ASX Release

15 NOVEMBER 2016

Prominent Hill mine life extended to 2028

- **Underground mine life extended to 2028, with a sustained annual rate of 3.5-4.0 Mtpa**
- **Underground Ore Reserve estimate up over 40% with associated mining costs projected to be in bottom half of cost curve**
- **Resource to reserve conversion drilling programs and productivity improvements to continue**

OZ Minerals' Prominent Hill mine will continue to operate through to at least 2028; underpinned by the release today of a new mine strategy and updated Mineral Resource and Ore Reserve estimate (see table below).[1]

Prominent Hill's 2016 Mineral Resource estimate reduced marginally from the 2015 update with the Ore Reserve estimate increasing despite mining depletion, due to underground Ore Reserve growth.

The significant increase in the underground Ore Reserve estimate is driven by a combination of:

- ongoing drill programs targeting increased volumes of higher confidence Mineral Resource;
- mine planning initiatives which have seen the deepening of the underground mine by 150 metres, along with lateral extensions; and
- reduction in cut-off grade driven by successful cost saving initiatives.

Underground production of 2.0-2.2 Mtpa is forecast to lift to 3.5-4.0 Mtpa by 2019, with mining costs projected to be in the bottom half of the cost curve.

This will see the Prominent Hill processing plant continue to operate at the current capacity until mid-2023 by processing stockpile and underground ore, prior to running full time at a milling capacity of circa 3.5-4.0 Mtpa to 2028. Projected capital costs to de-rate the plant to the lower 4.0 Mtpa capacity are approximately $5 million.

OZ Minerals CEO Andrew Cole commented: "Today's release provides a definitive statement about the strong future for Prominent Hill. This is a long-life asset that will continue to deliver revenue as proposed new projects come on stream.

The mine life extension to at least 2028 directly benefits local communities and shareholders. It will boost the region's economic development and refutes any perception that Prominent Hill faces a short-term future. And given we are continuing resource to reserve conversion drilling there is the potential for further extensions to the timeline we have announced today.

While the open pit will ramp down, the ore stockpiles we continue to build and the growth in our underground mining operations, will see Prominent Hill remain one of Australia's largest sources of copper."

Summary of Prominent Hill Mineral Resource estimates as at 01 July 2016*

	Classification	Tonnes Mt	Cu %	Au g/t	Ag g/t	Cu kt	Au Moz	Ag Moz
Copper Mineral Resource	Measured	46	1.4	0.5	3.5	640	690	5.2
	Indicated	37	1.1	0.7	2.7	410	790	3.2
	Inferred	64	1.1	0.6	2.5	700	1,170	5.2
	Total	**148**	**1.2**	**0.6**	**2.9**	**1,750**	**2,640**	**13.6**
Gold Mineral Resource	Measured	13	0.1	0.7	2.3	14	320	1.0
	Indicated	4	0.0	1.8	1.1	2	240	0.2
	Inferred	7	0.0	2.0	0.6	3	460	0.1
	Total	**25**	**0.1**	**1.3**	**1.6**	**19**	**1,020**	**1.3**

Summary of Prominent Hill Ore Reserve estimates as at 01 July 2016*

	Classification	Tonnes Mt	Cu %	Au g/t	Ag g/t	Cu kt	Au Moz	Ag Moz
Copper Ore Reserves	Proved	36	1.3	0.5	3.5	480	520	4.0
	Probable	23	1.1	0.7	2.7	250	520	2.0
Gold Ore Reserves	Proved	13	0.1	0.7	2.3	14	320	1.0
	Probable	2	0.1	1.0	1.5	1	62	0.1
All Ore Reserves	Proved	49	1.0	0.5	3.2	490	840	5.0
	Probable	25	1.0	0.7	2.6	250	580	2.1
	Total	**75**	**1.0**	**0.6**	**3.0**	**740**	**1,400**	**7.1**

*Table subject to rounding errors**.**

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Forward Looking Statements

Some statements in this announcement are forward-looking statements. Such statements include, but are not limited to, statements with regard to capacity, future production and grades, projections for sales growth, estimated revenues and reserves, targets for cost savings, the construction cost of new projects, projected capital expenditures, the timing of new projects, future cash flow and debt levels, the outlook for minerals and metals prices, the outlook for economic recovery and trends in the trading environment and may be (but are not necessarily) identified by the use of phrases such as "will", "expect", "anticipate", "believe" and "envisage". By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be outside OZ Minerals' control. Actual results and developments may differ materially from those expressed or implied in such statements because of a number of factors, including levels of demand and market prices, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, operational problems, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or regulation.

Given these risks and uncertainties, undue reliance should not be placed on forward-looking statements which speak only as at the date of this announcement. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, OZ Minerals does not undertake any obligation to publicly release any updates or revisions to any forward looking statements contained in this presentation, whether as a result of any change in OZ Mineral's expectations in relation to them, or any change in events, conditions or circumstances on which any such statement is based.

[1]The Production Targets referred to in this ASX release in so far as they relate to the entire Prominent Hill Asset are based on 46% Proved Ore Reserves, 40% Probable Ore Reserves, 0% Measured Mineral Resources, 3% Indicated Mineral Resources and 11% Inferred Mineral Resources. In so far as they relate to production targets only for the Underground, are based on 47% Proved Ore Reserves, 33% Probable Ore Reserves, 0% Measured Mineral Resources, 4% Indicated Mineral Resources and 16% Inferred Mineral Resources. 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 material assumptions used in the estimation of the production targets and associated financial information are summarised below. More detailed information on the material assumptions can be found in the attached appendix - Prominent Hill 2016 Mineral Resource and Ore Reserve Statement and Explanatory Notes, as at 1 July 2016 released on 15 November 2016.

Production Target Material Assumptions

Criteria	Commentary
Ore reserve / mineral resource estimate underpinning the production targets	The production targets in this announcement are underpinned by the Mineral Resource and Ore Reserve estimates in the Prominent Hill Mineral Resource and Ore Reserve Statement as at 1 July 2016 (both released on the date of this announcement). These estimates were prepared by Competent Persons in accordance with the JORC Code 2012.
Cut-off parameters	**Open Pit** Copper resources are defined as mineralisation with a grade of at least 0.25 percent copper. All other mineralisation is potentially gold ore. The cut-off grade used for copper ore was the non-mining break-even grade, taking into account site operating and sustaining capital costs. Expressed as a Net Smelter Return (NSR) or mine gate value, the cut-off used was $14 / tonne ore. The breakdown of the cut-off grade is shown below.

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td></td><td>
The cut-off grade for gold ore was 0.5 grams per tonne gold.

Open Pit Cut-off Grades
<table>
<tr><th>Item</th><th>$ / ore tonne</th></tr>
<tr><td>Ore Rehandle / Grade Control</td><td>1.80</td></tr>
<tr><td>Ore Processing</td><td>10.00</td></tr>
<tr><td>Administration</td><td>1.50</td></tr>
<tr><td>Total</td><td>13.30</td></tr>
<tr><td>Ore Cut-off (rounded up)</td><td>14.00</td></tr>
</table>
Underground

Stopes designs are based on a value-driven cut-off. This was determined after the generation of multiple cut-off scenarios and assessing each on the basis of their inherent value within the business. Stopes in Ankata were designed to a $65 NSR shell and those in Malu were designed to an $75 NSR shell.

Post initial design, a detailed review of underground mining costs and future processing and administration costs was conducted with the integration of the Ankata and Malu underground areas. The review indicated that the life-of-mine operating costs for the integrated mine would be $67 per tonne of ore including sustaining capital costs. Stope design grades are subject to review as part of the ongoing optimisation of the integrated underground. The breakdown of the breakeven cut-off grade is shown in below.

Underground Cut-off Grade
<table>
<tr><th>Item</th><th>$ / ore tonne</th></tr>
<tr><td>Mining</td><td>52.80</td></tr>
<tr><td>Ore rehandle</td><td>1.00</td></tr>
<tr><td>Ore Processing</td><td>10.80</td></tr>
<tr><td>Administration</td><td>2.00</td></tr>
<tr><td>Total</td><td>66.60</td></tr>
<tr><td>Cut-off rounded up to</td><td>67.00</td></tr>
</table>
Only stopes with an NSR value greater than $67 per tonne were included. Development material of NSR greater than $14 per tonne and either 0.25% Cu or 0.5g/t Au was classified as ore.
</td></tr>
<tr><td>Mining factors or assumptions</td><td>
Open Pit

The production profile was based on a conventional open pit mining operation using drilling and blasting and large excavators loading off-highway trucks, the method currently employed at Prominent Hill. A minimum ore mining width of five metres was assumed which is appropriate for the size of equipment employed at Prominent Hill.

The final pit design was based on a Whittle™ optimised pit using the latest pit slope parameters recommended by OZ Minerals and its geotechnical consultants and mining cost estimates derived from the current mining contract. The final pit design is subject to regular review.

Overall wall slopes are approximately 35 degrees in the northern region of the pit and 43 degrees in the southern region of the pit. Detailed geotechnical criteria were used for the pit designs. There is a program of monitoring and control of the pit slopes.

Stockpiled ore at 1 July 2016 comprised 7.0 million tonnes of copper ore and 13.4 million tonnes of gold ore.
</td></tr>
</table>

Criteria	Commentary

Modifying factors are applied to the copper and gold ore tonnes and contained metal tonnes. The call factors are set annually using data drawn from reconciliations between ore processed, ore predicted by the Resource model and ore predicted by grade control.

2016 Call Factors

Ore Type	Tonnes	Cu Metal	Au Metal	Ag Metal
Copper	100%	90%	100%	100%
Gold	90%	100%	90%	100%

Underground

Production is based on sub-level open stoping (SLOS) with cemented fill, the method currently employed at Prominent Hill. Detailed development and stoping plans and schedules have been prepared down to 9310mRL.

Geotechnical assumptions are based on work completed by Beck Engineering (BE), and confirmatory work by OZ Minerals engineering and geotechnical personnel based on observations made during mining.

As stope performance and dilution grades are largely dependent on the host lithology, these have been estimated and applied by lens.

The mining recovery and dilution assumptions used are shown below. Dilution is applied to in-situ stope ore and ore recovery to diluted stope ore.

Dilution and Ore Recovery

Lithology	Hanging Wall	Footwall	Fill	Ore Recovery
Graphite	3.5%	2.0%	3.0%	95.0%
Callosum	2.5%	1.5%	3.0%	95.0%
Pea Brain	2.5%	1.5%	3.0%	95.0%
Pons	2.5%	1.5%	3.0%	95.0%
Stem	2.5%	1.5%	3.0%	95.0%
PHSZ - West	7.0%	3.0%	3.0%	95.0%
PHSZ - East	7.0%	3.0%	3.0%	95.0%
Dolomite	2.5%	2.0%	3.0%	95.0%
Gold	2.5%	2.0%	3.0%	95.0%

The respective dilution grades used for each area are shown in below. Dilution grades are estimated through the interrogation of modelled overbreak and validated against grades of observed dilution.

Dilution Grades

Zone	Cu %	Au g/t	Ag g/t
Globus	0.6	0.1	2.5
Callosum	0.6	0.2	0.8
Pea Brain	0.7	0.0	2.3
Pons	0.6	0.2	0.8
Stem	0.4	0.1	0.3

Criteria	Commentary
	PHSZ - West 0.7 0.3 1.8 PHSZ - East 0.6 0.5 1.8 Dolomite 0.7 0.2 1.5 Gold 0.0 0.6 0.2
Metallurgical factors or assumptions	The Prominent Hill processing plant has been operating since February 2009 and comprises a conventional crushing, grinding and flotation circuit to recover copper, gold and silver to produce a high quality concentrate. The plant can process approximately ten million tonnes per annum subject to the ore blend. The current life of mine schedule has the plant running at that capacity until the end of 2019 when open pit copper ore stocks are depleted. From 2019- 2023, throughput will be approximately nine to ten million tonnes per annum with a high proportion of stockpiled open pit gold ore. On exhaustion of gold ore stocks the plant will be fed with underground ore alone. Plant turndown studies indicate that the plant can be reconfigured to run continuously at two to four million tonnes per annum dependent on the blend of copper and gold ores. If necessary, lower throughputs can be processed in batches providing the ability to process ore at a range of underground production rates. The metallurgy of the ore types is well understood. The performance of open pit and underground ores is similar. The metallurgical recoveries used for each ore type are shown below. **Metallurgical Recoveries** Ore Type / Metal / Grade / Recovery % Copper ore: Copper > 0.25% Cu 87.6; Gold 76.1; Silver 75.0 Gold ore: Copper 87.6; Gold > 0.5g/t Au 76.1; Silver 75.0 The production target was based on a combination of ore blending, concentrate blending, flotation treatment in the existing plant, utilisation of additional offsite treatment and marketing options to manage ore of higher uranium grades.
Infrastructure	Prominent Hill is an operating mine and has the majority of necessary infrastructure in place for its continued operation. As the production rate increases in the Malu area it will become necessary to increase the backfill capacity. Studies due to commence shortly will confirm the most appropriate solution, currently assumed to be the construction of a backfill plant.
Costs	Prominent Hill is an operating mine and capital expenditure (excluding underground capital development) is largely limited to that required to sustain the operation. The only outstanding capital costs are those associated around the expansion of the Malu backfill system and expansion of the Malu dewatering system. Operating costs are based on: • Forward looking estimates based on current contracts for open pit and underground mining • Historical averages achieved Off-site concentrate costs are detailed in the discussion of Revenue Factors. Royalties currently run at five percent of revenue less all costs (including transport) of converting concentrate into metals.

Criteria	Commentary
Revenue factors	Production estimates are based on the life-of-mine (LOM) economic parameters. These parameters are shown below. They are drawn from OZ Minerals LOM Corporate Economic Assumptions. **Prominent Hill Economic Parameters**

Parameter	Units	LOM
Copper	US $ / lb	2.94
Gold	US $ / oz	1281
Silver	US $ / oz	19
Concentrate Load and Transport	AU $ / t	207
Concentrate Sea Freight	US $ / wmt	67
Copper Concentrate Smelting	US $ / dmt	80
Copper Refining	US $ / lb	0.08
Gold Refining	US $ / oz	5.00
Silver Refining	US $ / oz	0.50
Exchange Rate	AUD / USD	0.75

OZ Minerals Limited

Prominent Hill

2016 Mineral Resource and Ore Reserve Statement and Explanatory Notes

As at 01 July 2016

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

PROMINENT HILL MINERAL RESOURCE STATEMENT AS AT 01 JULY 2016

Summary

The Prominent Hill July 2016 Mineral Resource has been estimated to be 148 million tonnes of copper mineralisation grading 1.2 percent copper, 0.6 grams per tonne gold and 2.9 grams per tonne silver and 25 million tonnes of gold mineralisation grading 1.3 grams per tonne gold and 1.6 grams per tonne silver. The Prominent Hill Mineral Resources consist of the Prominent Hill Open Pit, Prominent Hill Underground and Surface Stockpiles. Mineral Resources are inclusive of Ore Reserves.

