ore inventory
- / Fully franked final dividend of 14 cps to be paid in March 2018; 20 cps total dividend for 2017



2017 Performance

Growth

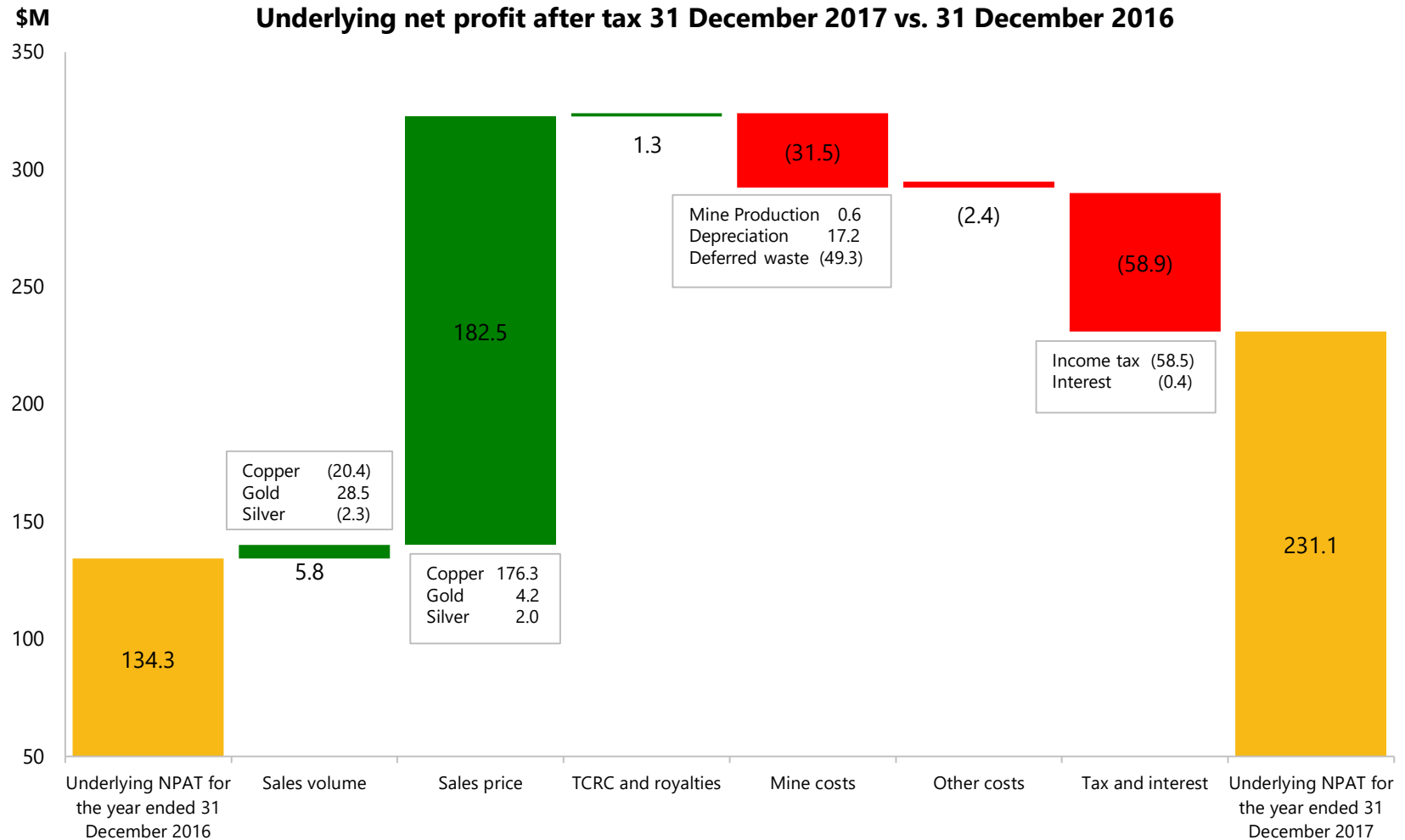
- / Carrapateena project approved with construction progressing on schedule and budget
 - / Total decline development on track; currently at 4,867 metres (2313 metres to face of Tjati decline); vertical depth 327 metres
 - / Construction contracts for airstrip, process plant and non-process infrastructure executed
- / West Musgrave project advanced to Pre-Feasibility Study
 - / Significant upside potential identified through resource conversion, improving metallurgical recoveries and lower cost non-process infrastructure
- / Pipeline continues to evolve with new exploration partnerships established in Portugal, Mexico and Australia



Income Statement

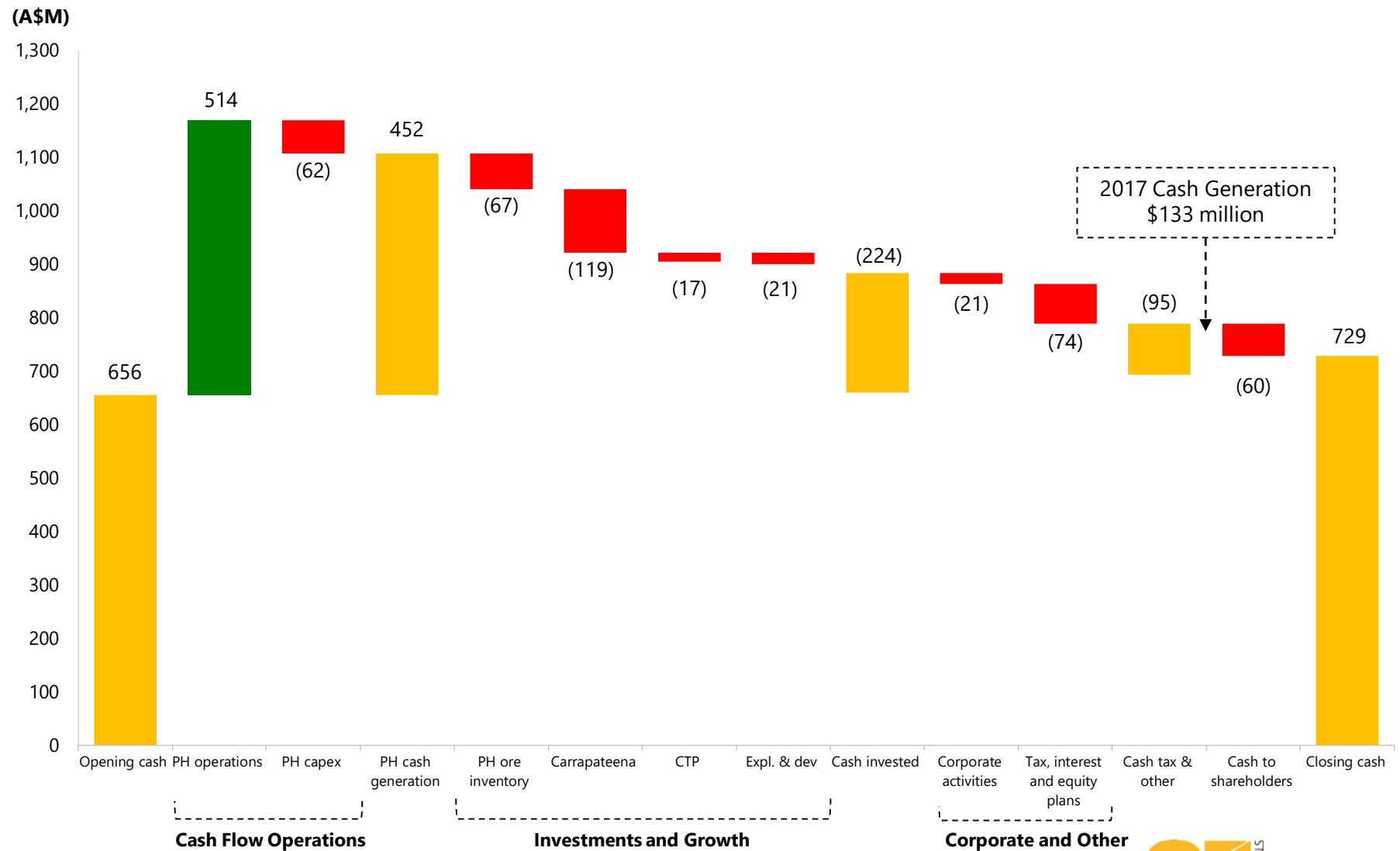
A\$M	Dec-16	Dec-17	
Revenue	823	1,023	Strong production benefitted from buoyant copper prices in 2017
Cost of goods sold	(380)	(440)	Increased proportion of underground ore, higher power costs and royalties
Net foreign exchange gain	3	(6)	
Exploration expense	(29)	(21)	
Head office costs	(26)	(21)	
Other net expenses	(17)	4	West Musgrave, exploration earn-ins and corporate development, including due diligence
Underlying EBITDA	374	539	EBITDA margins improved by 18%
Net Depreciation	(209)	(218)	Net depreciation increased due to lower volume of open pit ore stockpiled
Underlying EBIT	165	321	
Tax, net interest	(31)	(90)	Larger tax expense as a result of higher earnings
Underlying NPAT	134	231	