This Mineral Resource estimate update supersedes the previously reported Mineral Resource estimate in the Prominent Hill Mineral Resource and Ore Reserve Statement as at 30 June 2015 released on 04 November 2015.

The updated Prominent Hill Mineral Resource estimates include additional delineation and grade control drilling completed since the cut-off date of the previous Mineral Resource release and reflect geological interpretation adjustments and improved classification confidence.

The July 2016 Copper Mineral Resource estimate is 3 percent lower in mineralisation tonnes, 2 percent lower in copper metal tonnes and 5 percent lower in gold ounces than the previous Mineral Resource estimate. The Gold Mineral Resource estimate is 8 percent lower in mineralisation tonnes and 10 percent lower in gold ounces. The key drivers for change are as follows:

- Decreases in Copper and Gold Mineral Resources due to mining depletion from both the Prominent Hill Open Pit and the Prominent Hill Underground.
- An offsetting smaller increase in Prominent Hill Underground Mineral Resources due to revised geological interpretation, estimation and continuity review using additional new drill hole data.
- Approximate two million tonne growth (60% Inferred Resource and 40% Indicated Resource) in copper mineralisation tonnage through resource delineation drilling in the Prominent Hill Underground.

A summary of the current Prominent Hill Mineral Resource estimates is presented in Table 1 for copper Mineral Resources and Table 2 for gold Mineral Resources.

Table 1: Copper Mineral Resource estimate[1]

	Category	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (Kt)	Au (Koz)	Ag (Moz)
Open Pit[2] 0.25% Cu cut-off	**Measured**	**10**	**1.2**	**0.5**	**3.6**	**120**	**170**	**1.2**
	Indicated	**10**	**1.1**	**0.6**	**2.5**	**100**	**180**	**0.8**
	Inferred	**0**	**0.8**	**0.4**	**2.5**	**2**	**3**	**0.0**
	Total	**20**	**1.1**	**0.6**	**3.1**	**220**	**360**	**1.9**
Malu[3] $60 NSR cut-off envelope[4]	Measured	22	1.4	0.5	3.6	310	330	2.5
	Indicated	26	1.1	0.7	2.8	290	580	2.4
	Inferred	34	1.1	0.6	3.0	390	690	3.3
	Total	82	1.2	0.6	3.1	990	1,600	8.2
Kalaya[5] $60 NSR cut-off envelope[4]	Measured	0	0.0	0.0	0.0	0	0	0.0
	Indicated	1	1.1	0.5	2.0	14	21	0.1
	Inferred	30	1.0	0.5	1.9	310	470	1.8
	Total	31	1.0	0.5	1.9	320	490	1.9
Ankata[6] $60 NSR cut-off envelope[4]	Measured	7	2.2	0.4	4.3	160	97	1.0
	Indicated	0	1.0	0.6	1.0	1	2	0.0
	Inferred	0	1.2	0.1	3.0	5	2	0.0
	Total	8	2.1	0.4	4.2	170	100	1.1
Underground $60 NSR cut-off envelope[4]	**Measured**	**29**	**1.6**	**0.5**	**3.8**	**470**	**430**	**3.5**
	Indicated	**28**	**1.1**	**0.7**	**2.8**	**310**	**600**	**2.5**
	Inferred	**64**	**1.1**	**0.6**	**2.5**	**700**	**1160**	**5.1**
	Total	**121**	**1.2**	**0.6**	**2.9**	**1,470**	**2,190**	**11.1**
Surface Stocks	**Measured**	**7**	**0.7**	**0.4**	**2.4**	**52**	**93**	**0.5**
Total	**Measured**	**46**	**1.4**	**0.5**	**3.5**	**640**	**690**	**5.2**
	Indicated	**37**	**1.1**	**0.7**	**2.7**	**410**	**790**	**3.2**
	Inferred	**64**	**1.1**	**0.6**	**2.5**	**700**	**1,170**	**5.2**
	Total	**148**	**1.2**	**0.6**	**2.9**	**1,750**	**2,640**	**13.6**

[1] Table subject to rounding.
[2] Within final pit design.
[3] Outside of final pit design and east of 55300mE.
[4] Net smelter return (NSR) details can be found under Section 4 "Cut-off parameters" in the attached JORC Table 1 documentation and definition of Mineral Resource reporting envelopes can be found under Section 3 "Cut-off Parameters". Copper Mineral Resources are defined only within copper domains and Gold Mineral Resources are defined only within gold domains.
[5] Outside of final open pit design and west of 55300mE (excluding Ankata area).
[6] West of 54450mE.

Table 2: Gold Mineral Resource estimate[7]

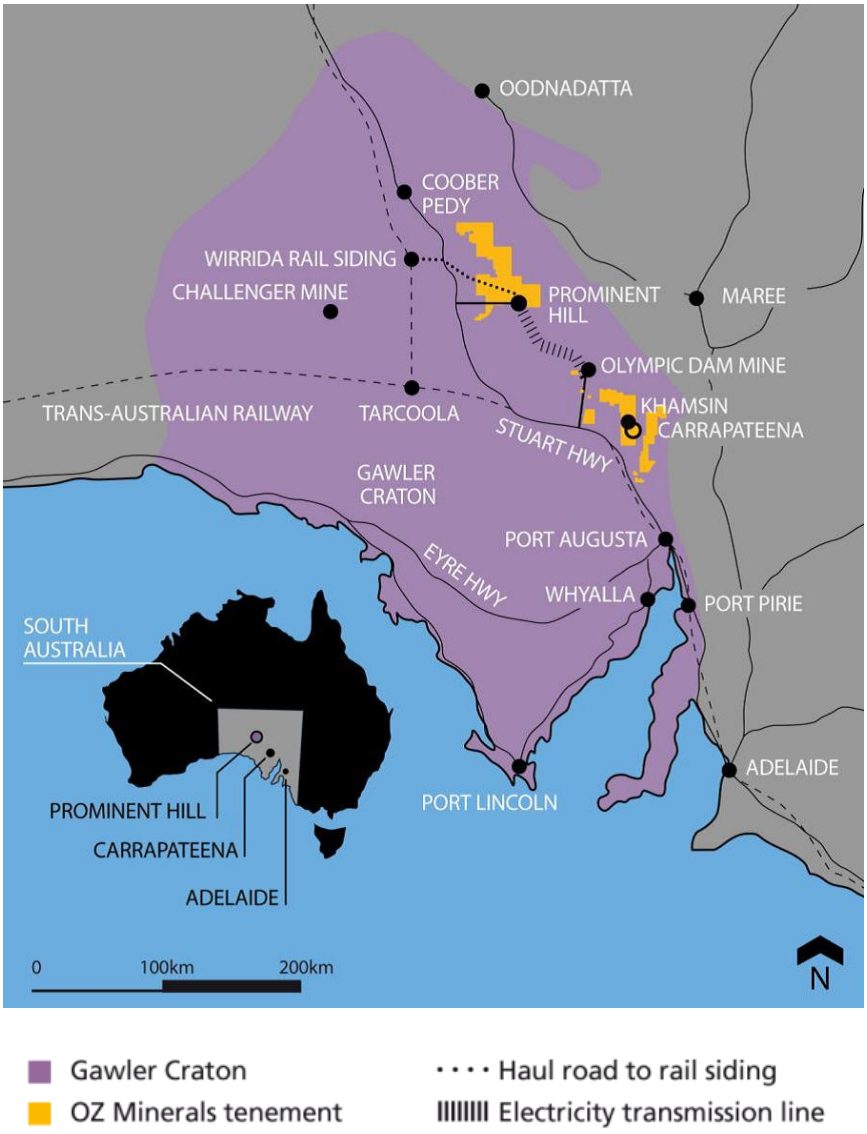
	Category	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (Kt)	Au (Koz)	Ag (Moz)
Open Pit[8] 0.25% Cu cut-off	**Measured**	**0**	**0.0**	**1.2**	**1.7**	**0**	**1**	**0.0**
	Indicated	**2**	**0.1**	**1.0**	**1.3**	**1**	**69**	**0.1**
	Inferred	**0**	**0.0**	**1.2**	**1.0**	**0**	**9**	**0.0**
	Total	**2**	**0.1**	**1.0**	**1.3**	**1**	**79**	**0.1**
Malu[9] $60 NSR cut-off envelope[10]	Measured	0	0.0	0.0	0.0	0	0	0.0
	Indicated	2	0.0	2.6	0.9	0	170	0.1
	Inferred	2	0.0	2.1	0.8	0	110	0.0
	Total	4	0.0	2.4	0.9	1	280	0.1
Kalaya[11] $60 NSR cut-off envelope[4]	Measured	0	0.0	0.0	0.0	0	0	0.0
	Indicated	0	0.0	0.0	0.0	0	0	0.0
	Inferred	5	0.1	2.0	0.6	3	340	0.1
	Total	5	0.1	2.0	0.6	3	340	0.1
Ankata[12] $60 NSR cut-off envelope[4]	Measured	0	0.0	0.0	0.0	0	0	0.0
	Indicated	0	0.0	0.0	0.0	0	0	0.0
	Inferred	0	0.0	0.0	0.0	0	0	0.0
	Total	0	0.0	0.0	0.0	0	0	0.0
Underground $60 NSR cut-off envelope[4]	**Measured**	**0**	**0.0**	**0.0**	**0.0**	**0**	**0**	**0.0**
	Indicated	**2**	**0.0**	**2.6**	**0.9**	**0**	**170**	**0.1**
	Inferred	**7**	**0.0**	**2.1**	**0.6**	**3**	**450**	**0.1**
	Total	**9**	**0.0**	**2.2**	**0.7**	**4**	**620**	**0.2**
Surface Stocks	**Measured**	**13**	**0.1**	**0.7**	**2.3**	**14**	**320**	**1.0**
Total	**Measured**	**13**	**0.1**	**0.7**	**2.3**	**14**	**320**	**1.0**
	Indicated	**4**	**0.0**	**1.8**	**1.1**	**2**	**240**	**0.2**
	Inferred	**7**	**0.0**	**2.0**	**0.6**	**3**	**460**	**0.1**
	Total	**25**	**0.1**	**1.3**	**1.6**	**19**	**1,020**	**1.3**

[7] Table subject to rounding.
[8] Within final pit design.
[9] Outside of final pit design and east of 55300mE.
[10] Net smelter return (NSR) details can be found under Section 4 "Cut-off parameters" in the attached JORC Table 1 documentation and definition of Mineral Resource reporting envelopes can be found under Section 3 "Cut-off Parameters". Copper Mineral Resources are defined only within copper domains and Gold Mineral Resources are defined only within gold domains.
[11] Outside of final open pit design and west of 55300mE (excluding Ankata area).
[12] West of easting 54450mE.

Setting

The Prominent Hill iron-oxide copper gold (IOCG) deposit is located in the north-eastern portion of the Archaean to Mesoproterozoic Gawler Craton, South Australia. The Gawler Craton covers approximately 600,000 square kilometres of South Australia. Outcrop is sparse and most of the current understanding of the geology of the Gawler Craton is derived from exploration drilling and geophysical datasets. The Gawler Craton hosts Olympic Dam, Prominent Hill, Carrapateena, Moonta and a number of other smaller and sub-economic copper-gold deposits. Most of these deposits are thought to be genetically related to the Gawler Range Volcanic (GRV) – Hiltaba magmatic event which affected the central and eastern portions of the Gawler Craton around 1600-1580 million years ago. Copper-gold-silver (-U-REE) mineralisation at Prominent Hill is mostly hosted within haematitic breccias of sandstone, shale, dolomite, and volcanic lithologies.

Figure 1: Location of Prominent Hill, South Australia



Changes in the July 2016 Mineral Resource Estimate

The focus of delineation drilling between June 2015 to July 2016 has generally been to infill within areas of lower confidence in the Prominent Hill Mineral Resources. The intent was to increase the confidence in geological and grade continuity and thus increase the proportion of Indicated and Measured Mineral Resources and provide opportunity for increased Ore Reserves. Specifically, the drilling targeted the central and eastern areas of the Prominent Hill Underground Mineral Resources.

The 01 July 2016 overall copper Mineral Resource estimate at Prominent Hill resulted in a three percent reduction in mineralisation tonnage and a two and five percent reduction respectively in contained copper and gold metal compared with the previous estimate. The gold Mineral Resource estimate for Prominent Hill resulted in an eight percent decrease in tonnage and a ten percent reduction in contained gold metal. Decreases in copper and gold Mineral Resources were mostly due to mining depletion. An offsetting small increase in the Underground Mineral Resources was due to revised geological interpretation, estimation and continuity review using additional drill hole data.

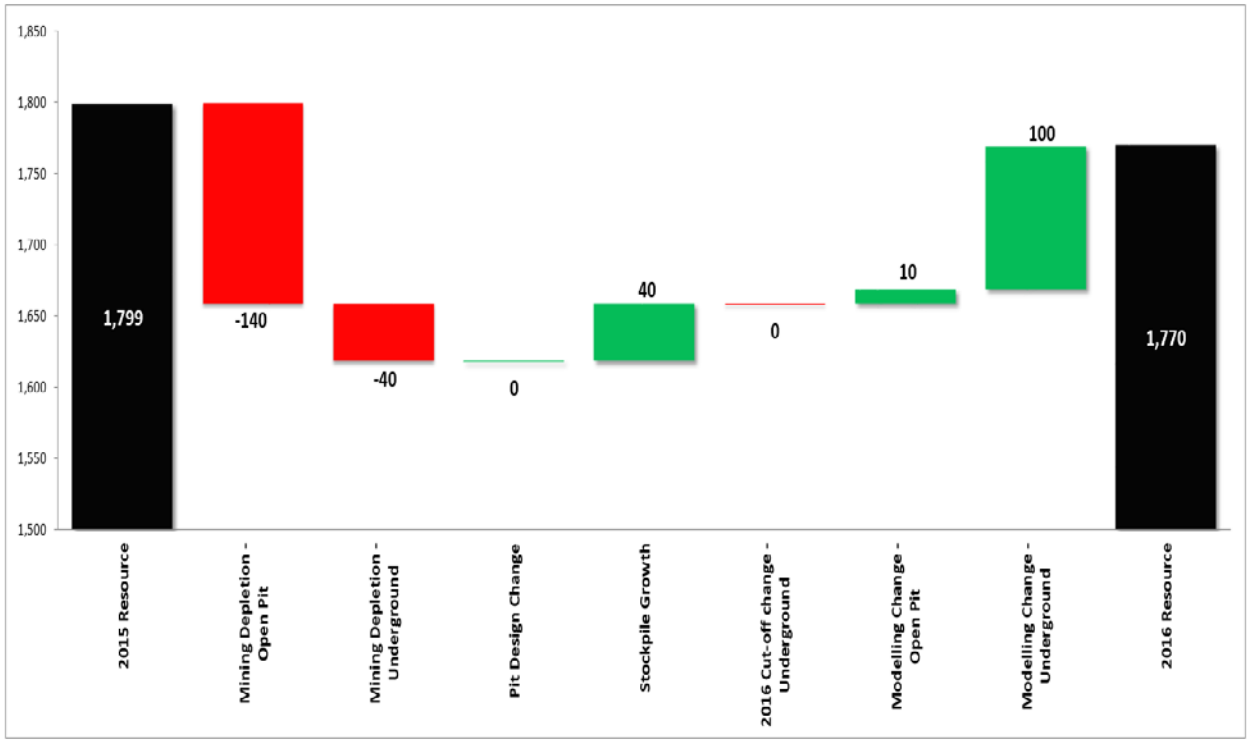
The Prominent Hill Open Pit Mineral Resource estimate decreased by 14 million tonnes (38 percent), 110 thousand tonnes of copper metal (33 percent) and 250 thousand ounces of gold metal (36 percent) primarily as a result of mining depletion.