Underlying NPAT: 2017 vs. 2016



Cash Utilisation 2017 vs. 2016

Investing in the business and rewarding shareholders



Balance Sheet

A\$M	Dec-16	Dec-17
Assets		
Cash	656	729
Receivables	69	122
Inventories	557	747
Property plant & equipment	1,276	1,176
Other assets	72	52
Total Assets	2,630	2,826
Liabilities		
Creditors	77	98
Net tax liability	133	149
Provisions	55	48
Other liabilities	11	16
Total Liabilities	276	310
Net Assets	2,354	2,516

Strong cash balance supports growth strategy and shareholder returns

Higher trade receivables due to timing of shipments

Stockpiling of open pit ore ceasing Q1 2018; allocation of inventory costs to income statement commences with ore processing

Increase in PP&E with capex at Carrapateena and Prominent Hill underground, partially offset by depreciation of Prominent Hill open pit and underground

Creditors higher with increasing levels of activity at Carrapateena

Tax payments during 2018 made up of 2017 provision and instalments for 2018

- / Balance sheet maintains significant liquidity and no debt
- / Substantial value in ore inventories to be utilised from Q2 2018
- / Reclassification of Carrapateena as property plant & equipment following decision to develop

Finance

Disciplined capital management



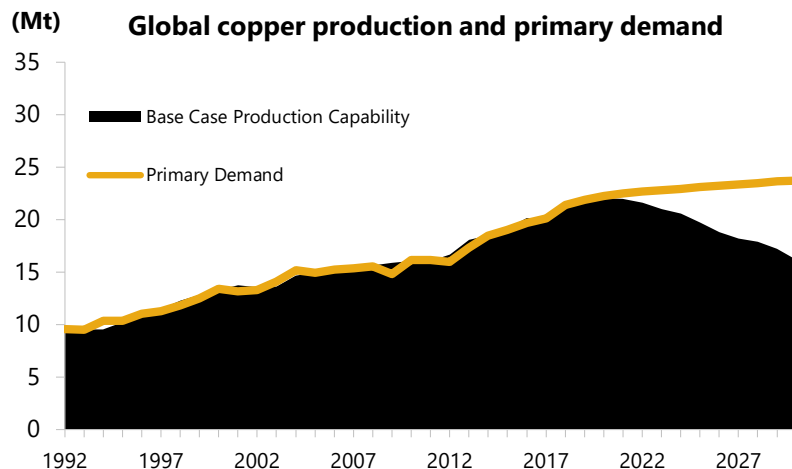
- / **Fully franked final dividend of 14 cents per share declared - circa \$42 million**
 - / Record date 12 March
 - / Payment date 26 March
- / **Total 2017 fully franked dividends of 20 cents per share – circa \$60 million**
- / Consistent policy of paying a minimum 20% of net cash generated not required for investing or balance sheet activity
- / Significant cash balance and strong future cash flows fully support growth objectives and allow shareholder returns
- / Review of capital management strategy underway – expected completion Q3 2018

Tax payments

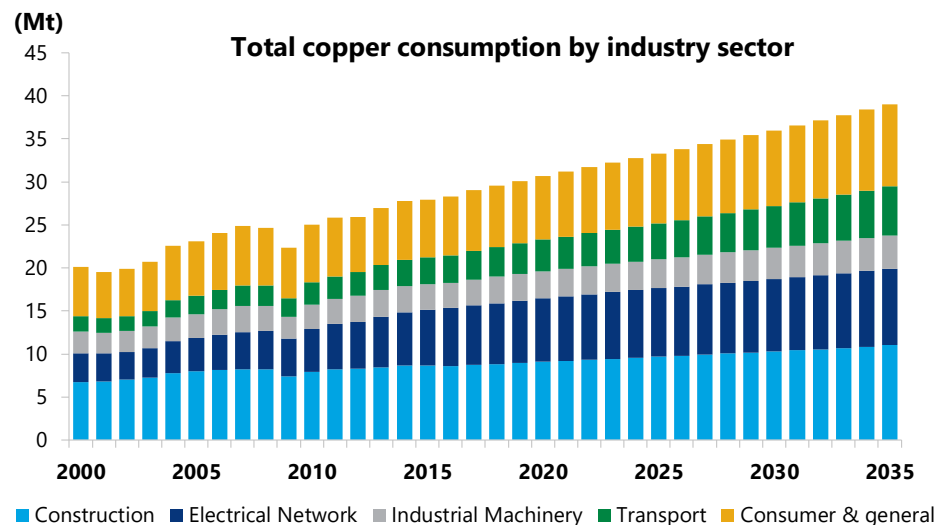
- / Tax cash outflows in 2018 will exceed the 2018 income tax expense with the FY 2017 current tax provision and instalments for 2018 being paid during 2018