The Prominent Hill Underground Mineral Resource estimate increased by 0.6 million tonnes (0 percent), 39 thousand tonnes of copper metal (3 percent) and decreased by 140 thousand ounces of gold metal (5 percent) due to a combination of mining depletion, reinterpreted mineralisation boundaries and growth of defined mineralisation based on additional delineation drilling and a cut-off grade change.

Surface ore stockpiles as of 01 July 2016 had increased by 6.8 million tonnes (50 percent), 38 thousand copper metal tonnes (135 percent) and 150 thousand gold ounces (54 percent) due to ongoing mining operations at Prominent Hill.

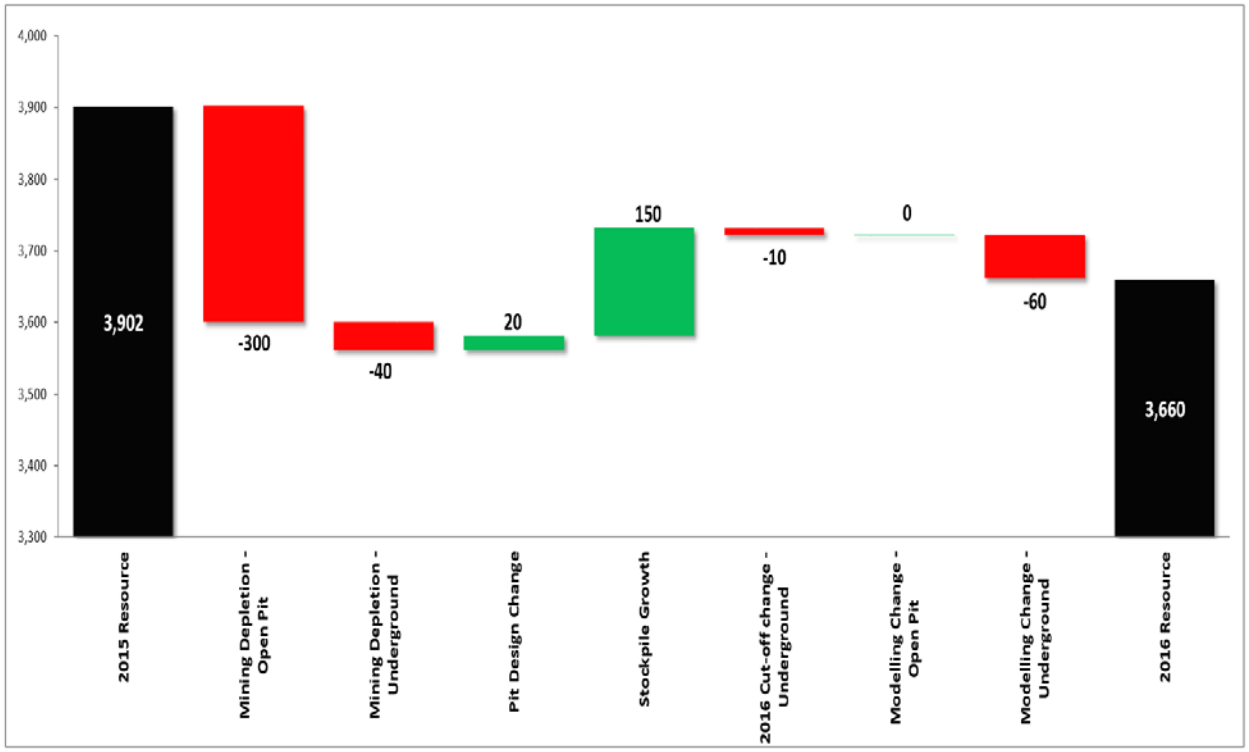
A detailed outline of copper and gold metal changes in the July 2016 Prominent Hill Mineral Resource estimate is presented in Figure 2 and Figure 3.

Figure 2: Copper metal changes in 01 July 2016 Prominent Hill Mineral Resource estimate update*



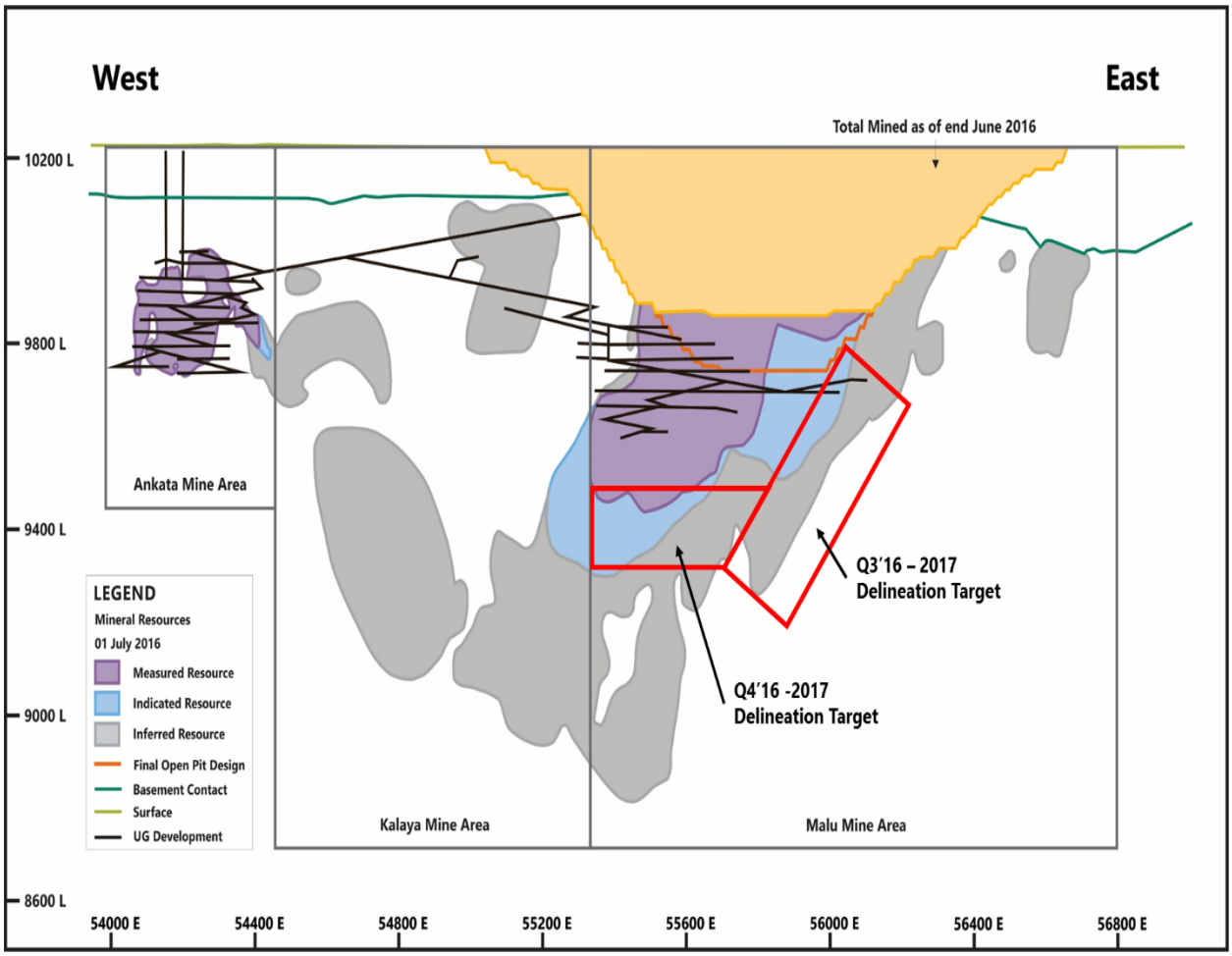
*Metal totals subject to rounding. Data includes Measured, Indicated and Inferred Mineral Resources.

Figure 3: Gold metal changes in 01 July 2016 Prominent Hill Mineral Resource estimate update*



*Metal Totals subject to rounding. Data includes Measured, Indicated and Inferred Mineral Resources.

Figure 4: Long projection of Prominent Hill 2016 Mineral Resource showing future drill target areas



JORC CODE, 2012 EDITION, TABLE 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	The Prominent Hill Mineral Resources are sampled using underground and surface diamond drill holes and surface reverse circulation (RC) drill holes. Surface RC holes were sampled at one metre intervals after a 1/8th field split. Field duplicates were collected at a rate of one every 20-30 samples. Each RC metre sampled weighed approximately four to six kilograms. All RC samples were sent to an offsite laboratory for crushing and pulverising to produce a sample for analysis by fire assay (40 gram charge) and inductively coupled plasma optical emission spectrometry. Surface diamond drill holes were sampled on nominal one metre intervals; however, sample lengths between 0.4 and 1.4 metres were permitted. Surface diamond drill holes were sampled in full within the Prominent Hill mineralisation host lithologies and only periodically sampled within established waste domains. All underground diamond drill holes were sampled on nominal one metre intervals. Sample lengths between 0.3 and 1.3 metres were permitted. There was no sampling across obvious geological boundaries. Sample masses ranged from one to five kilograms' dependent upon both sample interval length and material density. Underground diamond drill holes were sampled along their entire length, except for geotechnical holes, failed holes that were redrilled, and the starting part of some drill holes in fan patterns. Underground drill holes classed as "Mineral Resource delineation" were half cored sampled. Underground drill holes classed as "grade control" were either full core or half core sampled. All diamond core samples were completely crushed and pulverised to produce sample charges for analysis by fire assay and ICP methods. A program of regular laboratory coarse duplicate sample submission at a rate of two samples per 40 to 60 samples has been undertaken historically and is still current sampling practice for diamond drilling.
Drilling techniques	The majority of drilling was by diamond coring (2,084 holes), with only four percent of holes being RC holes (79 holes). RC drill holes utilised a face sampling bit and were of 5¾ or 5½ inches in diameter. Surface diamond drill holes were a combination of standard tube NQ2 and HQ sizes. Down hole orientations were completed through use of the "Ezy-Mark" tool pre February 2005 and the "ACE" electronic core orientation tool thereafter. Underground diamond drill holes were drilled with a combination of NQ2, LTK60, BQTK and some minor quantities of HQ core sizes. Down hole orientations were completed using a "Reflex® ACT" tool.
Drill sample recovery	For RC drilling total weights (inclusive of moisture) were recorded for reverse circulation samples. Recoveries were calculated as a percentage of recorded weight versus a theoretical 100 percent recovery weight. Recovery of RC drilling was calculated to be 92 percent. Measures taken to maximise sample recovery were centred around hole conditioning and maintenance of steady drill penetration rates. There does appear to exist a weak bias in low recovery RC samples with higher grade copper results. However, the low number of high-grade reverse circulation samples affected by this apparent bias suggests no material effect on the global Mineral Resource estimate by their inclusion.

Criteria	Commentary
	Diamond drilling core recovery was recorded using measured length. This was recorded as a percentage of drilled run length. Core recovery was 98 percent recovered for the Prominent Hill Mineral Resource area. For drill core, there is no clear relationship between sample recovery and grade, and no significant bias is expected from preferential loss or gain of fine or coarse material. One small domain (Ankata domain 748) has significant zones of poor recoveries and core loss in individual core runs and has only been classified as Inferred.
Logging	96 percent of drill metres used in the 01 July 2016 Mineral Resource update have been geologically logged to a level of detail to support the definition of geological domains appropriate to support Mineral Resource estimation and classification. A majority of the unlogged metres are either located distal to the Prominent Hill Mineral Resources or were drilled for geotechnical/metallurgical sampling purposes with data not captured within the drilling database. Prominent Hill drilling and logging used in the 01 July 2016 Mineral Resource update breaks down as follows: • Surface: 297,846 metres drilled, 275,746 metres logged (93 percent). • Underground: 254,265 metres drilled, 254,078 metres logged (99.9 percent). Geological logging completed within the Prominent Hill Mineral Resources has generally been qualitative in nature Basic geotechnical logging was completed on the drilled holes by geologists and geology technicians. This was primarily RQD/Rock Mass recordings and orientated structural measurements. The geotechnical engineers have also undertaken geotechnical logging of selected diamond holes in areas of direct relevance to underground infrastructure and operations. A regular program of core photography has been undertaken on diamond drilling since 2004. Approximately 95 percent of all core holes have been photographed. Geological and geotechnical logging has been completed to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.
Sub-sampling techniques and sample preparation	Surface RC holes (2003-2006) were sampled at one metre intervals after a 1/8th field riffle split. Samples which were noted as being wet (0.01 percent of RC samples) were dealt with via a specific sampling protocol to meet quality assurance requirements. RC sample preparation at the laboratory was completed as follows: • Weigh • Drying at 110 degrees Celsius • Oven dry weigh • Quartz wash • Pulverise entire sample (multi-pass re-homogenise as required) to 90 percent passing 75 micron • Collect pulp, bag remaining reject. Field duplicates were collected as a second 1/8th field split at the drill rig and were initially selected at a rate of four percent, spaced at 20-30 samples. Surface diamond drill holes were sampled on nominal one metre intervals; however, sample lengths between 0.4 and 1.4 metres were permitted. Core was sawn longitudinally and half core samples submitted for analysis.