Global Copper Market

Consumption increasing on a declining supply base

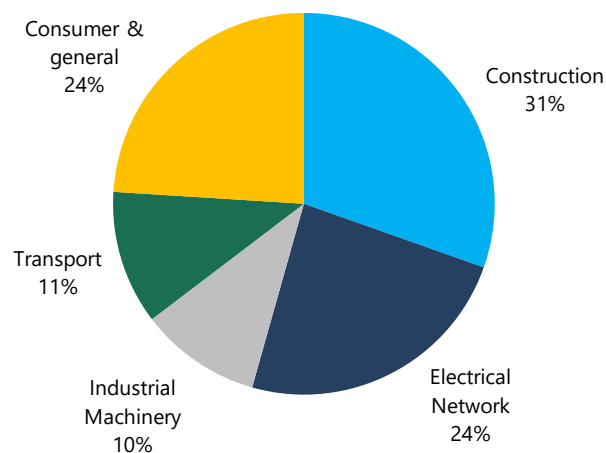


Source: Wood Mackenzie



Source: Wood Mackenzie

2016 Global copper consumption



Source: Wood Mackenzie

Copper use in vehicles

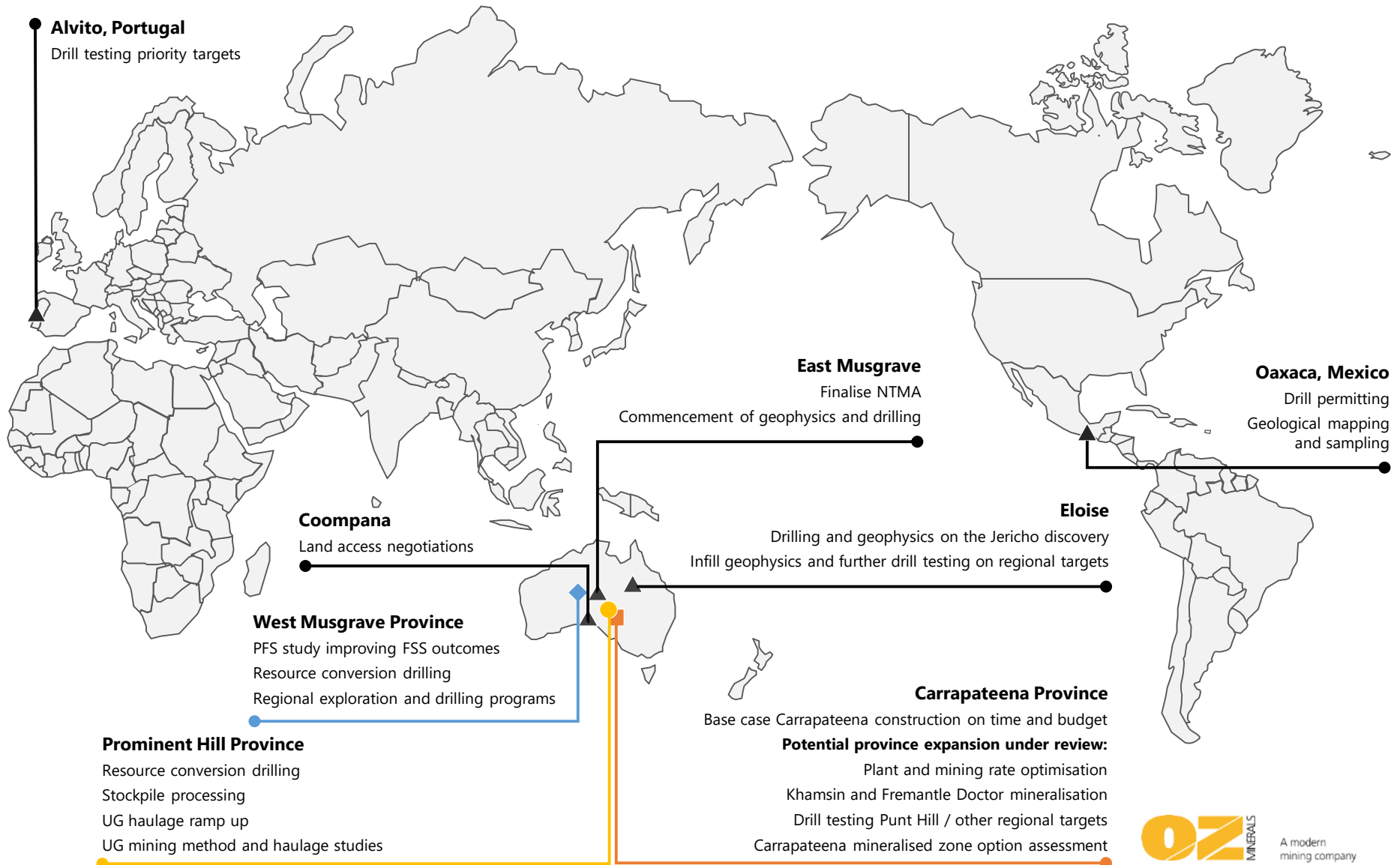
- Conventional car
- Hybrid electric vehicles (HEV)
- Plug-in hybrid electric vehicles (PHEV)
- Battery electric vehicles (BEV)
- Hybrid electric bus
- Battery electric bus



- / Electric vehicles (EVs) could account for about 6% of global copper demand in ten years, rising from less than 1% in 2017
- / Charging infrastructure for EVs is another new source of demand

Global priorities in 2018

● Operating Mine
 ■ Mine in construction
 ◆ Study phase
 ▲ Exploration

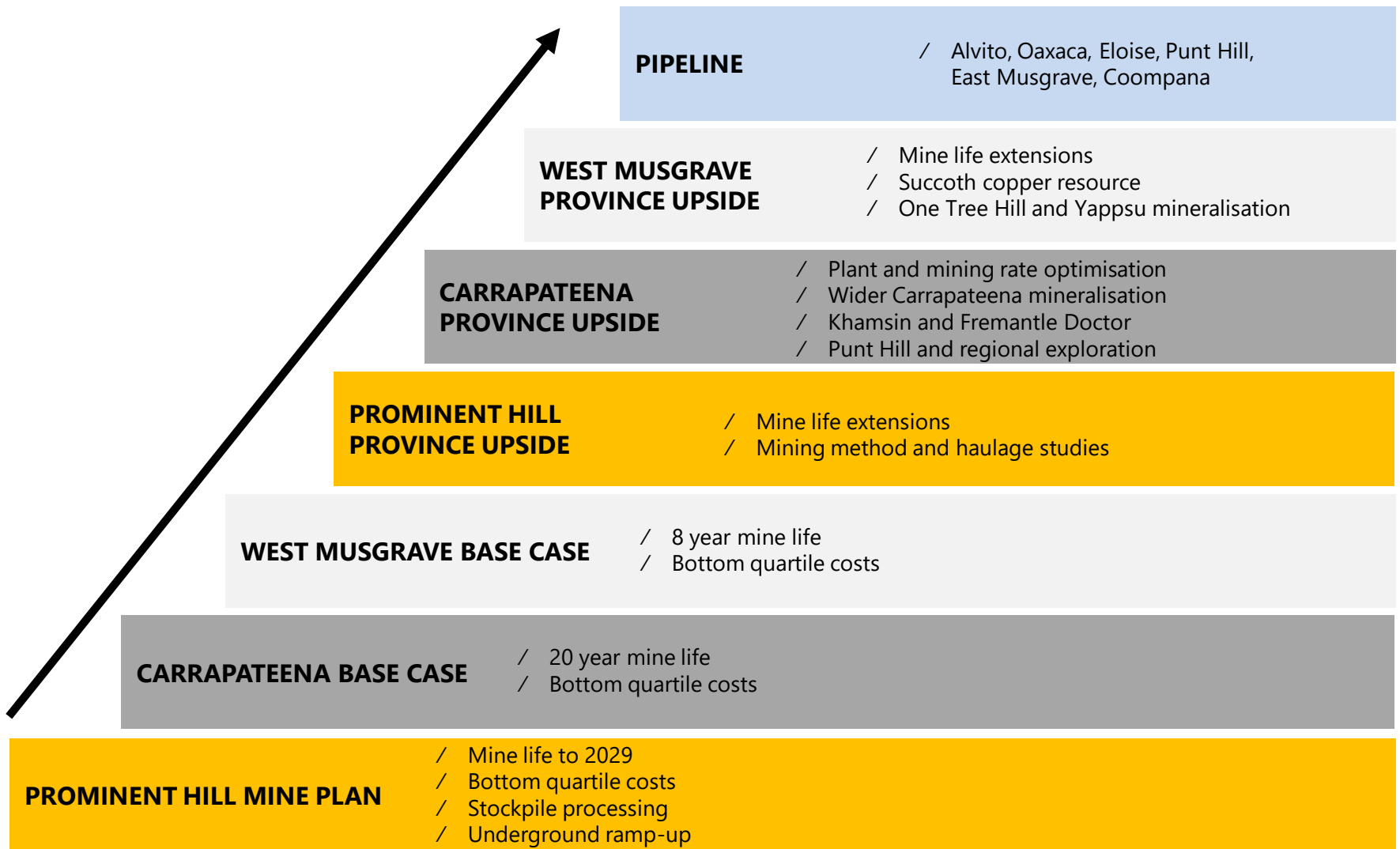


2018 timeline

Business Area	Activity	2018			
		Q1	Q2	Q3	Q4
Prominent Hill Province	OP Closure				
	OP Stockpile processing				
	Resource delineation drilling				
	Updated Mineral Resource estimate				
	UG mining method and haulage studies				
Carapateena Province	Mining Lease and PEPR approval				
	Plant and mining rate optimisation				
	Phase 2 construction				
	Caparapateena mineralised zone option assessment				
	Khamsin and Fremantle Doctor infill drilling				
	Punt Hill and regional target exploration drilling				
West Musgrave Province	Pre-Feasibility Study				
	Geophysical and drilling programs at One Tree Hill, Yappsu and Succoth				
	Resource conversion drilling				
	Energy Study				
	Metallurgical testwork				
	Updated Mineral Resource estimate				
	51% earn-in to project				
Growth Pipeline	Alvito drill testing priority targets				
	Oaxaca drill permitting / geological mapping and sampling				
	Eloise follow up drilling on Jericho discovery				
	Eloise infill geophysics and further drill testing on regional targets				
	East Musgrave finalise NTMA and commencement of geophysics and drilling				
Strategic Operational Projects	Power strategy update				
	CTP Feasibility Study conclusion				