Criteria	Commentary
	Surface core sample preparation at the laboratory was completed as follows: • Weigh • Drying at 110 degrees Celsius • Oven dry weigh • Crush to approximately -10 millimetres • Rotary split into two samples if sample is listed as being part of a coarse duplicate pair • Quartz wash at the pulveriser • Pulverise entire samples (multi-pass re-homogenise as required) to 90 percent passing 75 micron • Collect pulp(s) from each sample, bag remaining rejects separately. All underground diamond drill holes were sampled on nominal one metre intervals. Sample lengths between 0.3 and 1.3 metres were permitted. Diamond core was sawn longitudinally when half core samples were required for analytical analysis as specified under "Sampling Techniques". Underground core sample preparation at the laboratory was completed as follows: • Weigh • Drying at 110 degrees Celsius • Oven dry weigh • Crush to approximately -10 millimetres • Rotary split into two samples if sample is listed as being part of a coarse duplicate pair • Quartz wash at the pulveriser • Pulverise entire samples (multi-pass re-homogenise as required) to 90 percent passing 75 micron • Collect two 250 gram pulps from each sample, bag remaining rejects separately. In 2015 a targeted field duplicate program assaying remaining half cores through reported copper Mineral Resource domains was undertaken. Results indicated that for the minimum core sizes sampled, the fundamental sampling error was of an acceptable level. Sample sizes are considered to be appropriate for the style/texture of copper mineralisation at Prominent Hill.
Quality of assay data and laboratory tests	All laboratory procedures and analytical methods used are considered to be of appropriate quality and suitable to the nature of the Prominent Hill mineralisation. All analytical methods used are considered to be total methods, except ICP-OES for sulphur which is considered to be near-total. RC samples were assayed using Inductively Coupled Plasma Optical Emission Spectrometry, Modified Aqua Regia Digest and 40 gram Fire Assay. These samples were assayed for a suite of 31 elements; with the samples that may contain copper or gold and/or are close to a known mineralised zone also analysed for fluorine. For RC holes QAQC controls involved matrix matched certified reference materials being inserted at a rate of four percent, i.e. spaced at 20-30 samples apart. Coarse-blanks / pulp-blanks were inserted at a rate of four percent and preceded every matrix matched certified reference materials. Surface core samples (2001-2010) were assayed using 40 gram Fire Assay, Fusion Digest and Mixed Acid Digest. These samples were generally assayed for a suite of 31

Criteria	Commentary
	elements; with the samples that may contain copper or gold and/or are close to a known mineralised zone also analysed for fluorine. Laboratory coarse duplicates were inserted approximately two in every 60 samples. A split occurred at Amdel (offsite laboratory) after sample crush with then two pulps analysed from each pulverised split giving rise to four results from the one sample interval. Laboratory pulp duplicates/replicates during this period were completed (on an approximate frequency depending on the analytical techniques) as shown below: • Fire Assays: rate of four percent • Fusion Digest: rate of seven percent • Mixed Acid Digest: rate of four percent Matrix matched certified reference materials (Prominent Hill sourced), commercial certified reference materials and blanks were inserted into the sample run at a frequency of approximately one in 25 samples: • Coarse Blank • Certified reference materials • Pulp Blank Samples from 2010-2016 were assayed using 40 gram Fire Assay, Fusion Digest and Mixed Acid Digest. These samples were assayed for a suite of 55 elements. Laboratory coarse duplicates were inserted approximately two in every 30 to 40 samples. A split occurred at Amdel (offsite lab) after sample crush with then two pulps analysed from each pulverised split giving rise to four results from the one sample interval. Laboratory pulp duplicates/replicates during this period were completed (on an approximate frequency depending on the analytical techniques) as shown below: • Fire Assays: one in every 25 Samples • Fusion Digest: one in every 20 Samples • Mixed Acid Digest: one in every 14 Samples Matrix matched certified reference materials (Prominent Hill sourced), commercial certified reference materials and blanks were inserted into the sample run at a frequency of approximately one in 25 samples: • Coarse Blank • Certified reference material • Pulp Blank QAQC samples were monitored on a batch-by-batch basis and samples in each failed batch were re-assayed. The assay data pass/fail criteria up to the end of December 2012 was as follows: • A batch was said to 'fail' if two standard samples were outside two standard deviations from the expected standard grade or if one standard was greater than three standard deviations from the expected standard grade. If a batch failed, the laboratory was contacted for batch re-assay. • The pass/fail criterion for coarse blanks followed that any blank returning a result, greater than a certain multiple of the detection limit will fail (dependent upon the element). If a coarse blank returned a value outside of acceptable tolerances, the laboratory is contacted for batch re-assay.

Criteria	Commentary
	The assay data pass/fail criteria from January 2013 to July 2016 was as follows: • A batch was said to 'fail' if a standard sat outside three standard deviations from the expected grade. If a batch failed, the laboratory was contacted for batch re-assay. Programs of selected pulp resubmissions to an independent laboratory are completed periodically. These pulps represent mineralised intervals through the main mineralised domains. The check assay process focuses on the elements Cu, Au, Ag, F, Fe, U, and S. Results of the check assay reviews have indicated good correlations for Cu, Au, Fe, U, Ag. Negative biases noted for S analyses when associated with high Ba results and positive biases for F analyses in general are not deemed material to the final quality of the reported Mineral Resources.
Verification of sampling and assaying	The Prominent Hill mineralisation generally lends itself to excellent grade continuity and consistency both along strike and down dip. QAQC procedures are in place and audited frequently at Prominent Hill, therefore repeatability issues from a QAQC point of view are not considered to be significant. Significant and/or unexpected intersections are reviewed by alternate company personnel through review of geological logging data, core photography, physical examination of remaining core samples (in instances of half core sampling) and review of digital geological interpretations. A review of a dataset of twinned drill holes was carried out in June 2014. All the selected twinned holes were drilled as diamond drill holes. Comparison of the total mineralised zone in each twinned drill hole was undertaken as part of the review. This was done using grade weighted averages of the composites through the mineralised intervals of the drill holes, and was broken by domain if a drill hole passed through multiple domains. Copper and gold generally compared well in this review. As part of data validation and verification for the June 2013 Prominent Hill Mineral Resource estimate, review of analytical data for 130 drill holes was completed. From these holes, 95 percent of the original assay source data was able to be located and verified against the contents of the database. No adjustment to analytical data was required. Data importation into the drilling database is documented through standard operating procedures and is guided by on import validations to prevent incorrect data capture/importation. Geological, structural and density determination data is directly captured in the drilling database through a validation controlled interface using Toughbook computers. Primary data is stored in its source electronic form. Assay data is retained in both the original certificate (.pdf) form, where available, and the text files received from the laboratory. Data entry, validation and storage are discussed in the section on database integrity below. Where assay results are below detection limit, a value of half the detection limit has been used. No other adjustments were made to assay data used in this estimate.
Location of data points	A topographic survey was conducted in January 2005 by Engineering Surveys using differential GPS which provided +/- 100 millimetre accuracy on surface elevation. All diamond and reverse circulation drill holes are recorded in the PH-MST GBIS™ database. Drill hole co-ordinates were surveyed in one of MGA94-53, AMG84-53 or Prominent Hill Planar Mine Grid, using either a DGPS (2007 onwards), GPS or tape and

Criteria	Commentary
	compass. All of the current Prominent Hill operations use the Prominent Hill Planar Mine Grid. Surface diamond and reverse circulation drill holes exhibit collar survey methods of DGPS1 (Differential GPS), TAPE (Tape and Compass from nearby DGPS1 station), SURV (survey department picked-up collar) and UNK (pick-up coordinates and appropriate ranking entered into GBIS™ but 'unknown' entered as method) type. Surface down hole survey methods include Reflex EZ-Trac™, Ranger™, Eastman™ Single Shot, Down Hole North Seeking Gyro, Down Hole Gyro and Unknown. Initial procedure pre-2007 was for a reflex survey to be carried out every several runs which would indicate general direction of the hole whilst drilling allowing modifications to be made to barrels if required. Once the hole was complete a Ranger™ survey would be carried out to gain more frequent readings down hole. Azimuth issues were identified with the magnetic skarn lithology (which the majority of drill holes intersected). As a result, the drill holes were surveyed with a Gyro (no magnetic interference) which would provide readings every two metres. The Gyro was therefore deemed most reliable and the Eastman™ and Ranger™ methods were eventually phased out. Underground diamond drill hole collars were surveyed by the Underground Survey Department using Leica Total Stations. Co-ordinates are calculated from a traverse surveyed down the Ankata/Malu declines from the surface. All co-ordinates are provided in Prominent Hill Planar Mine Grid. Underground Survey equipment is serviced and maintained on a regular basis and the Underground Survey network is checked by regular re-surveys to ensure its integrity. Underground drill holes were down hole surveyed using either a Reflex EZ-Trac™ digital down hole camera unit, a combination of a Deviflex® plus Azimuth-aligner® tool or a combination of a Reflex® GYRO plus Reflex® TN14 Gyrocompass. The Reflex camera units had a measurement accuracy of ±0.35 degrees in azimuth and ±0.25 degrees in dip. Surveys were completed at 15 metres, 30 metres and then at subsequent 30 metre intervals down the hole path. The Deviflex® plus Azimuth-aligner® tool combination had a measurement accuracy of ±0.2 degrees in azimuth and ±0.2 degrees in dip. Surveys were completed at the hole collar and at subsequent 3 metres intervals down the hole path. The Reflex® GYRO plus Reflex® TN14 Gyrocompass tool combination had a measurement accuracy of ±0.2 degrees in azimuth and ±0.5 degrees in dip. Surveys were completed at the hole collar and at subsequent intervals between 3 and 10 metres down the hole path. All camera units were calibrated weekly on site survey test beds. Downhole survey methods of drill holes used in the 2016 Mineral Resource estimates were as follows: • Compass – Rig Set-up – 30 holes • Deviflex® – 129 holes • North Seeking Gyro – 364 holes • Single Shot – 1,285 holes • Reflex® Gyro – 355 holes In March 2014 all historic grid collar coordinates were replaced with transformed coordinates in the Prominent Hill Planar Mine Grid.

Criteria	Commentary
Data spacing and distribution	The Prominent Hill Mineral Resources were drilled from surface predominantly on nominal north-south 50 metre sections, however areas of greater than 100 metre x 100 metre drill spacing do exist. Drilling into the western end of the Prominent Hill Mineral Resources in the Ankata area was also conducted on several west-east sections to better inform the structural complexity in that area. Underground diamond drill holes into the Prominent Hill Mineral Resources in the vicinity of the Malu area were generally designed to intersect the mineralised domains close to perpendicular. Underground delineation drilling within this area has targeted closing up the drill spacing to an approximate 50 metre x 50 metre spacing with additional infill grade control drilling down to approximately 12.5 metre x 12.5 metre in the dolomite domain with 25 metre x 25 metre spacing elsewhere. Due to geometric complexity the underground diamond drill holes within the Prominent Hill Underground Mineral Resource in the Ankata area have been designed to infill the mineralised domains to an approximate 25 metre x 30 metre spacing on 25 metre spaced sections. Additional infill grade control drilling closed drill spacing down to an approximate 12.5 metre x 15 metre spacing on 12.5 metre spaced sections. Underground diamond drill holes into the Prominent Hill Mineral Resources in the vicinity of the Kalaya area during 2016 have been designed to reduce drill spacing down to approximately 50 metres x 50 metres for the copper mineralisation at the eastern end. The remainder of the Kalaya area has between a 100 metre x 100 metre to 200 metre x 200 metre drill hole spacing. The data spacing and distribution in the Mineral Resource areas has been sufficient to support geological and grade continuities for the purposes of generating Mineral Resource estimates and their classification. No physical compositing of samples has occurred. Drill hole assay data was broken down into geological and mineralised domains as defined by wireframe boundaries, and then sample compositing was applied. A composite length of two metres was used for the Prominent Hill Open Pit Mineral Resource and the Prominent Hill Underground Mineral Resources in the Malu and Kalaya areas. A composite length of one metre was used for the Prominent Hill Underground Mineral Resource in the Ankata area.
Orientation of data in relation to geological structure	In the Prominent Hill Open Pit and Prominent Hill Underground Mineral Resource Malu and Kalaya areas, the surface diamond and RC drilling was conducted generally perpendicular to the strike of mineralisation. Mineralisation dip is sufficiently steep that drilling from either side relative to the strike will have introduced minimal bias. Surface diamond drilling in the Prominent Hill Underground Mineral Resource Ankata area created the potential for sampling bias due to the complex morphology of the mineralisation. Subsequent drilling from underground has significantly increased the size of the sample data set for the Ankata area to the extent that any bias from the original surface drilling is no longer material. Underground diamond drilling and all Mineral Resource areas was completed in fans from the available drilling platforms adjacent to the mineralisation. Drilling was designed to intersect the mineralisation as close to perpendicular to the strike of the mineralisation as possible to prevent the generation of sampling bias.
Sample security	Access to the Prominent Hill site is secured with a manned security gatehouse. No external access to the Prominent Hill site is possible without direct authorisation from the site management.

Criteria	Commentary
	Diamond core is drilled by the drilling contractor and brought to the Prominent Hill core processing facilities by a diamond driller or collected from the drill rig by a geology technician. Core is measured, geotechnically and geologically logged and cut and sampled by employees of OZ Minerals at the same facility. Samples were dispatched from Prominent Hill site to Bureau Veritas Adelaide (also formally known as Amdel) through a contracted transport and logistics operator. Sample documentation is delivered digitally to Bureau Veritas where samples are physically verified against the documentation to confirm sample receipt.
Audits or reviews	OZ Minerals undertakes external audits or reviews of Mineral Resource processes and documentation on a biennial basis. The 01 July 2016 Prominent Hill Mineral Resource was reviewed in September 2016 by AMC Consultants Pty Ltd. It was AMC's conclusion that the 01 July 2016 Mineral Resource sampling techniques and data management were undertaken using accepted industry practice with drill hole data supported by appropriate quality control protocols.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	Prominent Hill has an endorsed Program for Environmental Protection and Rehabilitation (PEPR) and additional addenda supporting ML6228 and associated Miscellaneous Purpose Licences and Extractive Mineral Licences. ML 6228, MPLs and EMLs are held by OZ Minerals Prominent Hill Operations Pty Ltd which is a wholly owned subsidiary of OZ Minerals Limited. Mining tenements expire in 2021 and it is expected that extensions to these tenements will be granted as per conditions of the Mining Act 1971. Access to the Woomera Prohibited Area is secured through a Deed of Access with the Department of Defence and Pastoral Agreements have been met with the Pastoral Lease Holders of Lease 2315, 2341, 2415, 2340, 2153, 2339 and 2527 ensuring access arrangements are secure. In accordance with Part 9B of the *Mining Act 1971 (SA)* an appropriate Native Title Mining Agreement has been negotiated with the Antakarinja Land Management Aboriginal Corporation which will stand until such time as OZ Minerals and its subsidiaries relinquish the Prominent Hill mining tenements. Royalties currently run at five percent of revenue less all costs (including transport) of converting concentrate into metals.
Exploration done by other parties	Pre-2001 minor exploration work had been completed by various parties. October 2001, Minotaur Resources Limited intersected 20 metres at 3.2 grams per tonne gold 107 metres at 1.9 percent copper, 0.65 grams per tonne gold and 152 metres at 1.1 percent copper, 0.6 grams per tonne gold. This initial hole was followed up with drilling of 14 diamond drill holes, confirming high grade copper-gold mineralisation and identified gold only mineralisation. OZ Minerals Limited joint ventured into the property in September, 2003 and funded the mineralisation drill out to Inferred Mineral Resource status. Following completion of a global Inferred Mineral Resource estimate for Prominent Hill, OZ Minerals assumed management of the Project in October 2004.