Growing company profile

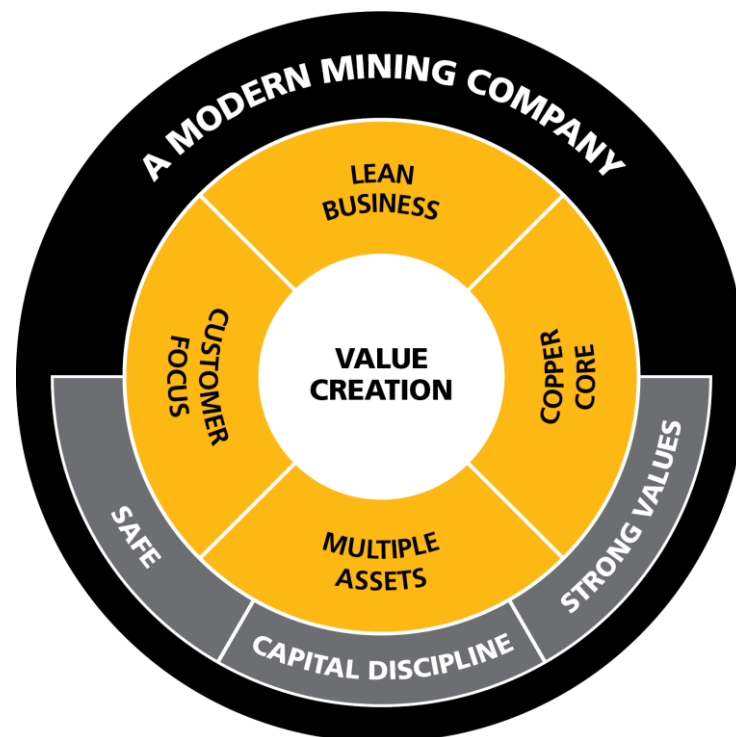
Multiple long life assets



2017 Highlights

Strong financial results driven by operating discipline

- / Underlying EBITDA \$539 million (up 44%); underlying NPAT \$231 million (up 72%); EPS 77 cps (up 117%)
- / Fully franked final dividend of 14 cps declared; 20 cps total dividend for 2017
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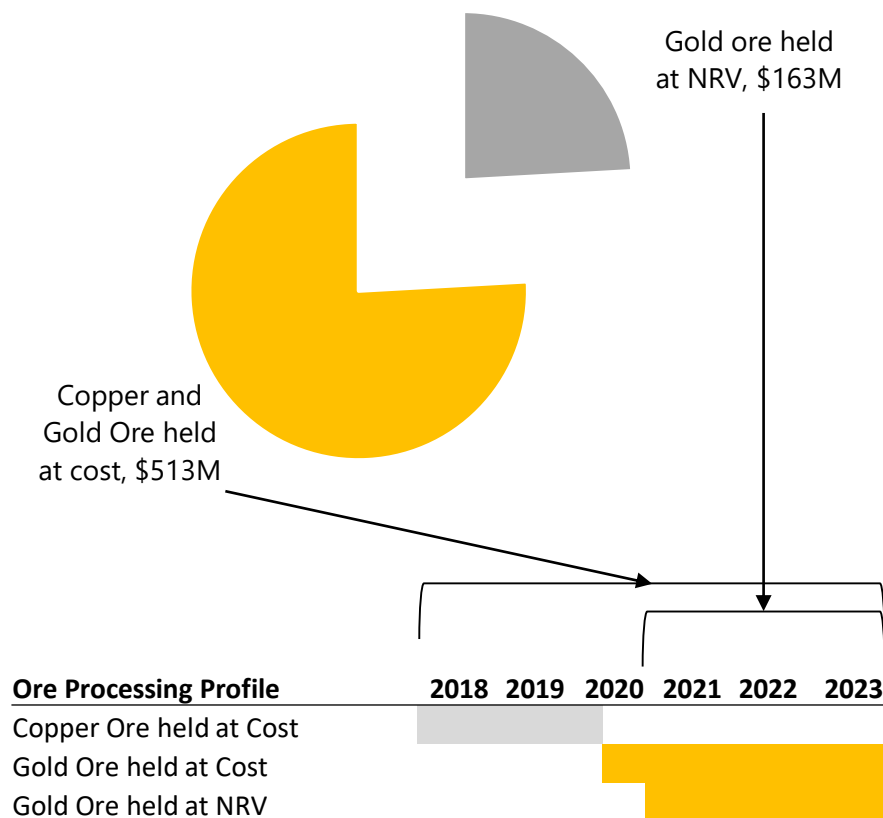


Supplementary Slides



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Open Pit Ore Inventory: Utilisation and Recognition of costs



Background

- / Ore inventory of \$676 million at 31 December 2017
- / The open pit ore inventory is expected to be processed between 2018 and 2023. While historical costs of \$676 million will be recognised in the income statement, there will be no associated cash outflow
- / The cost of inventory includes expenditure incurred in mining ore and amortisation of mine infrastructure and deferred waste
- / When the ore is processed and resultant concentrate sold, the cost attributable to the ore will be recognised and presented as follows:

In the Income statement:

- / Historical costs of ore of \$676 million will be recognised as 'Changes in inventories of ore and concentrate'

In the Segment Result statement:

- / Historical expenditure incurred in mining the ore (circa \$205 million) and NRV \$163 million will be recognised as 'Inventory adjustment'; and
- / Amortisation of mine infrastructure and deferred waste (circa \$308 million) will be recognised as 'Capitalised depreciation into inventory'

Guidance

Guidance	2018	2019
PROMINENT HILL:		
Copper production ¹	100,000 – 110,000 tonnes	95,000 – 105,000 tonnes
Gold production ¹	120,000 – 130,000 ounces	100,000 – 110,000 ounces
Underground ore movement	2.8 – 3.1Mt	3.5 – 4.0Mt
Underground unit mining costs ²	A\$45 – A\$55/tonne	
Underground capital expenditure	A\$50 – A\$60 million (inc. development)	
Growth capital expenditure	A\$20 – A\$25 million	
Site sustaining capital expenditure	A\$10 – A\$20 million	
All-in sustaining cost ³	US 120c – US 130c/lb	
C1 costs ^{3,4}	US 75c – US 85c/lb	
OTHER:		
Carrapateena construction capital	Circa A\$500 million	
West Musgrave PFS (including exploration)	A\$20 – A\$30 million	
Carrapateena province expansion	A\$8 – A\$10 million	
Concentrate Treatment Plant studies	Up to A\$12 million	
Exploration	A\$10 – A\$15 million	

¹ These production targets must be read in conjunction with the production cautionary statement on slide 3

² Underground Unit Mining Costs include geology costs and exclude underground capital expenditure

³ AUD/USD of 0.76 has been used in converting A\$ costs to US\$ for C1 and AISC guidance

⁴ From 2018, C1 costs have been calculated to align with the Wood Mackenzie methodology, which excludes inventory movements