Criteria	Commentary
	Waste pre-strip on the Prominent Hill Open Pit started in October 2006. From the known Prominent Hill deposit step out surface drilling occurred along strike, with Ankata (formerly known as Western Copper) to the west releasing results in 2007 and the first Mineral Resource of the deposit released in June 2008. Significant surface drilling from 2009 to 2011 from both hanging wall and footwall locations within the Malu active mining area, targeting along strike and down dip extensions of the Malu and Ankata Mineral Resources subsequently identified the Kalaya mineralisation between the two deposits. Development to access the Ankata orebody from underground began in 2010, with underground drilling to further refine the Mineral Resource definition and complete grade control resolution in 2011. Development access to the Malu area began in 2011 with the commencement of underground drilling late in that same year.
Geology	The Prominent Hill iron-oxide copper gold (IOCG) deposit is located in the Mount Woods Inlier, in the north-eastern portion of the Archaean to Mesoproterozoic Gawler Craton, South Australia. Most of these deposits are thought to be genetically related to the Gawler Range Volcanic (GRV) – Hiltaba magmatic event which affected the central and eastern portions of the Gawler Craton around 1600-1580 million years ago. Copper-gold-silver (-U-REE) mineralisation at Prominent Hill is mostly hosted within haematitic breccias of sandstone, shale, dolomite, and volcanic lithologies.
Drill hole information	No Prominent Hill exploration or delineation drilling has been reported in the accompanying release, therefore there is no drill hole information to report. This section is not relevant to this Mineral Resource estimate.
Data aggregation methods	No Prominent Hill exploration or delineation drilling has been reported in the accompanying release, therefore there is no aggregated drill hole information to report. This section is not relevant to this Mineral Resource estimate.
Relationship between mineralisation widths and intercept lengths	No Prominent Hill exploration or delineation drilling has been reported in the accompanying release, therefore there are no relationships between mineralisation widths and intercept lengths to report. This section is not relevant to this Mineral Resource estimate.
Diagrams	No Prominent Hill exploration data has been reported in the accompanying release, therefore no exploration diagrams have been produced. This section is not relevant to this Mineral Resource estimate.
Balanced reporting	No exploration or delineation data has been reported in this release, therefore there are no results to report. This section is not relevant to this Mineral Resource estimate.
Other substantive exploration data	There are no other substantive exploration data of a meaningful or material nature to report. This section is not relevant to this Mineral Resource estimate.
Further work	Drilling of areas of lower confidence Mineral Resources across the Prominent Hill Underground are continuing through 2016 and into 2017. These activities will generally focus on known areas for infill, however extensional drilling targets may evolve as new data is accumulated. Approximately $4M will be spent in 2016 on Mineral Resource related drilling, analytical and labour services.

Criteria	Commentary
	A long sectional views of possible extensions and future drilling areas is provided in Figure 4.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	Commentary
Database integrity	The Prominent Hill database is part of an SQL Server system. Data is logged directly into the database utilising wireless transfer protocols on 'Toughbook' portable computers. Validation checks are written into the SQL Server database and these are activated via database and user triggers to ensure the data is correct with respect to fundamental quality issues. Read/write privileges of the primary tables in the database are controlled through the use of security group permissions. Individual user profiles restrict the data that can accessed and altered. The database has a log backup each hour. A complete backup is completed each night. Data backup from the previous seven days is stored on the database server. Data older than seven days is backed up onto tape and stored securely offsite.
Site visits	The Competent Person works at the Prominent Hill mine site as an employee of OZ Minerals and has a thorough working knowledge of the Prominent Hill open pit and underground geology and operations. The Competent Person has also been directly involved with the interpretation/review of geological and geostatistical models.
Geological interpretation	Global confidence in the geological interpretation is considered to be good and is supported by the open pit and underground mining operations. Local confidence varies depending upon the density of available input data, but is still considered to be acceptable. No assumptions are made regarding the data; all geological interpretations are based on observation of drill hole data (inclusive of open pit RC grade control drilling), underground face mapping and open pit wall mapping. Mineralisation is generally consistent along strike and down dip. Mineralised envelopes for copper mineralisation were interpreted on drill section using geological logs, copper grades (≥0.1 percent copper) and elemental geochemistry. Mineralised envelopes for gold mineralisation were interpreted on drill section using geological logs, gold grades (≥0.1 grams per tonne gold for the Open Pit and Underground Mineral Resources in the Malu and Kalaya areas (not used in Ankata area)) and elemental geochemistry. Along strike mineralisation outlines were generally terminated at half the drill hole spacing beyond the last known section of mineralisation. Extrapolation of mineralisation along strike is typically half or less of the adjacent sectional spacing to a maximum of 25 metres. Down dip mineralisation extrapolation is generally less than 50m below the deepest sectional intercepts, unless strike geological continuity is being interpreted across undrilled sections from one deeply drilled section to another.

Criteria	Commentary
Dimensions	The current maximum extent of the reported Mineral Resource is 2,665m (east-west) by 1,131m (vertical). Multiple lenses exist within a mineralised zone having a plan width (across strike) of approximately 300-400m. Only a subset of this mineralised zone has sufficient continuity of grade to have been reported as a Mineral Resource. The upper and lower limits of the reported Mineral Resource are 101m and 1,307m respectively below the pre-mining topographic surface.
Estimation and modeling techniques	Updated Mineral Resource interpolations were completed for the Prominent Hill Open Pit and the Prominent Hill Underground Mineral Resource in the Malu and Kalaya area. There was no update of the interpolation of the Prominent Hill Underground Mineral Resource in the Ankata area. All Ankata commentary in this section relates to the 2015 Mineral Resource interpolation. Statistical and spatial distribution review of sample lengths in the different domain areas was completed in Snowden Supervisor™ version 8.1. As a result of these reviews a two metre sample composite length for the Prominent Hill Open Pit and Prominent Hill Underground Mineral Resource Malu and Kalaya areas was selected. A sample composite length of one metre was used for the Prominent Hill Underground Mineral Resource Ankata area. Statistical analysis was completed for each domain to ascertain the distribution of grades and examine whether any extreme values/outliers existed. The locations of extreme values were investigated and where warranted grade capping was enforced. The number of samples impacted by grade capping was low. Snowden Supervisor™ version 8.6 was used to complete Variogram modelling. For domains where there was little sample support, an Inverse Distance (ID) estimate was favoured over an Ordinary Kriging (OK) estimate. The Kriging Neighbourhood Analysis (KNA) function in Snowden Supervisor™ software version 8.1 was used as a means of estimating block size accuracy and conditional bias ahead of estimation. The selected block sizes for the estimates were as follows: • Malu - 25 metre (X), by 5 metre (Y), by 12 metre (Z). Minimum sub-block 5 metre (X) by 1 metre (Y) by 3 metre (Z) • Ankata - 5 metre (X), by 5 metre (Y), by 5 metre (Z) Minimum sub-block 1.25 metre (X) by 1.25 metre (Y) by 1.25 metre (Z) • Kalaya – 25 metre (X), by 10 metre (Y), by 24 metre (Z) Minimum sub-block 2.5 metre (X) by 1.0 metre (Y) by 3.0 metre (Z) Interpolations were run in Vulcan™ software for the domain numbers as follows: • Malu - OK Copper: 15, 20, 30, 35,50, 55, 60, 70, 80 Gold: 100, 200, 300, 400, 500, 600, 700 Bulk Density & Fe: 310, 313, 315, 317 • Malu - ID2 Copper: 65, 90, 991, 992, 999 Gold: 150, 650, 800, 993, 999 Bulk Density & Fe: 311, 314, 316, 318, 319, 999 • Ankata - OK Copper: 761, 767, 768, 770 (for Cu, Au, Ag, S, F) Uranium: 230, 231 Bulk Density & Fe: 330, 338, 339 • Ankata - ID2 Ba & Ca: 761, 770, 767, 768 Copper: 50, 60, 85, 748, 749, 750

Criteria	Commentary
	Uranium: 232, 233 Al & Si: 330, 338, 339 Bulk Density & Fe: 331, 332, 333, 334, 335, 336 • Ankata - ID Copper: 740, 744, 745, 751, 758, 759, 790 • Kalaya - OK Copper: 30, 60 Gold: 300, 400 Bulk Density & Fe: 310, 311, 312, 315 • Kalaya - ID2 Copper: 25, 50, 65, 90, 751, 869, 991, 999 Gold: 650, 800, 993, 999 Bulk Density & Fe: 313, 314, 999 Interpolated variables were Cu, Au, Ag, Fe, S, U, F, Ba, Al, Si, Ca and specific gravity. Recovered elements are copper, gold and silver. For the Prominent Hill Open Pit Mineral Resource, considering the continuity of grade above cut-off, the selective mining unit is considered to be sufficiently similar to the sub-block size that a cut-off grade can be applied on a block-by-block basis, For the underground part of the Mineral Resource, shapes have been created outlining zones of mineralisation that have plausible mineable dimensions above cut-off grade, so the selective mining unit underground is not assumed to be the same as the block size. No assumptions are made about correlations between variables. Estimation passes for the Malu area interpolations were generally as follows: • First pass search was 60 metres. • If interpolation did not fill all blocks on the first pass, then the search ellipsoid was increased to 90m. • If interpolation did not fill all blocks on the second pass, then the search ellipsoid was increased to 180m. Estimation passes for the Ankata area interpolations were generally as follows: • First pass search was 30 metres. Second pass search was 60 metres. • If interpolation did not fill all blocks on the first pass (very tight short range search), then the search ellipsoid was increased to 60 metres. • If interpolation did not fill all blocks on the second pass, then the search ellipsoid was increased to 120 metres. Estimation passes for the Kalaya area interpolations were generally as follows: • First pass search was 160 metres. • If interpolation did not fill all blocks on the first pass, then the search ellipsoid was increased to 240 metres. • If interpolation did not fill all blocks on the second pass, then the search ellipsoid increased to 320 metres. Sample searches were generally aligned with geological orientation of domains with consideration of the relevant elemental directional variograms for each domain. Estimation domain boundaries relate to mineralised boundaries and were used as hard estimation boundaries. Most of the mineralisation is contained in haematite breccias, but mineralisation in some cases crosses boundaries into other rock types. Consequently, the geological interpretation of mineralisation domains is primarily

Criteria	Commentary
	based on grade data, but with some consideration given to the lithological interpretation. Inverse distance interpolations for Malu and Kalaya Lithology Domains 1 through to 21 were completed to provide estimates for the elements Al, Ba, Ca and Si. These elements are useful in determinations for Acid Rock Drainage (ARD) potential and material hardness. Post processing scripts were run in Vulcan™ software to modify the block model after grade interpolation and included assignment of grades to unestimated blocks, converting parts per million (ppm) to percent, calculating Cu:S and Fe:SiO_2 ratios, assigning metallurgy codes and net smelter return. Estimates and calculations were validated visually and interrogated in Vulcan™ software to ensure blocks contained all required variables, parent block sizes were correctly applied, default codes were correctly applied to blocks and that all codes were represented. The domain variables were correctly assigned according to priority order within defined triangulations, examination of code allocation within overlapping areas to ensure proper priority order application, sub-blocking was applied correctly and provided reasonable definition of triangulations, inspection for evidence of blocks leaking from a domain due to triangulation errors such as openings, crossing or inconsistency and comparison of domain wireframe volumes to block model domain volumes to ensure block parent and sub-block size is appropriate. Statistical comparisons for raw sample data versus top cut data versus declustered data versus block model data were completed. Swath plots were also reviewed to check local estimation accuracy. Comparison to reconciled operational production was also undertaken for mining areas of the Mineral Resources. The Prominent Hill Open Pit Mineral Resource estimate as at 1 July 2016 was compared to the Open Pit Mineral Resource estimate as at 30 June 2015. Variances identified were primarily due to mining depletion. The Prominent Hill Underground Mineral Resource estimate as at 01 July 2016 was compared to the Underground Mineral Resource estimate as at 30 June 2015. Variances were identified to be primarily related to a combination of mining depletion, reinterpreted mineralisation boundaries based on additional delineation drilling and a cut-off grade change.
Moisture	Tonnes have been estimated on a dry basis through the determination of dry specific gravity using the Archimedes principle. Errors in the measurement of the dry specific gravity have been reviewed and are not believed to have a material effect on the estimation of tonnage. The tonnages of material on Mineral Resource stockpiles are quoted on a dry basis.
Cut-off parameters	The Prominent Hill Open Pit Mineral Resource is reported at ≥ 0.25 percent copper cut-off for Copper Mineral Resource and at ≥ 0.5g/t gold and <0.25 percent copper cut-off for Gold Mineral Resource. All Prominent Hill Open Pit Mineral Resource is in situ and is constrained between the ultimate open pit design and the June 2016 end of month pit surface. Prominent Hill Underground Mineral Resources are reported inside continuity envelopes which were guided by a stope optimisation process using Deswick.SO™ mine planning tool and the interpreted copper domains for Copper Mineral Resources and gold domains for Gold Mineral Resources.

Criteria	Commentary
	The Deswick.SO™ stope optimisation was focused on an A$60 Net Smelter Return (NSR) cut-off and minimum mining dimensions of 25 along strike, 5 metres across strike and 12 metres high. Orientation of the optimisation was guided by the local orientation of interpreted mineralisation wireframes. The definition of the final reporting envelope was then completed using Vulcan™ to ensure that the continuity envelope comprised bodies of mineralisation of adequate size and continuity to properly support sub-level open stope mining. This process does result in some material below the specified cut-off grade being included within the reported Mineral Resources and some material above the specified cut-off grade being excluded from the reported Mineral Resources. All Prominent Hill Underground Mineral Resources are reported exclusive of the Prominent Hill Open Pit Mineral Resources and exclude mineralisation which has been mined within stopes and mine development. In situ mineralisation adjacent to mine development and stopes which was not of sufficient volume to support economic extraction (for example some mineralised pillars and skins), have also been excluded from the reported Mineral Resources. The A$60/t Net Smelter Return (NSR) cut-off for the Prominent Hill Underground Mineral Resources is approximately 89 percent of the 2016 Ore Reserve break-even. The NSR cut-off takes into account site operating and sustaining capital costs, including underground development. Mining recovery and dilution are accounted for in the stope grades. The calculation of NSR values in the resource model considers metallurgical recoveries. Underground Copper Mineral Resources are reported only inside copper domains. Underground Gold Mineral Resources are reported only inside gold domains. It is the Competent Person's opinion that these methods and cut-off grades satisfy the requirements for reasonable prospects for eventual economic extraction.
Mining factors or assumptions	Prominent Hill Open Pit Mineral Resources are estimated within the final open pit design and are based on a conventional open pit mining operation using drilling and blasting and large excavators loading off-highway trucks, the method currently employed at Prominent Hill. Underground Mineral Resources are constrained within the limits of domained copper and gold mineralisation wireframes. The assumed mining method for these Mineral Resources is sub-level open stoping (SLOS) with cemented fill, at a minimum mining width of five metres. The Prominent Hill Underground Mineral Resources are being mined successfully using SLOS. For the purposes of reporting, exclusion of in situ mineralisation was undertaken on less than minimum mining width inter-stope pillars and remnant mineralised skins adjacent to mined stopes at the edge of the mineralisation.
Metallurgical factors or assumptions	The Prominent Hill processing plant has been operating since February 2009 and comprises a conventional crushing, grinding and flotation circuit to recover copper, gold and silver to produce a high quality concentrate. The plant can process approximately ten million tonnes per annum subject to the feed blend. The current life of mine schedule has the plant running at that capacity until the end of 2019 when open pit copper ore stocks are depleted. From then until 2023, throughput will be approximately nine to ten million tonnes per annum with a high proportion of stockpiled open pit gold ore. On exhaustion of gold ore stocks the plant will be fed with underground ore alone.

Criteria	Commentary
	Plant turndown studies indicate that the plant can be configured to run at two to four million tonnes per annum dependent on the blend of copper and gold ores for minimal capital expenditure. If necessary, lower throughputs can be processed in batches providing the ability to process ore at a range of underground production rates. The metallurgy of the ore types is well understood. The performance of open pit and underground ores is similar. This Mineral Resource estimate was based on a combination of ore blending, concentrate blending, flotation treatment in the existing plant, utilisation of additional offsite treatment and marketing options to manage ore of higher uranium grades.
Environmental factors or assumptions	A transition from former Mining and Rehabilitation Programs (MARPs) to a consolidated Program for Environment Protection and Rehabilitation (PEPR) for all tenements' regulatory conditions associated with, and including, the Mining Lease ML 6228 for the Prominent Hill operations was submitted to the Department of State Development (DSD) in September 2015. OZ Minerals are currently incorporating feedback from DSD and will submit a final version of the PEPR as soon as practicable. The updated description of the operation, with project variations to reflect the Prominent Hill operations in 2016 has been included in the PEPR 2016. The PEPR 2016 is in line with the principles of the Impact Assessment Framework and sets out the criteria to be adopted to measure achievement of the lease conditions through either outcome or non-outcome based approaches.
Bulk density	The method used for the determination of specific gravity of individual sample intervals was the Archimedes principle (air-dried core sample weighed in air and water plus volume displacement). Specific gravity measurements prior to 2011 were collected on one meter intervals through lithological domains. From 2011 onwards measurements collected correlated to each sampling interval. For the July 2016 Mineral Resource estimates, drill core specific gravity data were used to estimate bulk density on a block by block basis. Bulk density domains were used to constrain the estimation, which used ordinary kriging (where reasonable variography could be defined) or inverse distance interpolation within the Mineral Resource areas. The bulk density domains mostly represent zones of haematite alteration and mineralisation, which is considered to be the key driver of bulk density in basement rocks at Prominent Hill. Errors in estimated bulk density values due to the presence of void spaces and moisture are not considered to have a material effect on the Mineral Resource. The July 2016 interpolated bulk density estimates are regarded as being of appropriate quality for use in the reporting of Prominent Hill Mineral Resources.
Classification	The estimates have been classified into Measured, Indicated and Inferred Mineral Resources according to the JORC 2012 code, taking into account drilling density, geological confidence, estimation pass and confidence (kriging efficiency and slope of regression), contiguity of the mineralisation around the likely economic cut-off grades and consideration of the 'reasonable prospects' test. Classification of Prominent Hill Underground Mineral Resources in the Ankata area was predominantly based on confidence of geological interpretation driven by drill density: • Measured Mineral Resources are largely restricted to the area of grade control

Criteria	Commentary
	drilling, where drill spacing is approximately 12.5 metre sections x 12.5 metre horizontal x 15 metre vertically. • Indicated Mineral Resources are defined where drill spacing is approximately 25 metre sections x 25 metre horizontal x 30 metre vertically, or better. • Inferred Mineral Resources are generally defined using a 50 metre drill sections x 50 metre horizontal x 50 metre drill spacing in areas of geological complexity. Some Inferred Mineral Resource striking out of the Kalaya area into the Ankata area use a spacing of approximately 100 metre centres x 100 metre drill sections. Classification of Prominent Hill Underground Mineral Resources in the Malu and Kalaya areas and Prominent Hill Open Pit Mineral Resources was initially driven by a combination geological continuity, drill density and estimation pass: • Measured Mineral Resources are largely restricted to the areas of approximately 25 by 25 metre centres or less on approximate 25 to 50 metre spaced drill sections which filled on estimation pass one. • Indicated Mineral Resources are defined where drill spacing is generally 50 metre centres or less on approximately 50 metre spaced drill sections which filled by estimation pass two. • Inferred Mineral Resources are defined using approximately a 100 metre centres on 100 metre spaced drill sections which filled by estimation pass three. The Mineral Resource classification results appropriately reflect the Competent Person's view of the deposit.
Audits or reviews	OZ Minerals undertakes external audits or reviews of Mineral Resource processes and documentation on a biennial basis. The 01 July 2016 Prominent Hill Mineral Resource was reviewed in September 2016 by AMC Consultants Pty Ltd. It was AMC's conclusion that the 01 July 2016 Mineral Resource estimates were completed using accepted industry practice and were appropriately classified in accordance with the JORC Code (2012). AMC broadly concurred with the Mineral Resource classification.
Discussion of relative accuracy/ confidence	All models as reported provide reasonable global estimates of the available copper and gold Mineral Resources. Models have been validated visually against drilling and statistically against input data sets on a domain and swath basis. Reconciliation comparisons for Prominent Hill Mineral Resources estimates to the reconciled ore mined production are complicated by the nature of the milling operations multi-source ore feed strategy. This coupled with the significant ore stockpile accumulations, leads to difficulties in correctly allocating tonnes and metal to the correct mine sources. Reconciliation performance for the 2016 Prominent Hill Open Pit Mineral Resource model after application of mining recovery and dilution relative to mill reconciled production (fully diluted) for the last twelve-month period indicated that over 12 million tonnes of copper ore mined, copper mineralisation tonnage was well predicted, however grade and subsequently contained copper metal was over predicted. Gold mineralisation (3 million tonnes mined) showed that tonnage, grade and metal were all over predicted. In all cases the variances sat within ±10 percent. Reconciliation performance for the 2016 Prominent Hill Underground Mineral Resources in the Ankata area relative to mill reconciled stope production (1.3 million tonnes), indicates good confidence for the Mineral Resource estimate. The

Criteria	Commentary
	reconciliation performance indicates tonnes, grades and contained metal measures all sat within ±10 percent. Reconciliation performance for the 2016 Prominent Hill Underground Mineral Resources in the Malu area has been complicated by dilution management associated with several stopes. Comparison of the non-dilution effected stopes relative to their mill reconciled stope production (0.1 million tonnes), indicates good confidence for the Mineral Resource estimate. The reconciliation performance indicates tonnes, grades and contained metal measures all sat within ±10 percent.

Competent Person's Statement

The information in this report that relates to Mineral Resources is based on and fairly represents information and supporting documentation compiled by Colin Lollo, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM Membership No. 225331). Colin Lollo is a full time employee of OZ Minerals Limited. He is a shareholder in OZ Minerals Limited and is entitled to participate in the OZ Minerals Performance Rights Plan.

Colin Lollo has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC 2012). Colin Lollo consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

Colin Lollo BSc (Geology) has over 19 years of relevant experience as a geologist including nine years in Iron-Oxide-Copper-Gold style deposits.

This Mineral Resource estimate has been compiled in accordance with the guidelines defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2012 Edition).

Colin Lollo
Principal Geologist - Technical Services
OZ Minerals Limited - Prominent Hill

Contributors

- Overall
  - Colin Lollo - OZ Minerals Limited
- Data Quality & Geological Interpretation
  - Phillippa Ormond, Bruce Whittaker, Shaun Light, Kiernan McCunnie, Grant Ah Shay - OZ Minerals Limited
- Estimation & Technical Review
  - Bruce Whittaker, Shaun Light, Kiernan McCunnie - OZ Minerals Limited

Colin Lollo is responsible for Mineral Resource estimate classification, but has relied on checked and reviewed, data and advice from OZ Minerals Prominent Hill geologists regarding data quality, interpretation and estimation.

PROMINENT HILL ORE RESERVE STATEMENT AS AT 1 JULY 2016

Summary

The Prominent Hill Ore Reserves as at 1 July 2016 are derived from the copper-gold and gold-only Mineral Resources of the Prominent Hill deposit. The Prominent Hill deposit is comprised of a number of mineralised areas including Malu which is being mined by open pit and underground, Ankata which is being mined exclusively from underground and the Kalaya area which has yet to be mined.

The 2016 Ore Reserve estimate supersedes the 2015 estimates for the open pit and underground mine released on 04 November 2015[13]. The 2016 Ore Reserve estimate includes, for the first time, ore from the Kalaya area. As the Kalaya component of the Ore Reserve is relatively minor and is extracted as part of the Malu area, it has been considered to form a part of the Malu area in this Ore Reserve.

For the year ending 30 June 2016, 10.3 million tonnes of copper and gold ores were processed of which 8.3 million tonnes came from the open pit, 1.3 million tonnes from Ankata and 0.7 million tonnes from Malu.

The July 2016 Mineral Resource and Ore Reserve estimates are based on the geological block models[14][15][16] finalised in September 2016. The Resource models and their construction are described above. The Mineral Resources include the Ore Reserves.

The Ore Reserve estimates are summarised in Table 3. The open pit Ore Reserve estimate is reported between the final open pit design[17] and the June 2016 end of month surveyed pit. The underground Ore Reserve estimates are reported within current stope and development designs depleted for the year ending 30 June 2016.

Table 4 contains ore milled by source during the financial year ended 30 June 2016.

The Ore Reserve estimates for 2015 are shown in Table 5.

[13] Annual Mineral Resource and Ore Reserve Update for Prominent Hill 04 November 2015

[14] Open pit - Vulcan™ file - ph_malu_jun2016_v4_OP_FINAL.bmf

[15] Ankata - Vulcan™ file - PH_ANK_RES_JUL16_V3_FINAL.bmf

[16] Malu - Vulcan™ file – ph_malu_kalaya_jun2016_v4_UG_FINAL.bmf

[17] Vulcan™ file - s4_d24_v21.00t

Prominent Hill Ore Reserve Estimate for 2016

Table 3: Prominent Hill Ore Reserve Estimate as at 1 July 2016[18]

Source	Ore Type	Classification	Ore (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Au (koz)	Ag (Moz)
Open Pit	**Copper**								
		Proved	10	1.1	0.5	3.6	110	170	1.2
		Probable	10	1.0	0.6	2.5	91	180	0.8
	Gold								
		Proved	0	0.0	1.2	1.9	0	1	0.0
		Probable	2	0.1	1.0	1.5	1	62	0.1
	Sub-total		**22**	**0.9**	**0.6**	**2.9**	**200**	**420**	**2.0**
Ankata	Copper								
		Proved	6	2.1	0.4	3.9	120	67	0.8
		Probable	0	0.9	0.7	0.6	0	0	0.0
	Sub-total		6	2.0	0.4	3.9	120	67	0.8
Malu/Kalaya[19]	Copper								
		Proved	13	1.5	0.5	3.8	200	190	1.6
		Probable	14	1.1	0.8	2.8	160	330	1.2
	Sub-total		27	1.3	0.6	3.3	350	530	2.8
Underground	**Copper**								
		Proved	19	1.7	0.4	4.0	320	260	2.3
		Probable	14	1.1	0.8	2.9	160	340	1.2
	Sub-total		**33**	**1.5**	**0.6**	**3.5**	**480**	**600**	**3.5**
Surface Stocks	**Copper**								
		Proved	7	0.7	0.4	2.4	52	93	0.5
		Probable							
	Gold								
		Proved	13	0.1	0.7	2.3	14	320	1.0
		Probable							
	Sub-total		**20**	**0.3**	**0.6**	**2.3**	**66**	**410**	**1.5**
Total	**Copper**								
		Proved	36	1.3	0.5	3.5	480	520	4.0
		Probable	23	1.1	0.7	2.7	250	520	2.0
	Gold								
		Proved	13	0.1	0.7	2.3	14	320	1.0
		Probable	2	0.1	1.0	1.5	1	62	0.1
	All Ore								
		Proved	49	1.0	0.5	3.2	490	840	5.0
		Probable	25	1.0	0.7	2.6	250	580	2.1
	Total		**75**	**1.0**	**0.6**	**3.0**	**740**	**1,400**	**7.1**

[18] Table subject to rounding errors.

[19] Kalaya Mining Area makes up 3 percent by mass of the combined Malu/Kalaya 2016 Ore Reserve

Table 4: Ore Processed for the period 1 July 2015 – 30th June 201620

Source	Ore (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Au (koz)	Ag (Moz)
Open Pit	8.3	1.2	0.5	3.2	102	129	0.9
Ankata	1.3	2.1	0.4	4.9	26	15	0.2
Malu	0.7	1.9	0.6	3.8	14	13	0.1
Total	**10.3**	**1.4**	**0.5**	**3.5**	**143**	**157**	**1.1**

Table 5: Ore Reserve Estimates as at 1 July 2015[21]

Source	Ore Type	Classification	Ore (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Au (koz)	Ag (Moz)
Open Pit	**Copper**								
		Proved	13	1.1	0.5	3.3	150	200	1.4
		Probable	16	0.9	0.5	2.6	150	260	1.4
	Gold								
		Proved	1	0.0	1.6	1.7	0	26	0.0
		Probable	6	0.0	0.9	1.1	0	170	0.2
	Sub-total		**36**	**0.9**	**0.6**	**2.6**	**300**	**660**	**3.0**
Ankata	Copper								
		Proved	7	2.0	0.3	3.7	150	80	0.9
		Probable							
	Sub-total		7	2.0	0.3	3.7	150	80	0.9
Malu	Copper								
		Proved	10	1.7	0.5	4.2	180	160	1.4
		Probable	6	1.1	1.0	2.7	60	180	0.5
	Sub-total		16	1.5	0.7	3.7	240	340	2.0
Underground	**Copper**								
		Proved	17	1.9	0.5	4.3	330	240	2.3
		Probable	6	1.0	1.0	2.7	60	180	0.5
	Sub-total		**23**	**1.7**	**0.6**	**4.1**	**390**	**420**	**2.9**
Surface Stocks	**Copper**								
		Proved	3	0.6	0.3	2.8	20	24	0.2
		Probable							
	Gold								
		Proved	11	0.1	0.7	2.4	10	240	0.8
		Probable							
	Sub-total		**14**	**0.2**	**0.6**	**2.5**	**30**	**270**	**1.1**
Total	**Copper**								
		Proved	33	1.5	0.5	3.6	500	470	3.9
		Probable	22	1.0	0.5	2.6	210	440	2.1
	Gold								
		Proved	12	0.1	0.5	2.1	10	270	0.8
		Probable	6	0.0	0.9	1.1	-	170	0.2
	All Ore								
		Proved	45	1.1	0.5	3.0	510	740	4.7
		Probable	28	0.8	0.8	2.6	210	610	2.3
	Total		**73**	**1.0**	**0.6**	**2.9**	**720**	**1,300**	**7.0**

[20] Table subject to rounding errors

[21] Table subject to rounding errors

Changes in the July 2016 Ore Reserve Estimate

Comparing the 2016 Ore Reserve to the 2015 Ore Reserve:

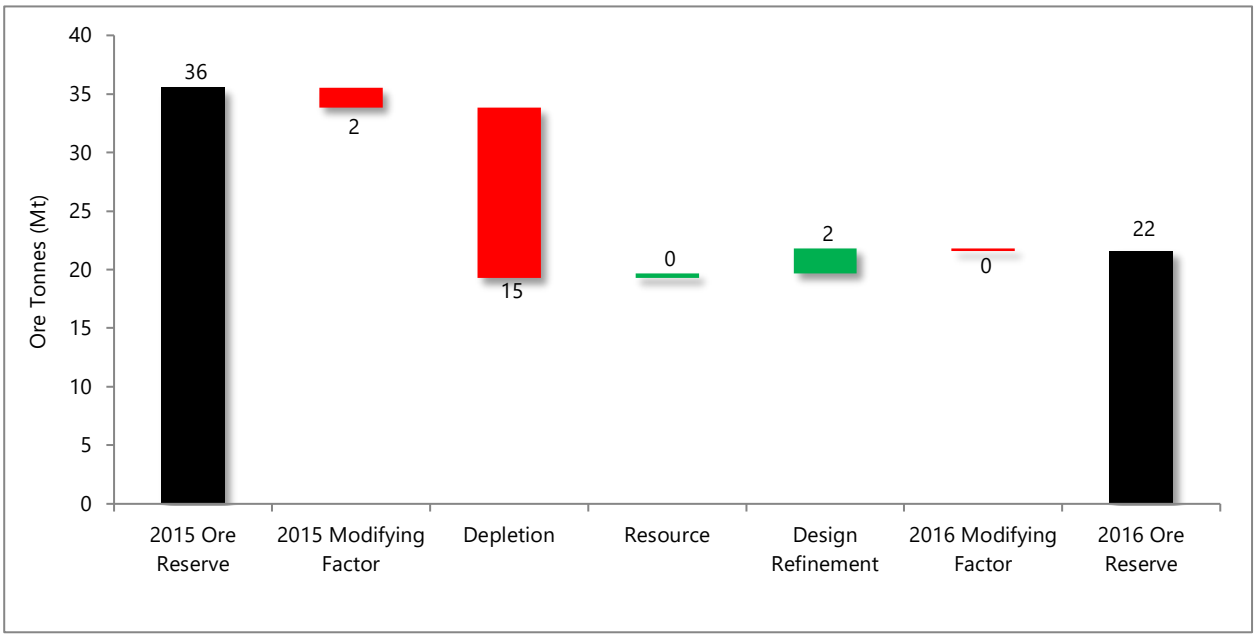
- Ore tonnes and contained metal are higher due to increases in underground Ore Reserves. This is however offset by open pit and underground depletion.

Changes to the Ore Reserves by source are as follows:

- In the open pit:
    - Ore tonnes decreased by 14 million tonnes. This change is almost entirely due to depletion as seen in Figure 5.
    - Contained copper metal decreased by 100 thousand tonnes, with this reduction due largely to depletion, however a design refinement in the lower benches has partially offset this. Figure 6 details the changes to copper metal in the Ore Reserve estimate.
    - Contained gold metal decreased by 240 thousand ounces which is in line with depletion, but again this is partially offset by a design refinement in the lower benches. Figure 7 details the changes to gold ounces in the Ore Reserve estimate.
    - It should be noted that the increase in stockpiles came almost entirely from the open pit.

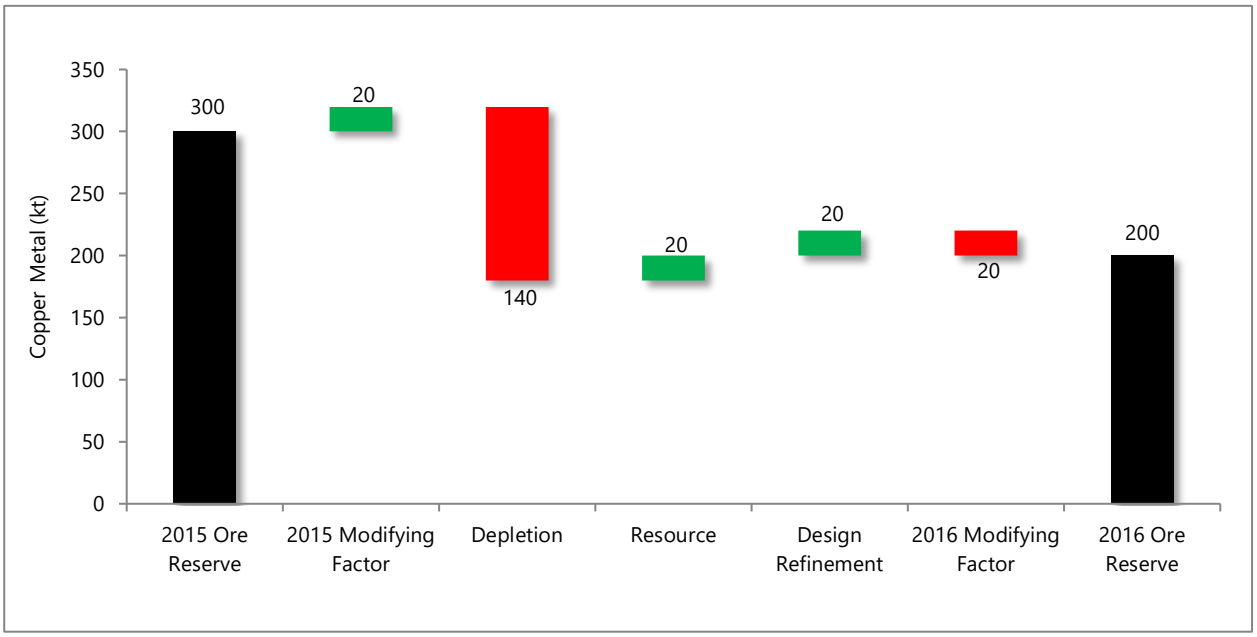
- In the underground:
    - In Ankata, no additional diamond drill holes were completed. Ore tonnes decreased through depletion and design optimisation. Copper and gold grades increased slightly as a result of the optimisation.
    - Diamond drilling has continued in the Malu and Kalaya areas. Increased confidence in Mineral Resource through delineation drilling, improved design inputs and an expanded mining area have led to an 11 million tonne increase in the underground Ore Reserve in this area. These improvements have resulted in 3 million tonnes of additional Proved Ore Reserve and 8 million tonnes of Probable Ore Reserve.
    - Copper and gold metal in the underground Ore Reserve has increased by over 20 and 40 percent respectively, driven by increased confidence in Mineral Resource, improved design inputs and an expanded mining area.
    - These changes to the underground Ore Reserve are displayed in Figure 8, Figure 9 and Figure 10.
- Stockpiles increased by almost 7 million tonnes at grades similar to those of stocks in the 2015 Ore Reserve estimate.

Figure 5: Changes to Ore Tonnes in the Open Pit Ore Reserve Estimate*



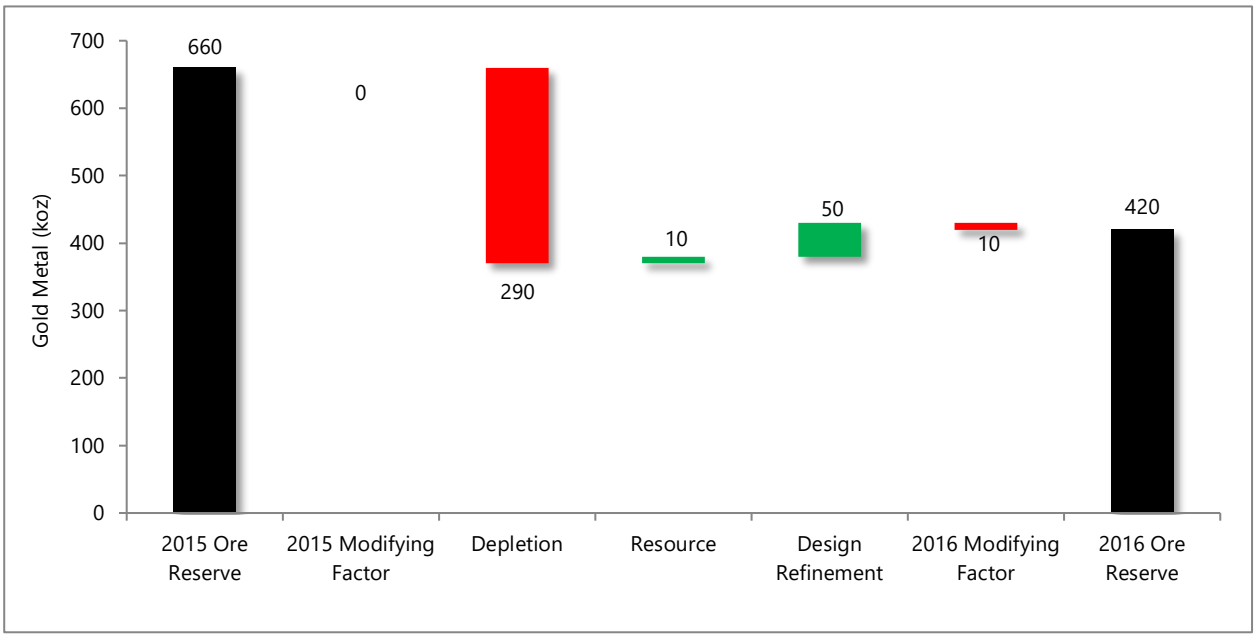
*Totals subject to rounding.

Figure 6: Changes to Copper Metal in the Open Pit Ore Reserve Estimate*



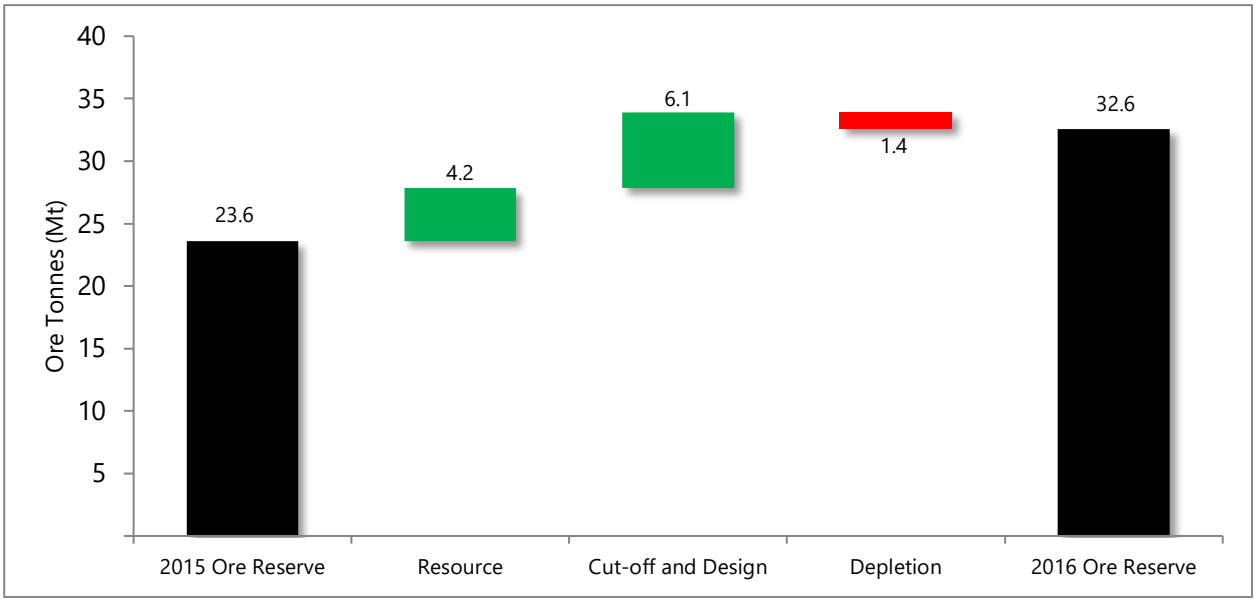
*Totals subject to rounding.

Figure 7: Changes to Gold Metal in the Open Pit Ore Reserve Estimate*



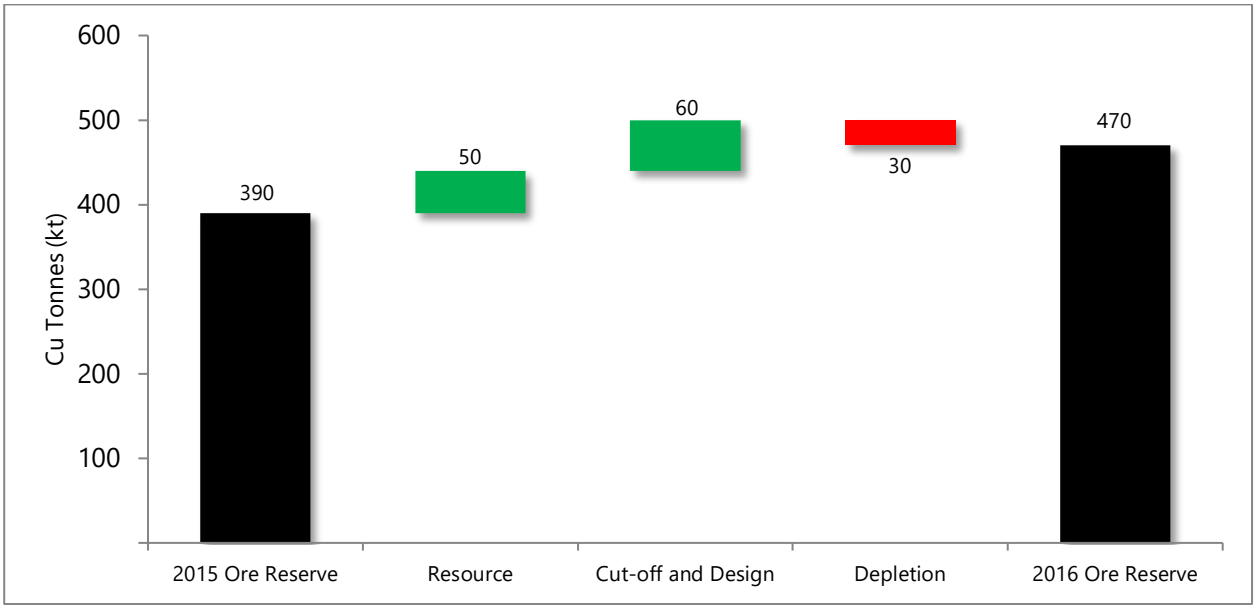
* Totals subject to rounding.

Figure 8: Changes to Ore Tonnes in the Underground Ore Reserve Estimate*



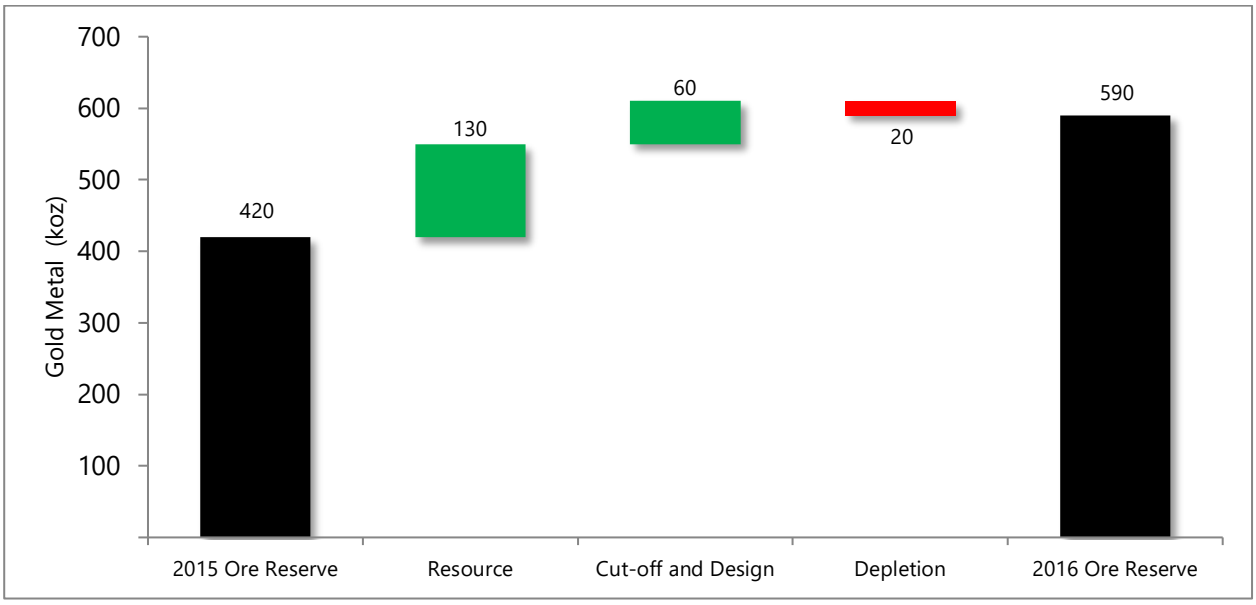
*Totals subject to rounding.

Figure 9: Changes to Copper Metal in the Underground Ore Reserve Estimate*



*Totals subject to rounding.

Figure 10: Changes to Gold Metal in the Underground Ore Reserve Estimate*



*Totals subject to rounding.

JORC CODE, 2012 EDITION, TABLE 1

Section 4 Estimation and Reporting of Ore Reserves

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td>Mineral resource estimate for conversion to Ore Reserves</td><td>The Mineral Resource estimates for the open pit was compiled by Bruce Whittaker and Colin Lollo.

The Mineral Resource estimate for the underground was compiled by Bruce Whittaker, Shaun Light, Kiernan McCunnie and Colin Lollo.

Bruce Whittaker, Shaun Light, Kiernan McCunnie and Colin Lollo are full time employees of OZ Minerals Limited. Colin Lollo BSc. (Geol), MAusIMM who is the Competent Person for Mineral Resources has over 19 years' experience as a geologist in exploration, resource development and mining which includes over nine years in iron oxide copper gold (IOCG) deposits and resource estimation of precious metal deposits.

The details of the development of the Mineral Resource estimates for 2016 can be found above in the Explanatory Notes which accompany the Mineral Resource estimates.

The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves.</td></tr>
<tr><td>Site visits</td><td>The Competent Persons for the Ore Reserves are employees of OZ Minerals Limited based full time at Prominent Hill.</td></tr>
<tr><td>Study status</td><td>Prominent Hill has been in operation for nine years. The Ore Reserve estimates are based on operational experience. The analyses are at a greater accuracy than a Feasibility Study.</td></tr>
<tr><td>Cut-off parameters</td><td>Open Pit

Copper resources are defined as mineralisation with a grade of at least 0.25 percent copper. All other mineralisation is potentially gold ore.

The cut-off used in the Ore Reserve estimate was an NSR based cut-off, taking into account site operating and sustaining capital costs. Mining recovery and dilution are accounted for in the modifying factors and calculation of NSR values in the resource model considers metallurgical recoveries.

The cut-off used for the open pit Ore Reserve estimate was $14 / tonne ore. The breakdown of the cut-off grade is shown in Table 6 below.

The cut-off grade for gold ore in the Ore Reserve estimate was 0.5 grams per tonne gold. Use of the gold grade cut-off brings the definition of gold ore in line with that used in the definition of gold-only Mineral Resources.

Table 6: Malu Open Pit Cut-off Grades
<table>
<tr><th>Item</th><th>$ / ore tonne</th></tr>
<tr><td>Ore Rehandle / Grade Control</td><td>1.80</td></tr>
<tr><td>Ore Processing</td><td>10.00</td></tr>
<tr><td>Administration</td><td>1.50</td></tr>
<tr><td>Total</td><td>13.30</td></tr>
<tr><td>Ore Cut-off (rounded up)</td><td>14.00</td></tr>
</table></td></tr>
</table>

Criteria	Commentary
	Underground Stopes designs are based on a value-driven cut-off. This was determined after the generation of multiple cut-off scenarios and assessing each on the basis of their inherent value within the business. Stopes in Ankata were designed to a $65 NSR shell and those in Malu were designed to an $75 NSR shell. Post initial design, a detailed review of underground mining costs and future processing and administration costs was conducted with the integration of the Ankata and Malu underground areas. The review indicated that the life-of-mine operating costs for the integrated mine would be $67 per tonne of ore including sustaining capital costs. Stope design grades are subject to review as part of the ongoing optimisation of the integrated underground. The breakdown of the breakeven cut-off grade is shown in Table 7. **Table 7: Underground Cut-off Grade** **Item** / **$ / ore tonne** Mining: 52.80 Ore rehandle: 1.00 Ore Processing: 10.80 Administration: 2.00 Total: 66.60 **Cut-off rounded up to**: **67.00** Only stopes with an NSR value greater than $67 per tonne were included in the Ore Reserve estimate. Development material of NSR greater than $14 per tonne and either 0.25% Cu or 0.5g/t Au was classified as ore.
Mining factors or assumptions	**Open Pit** The Ore Reserve estimate was based on a conventional open pit mining operation using drilling and blasting and large excavators loading off-highway trucks, the method currently employed at Prominent Hill. A minimum ore mining width of five metres was assumed which is appropriate for the size of equipment employed at Prominent Hill. The final pit design was based on a Whittle™ optimised pit using the latest pit slope parameters recommended by OZ Minerals and its geotechnical consultants and mining cost estimates derived from the current mining contract. The final pit design is subject to regular review. Overall wall slopes are approximately 35 degrees in the northern region of the pit and 43 degrees in the southern region of the pit. Detailed geotechnical criteria were used for the pit designs. There is a program of monitoring and control of the pit slopes. The Ore Reserve estimate is based on Measured and Indicated Mineral Resources. Inferred Resources are not included in the estimate. Ore mining from the Prominent Hill open pit commenced in March 2008 and ore processing commenced in February 2009. Since commencement, 85 million tonnes at one percent copper and 0.6 grams per tonne gold have been mined from the open pit. During the same period 64 million tonnes at 1.2 percent copper and 0.6 grams

Criteria	Commentary

per tonne gold have been processed. Stockpiled ore at 1 July 2016 comprised 7.0 million tonnes of copper ore and 13.4 million tonnes of gold ore.

The 2016 Open Pit Resource block model predicts well the copper and gold ore mined over the life of the mine. However annual variances between the 2016 Resource model and the ore that has been mined are more significant. The variances cannot easily be attributed to a single factor, but come about through a combination of the underlying Mineral Resource estimation, mining dilution and ore loss. Table 8 shows the ratio of ore mined to Measured and Indicated Mineral Resources in the 2016 open pit Resource model by financial year.

Table 8: Ratio of Ore Mined / (Measured + Indicated) for All Ore

Financial Year	Tonnes	Cu %	Au g/t	Ag g/t	Cu Metal	Au Metal	Ag Metal
2007	0.97	1.20	0.97	1.13	1.16	0.93	1.09
2008	0.89	1.02	1.01	1.13	0.90	0.90	1.00
2009	0.95	1.03	1.31	1.32	0.98	1.25	1.26
2010	1.28	0.88	1.12	1.17	1.13	1.43	1.50
2011	1.25	0.86	0.96	1.03	1.07	1.20	1.28
2012	1.21	0.73	0.98	0.91	0.88	1.19	1.10
2013	1.12	0.74	0.97	0.98	0.82	1.09	1.10
2014	1.18	0.79	0.89	1.19	0.93	1.05	1.40
2015	0.98	0.89	0.93	0.97	0.87	0.92	0.95
Life-of-mine	1.09	0.87	1.00	1.06	0.95	1.09	1.16

To estimate the Ore Reserve from Mineral Resources, modifying factors are applied to the copper and gold ore tonnes and contained metal tonnes. The call factors are set annually using data drawn from reconciliations between ore processed, ore predicted by the Resource model and ore predicted by grade control.

These represent a compromise between the trend in reconciliation data and the relative confidence in the remaining open pit Mineral Resource. The call factors used in 2016 to convert the Mineral Resource estimate to the Ore Reserve estimate are in Table 9. These represent a compromise between the trend in reconciliation data and an improvement in confidence in the remaining open pit Mineral Resource.

Table 9: 2016 Call Factors

Ore Type	Tonnes	Cu Metal	Au Metal	Ag Metal
Copper	100%	90%	100%	100%
Gold	90%	100%	90%	100%

The call factors used for the 2015 Ore Reserve estimate are shown in Table 10.

Table 10: 2015 Call Factors

Ore Type	Tonnes	Cu Metal	Au Metal	Ag Metal
Copper	105%	95%	100%	100%
Gold	105%	100%	100%	100%

Changes in call factors from year to year can be quite significant. Generally, these changes are considered to be in response to changes in the Mineral Resource estimate and not mining performance.

Criteria	Commentary
	Underground The Ore Reserve estimate is based on sub-level open stoping (SLOS) with cemented fill, the method currently employed at Prominent Hill. Detailed development and stoping plans and schedules have been prepared down to 9310mRL. Geotechnical assumptions are based on work completed by Beck Engineering (BE), and confirmatory work by OZ Minerals engineering and geotechnical personnel based on observations made during mining. Only stopes containing more than 60 percent combined Measured and Indicated Resources were included in the Ore Reserve estimate. Inferred Resources and unclassified materials within stope shapes were treated as waste of zero grade in the Ore Reserve estimate. On completion of each stope the mill production from the stope is compared to the estimate from mining and to the Ore Reserve estimate. 25 stopes were mined in the 2016 Ore Reserve reporting period in Ankata. These stopes all performed in line with expectations and the recovery and dilution factors remain unchanged. Minor changes to dilution grades are a result of improved estimation methodology based on modelled overbreak. 10 stopes were mined in the 2016 Ore Reserve reporting period in Malu. Stopes in the dolomite lithology generally performed well and dilution factors have been reduced in line with observations. Stopes in the Prominent Hill Shear Zone (PHSZ) have been subject to overbreak in excess of previous estimates. Although design and operational changes currently being implemented are expected to mitigate this, the dilution factor in this lens has been increased. As stope performance and dilution grades are largely dependent on the host lithology, these have been estimated and applied by lens. The mining recovery and dilution assumptions used in the underground Ore Reserve estimate are shown in Table 11. Dilution is applied to in-situ stope ore and ore recovery to diluted stope ore. **Table 11: Dilution and Ore Recovery** **Lithology** | **Hanging Wall** | **Footwall** | **Fill** | **Ore Recovery** Graphite | 3.5% | 2.0% | 3.0% | 95.0% Callosum | 2.5% | 1.5% | 3.0% | 95.0% Pea Brain | 2.5% | 1.5% | 3.0% | 95.0% Pons | 2.5% | 1.5% | 3.0% | 95.0% Stem | 2.5% | 1.5% | 3.0% | 95.0% PHSZ - West | 7.0% | 3.0% | 3.0% | 95.0% PHSZ - East | 7.0% | 3.0% | 3.0% | 95.0% Dolomite | 2.5% | 2.0% | 3.0% | 95.0% Gold | 2.5% | 2.0% | 3.0% | 95.0% The respective dilution grades used for each area in the estimation of the Ore Reserve are shown in Table 12. Dilution grades are estimated through the

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td></td><td>interrogation of modelled overbreak and validated against grades of observed dilution.

Table 12: Dilution Grades
<table>
<tr><th>Zone</th><th>Cu %</th><th>Au g/t</th><th>Ag g/t</th></tr>
<tr><td>Globus</td><td>0.6</td><td>0.1</td><td>2.5</td></tr>
<tr><td>Callosum</td><td>0.6</td><td>0.2</td><td>0.8</td></tr>
<tr><td>Pea Brain</td><td>0.7</td><td>0.0</td><td>2.3</td></tr>
<tr><td>Pons</td><td>0.6</td><td>0.2</td><td>0.8</td></tr>
<tr><td>Stem</td><td>0.4</td><td>0.1</td><td>0.3</td></tr>
<tr><td>PHSZ - West</td><td>0.7</td><td>0.3</td><td>1.8</td></tr>
<tr><td>PHSZ - East</td><td>0.6</td><td>0.5</td><td>1.8</td></tr>
<tr><td>Dolomite</td><td>0.7</td><td>0.2</td><td>1.5</td></tr>
<tr><td>Gold</td><td>0.0</td><td>0.6</td><td>0.2</td></tr>
</table></td></tr>
<tr><td>Metallurgical factors or assumptions</td><td>The Prominent Hill processing plant has been operating since February 2009 and comprises a conventional crushing, grinding and flotation circuit to recover copper, gold and silver to produce a high quality concentrate. The plant can process approximately ten million tonnes per annum subject to the ore blend. The current life of mine schedule has the plant running at that capacity until the end of 2019 when open pit copper ore stocks are depleted.

From then until 2023, throughput will be approximately nine to ten million tonnes per annum with a high proportion of stockpiled open pit gold ore. On exhaustion of gold ore stocks the plant will be fed with underground ore alone.

Plant turndown studies indicate that the plant can be reconfigured to run continuously at two to four million tonnes per annum dependent on the blend of copper and gold ores. If necessary, lower throughputs can be processed in batches providing the ability to process ore at a range of underground production rates.

The metallurgy of the ore types is well understood. The performance of open pit and underground ores is similar. The metallurgical recoveries used for each ore type are shown in Table 13.

Table 13: Metallurgical Recoveries
<table>
<tr><th>Ore Type</th><th>Metal</th><th>Grade</th><th>Recovery %</th></tr>
<tr><td rowspan="3">Copper ore</td><td>Copper</td><td>> 0.25% Cu</td><td>87.6</td></tr>
<tr><td>Gold</td><td></td><td>76.1</td></tr>
<tr><td>Silver</td><td></td><td>75.0</td></tr>
<tr><td rowspan="3">Gold ore</td><td>Copper</td><td></td><td>87.6</td></tr>
<tr><td>Gold</td><td>> 0.5g/t Au</td><td>76.1</td></tr>
<tr><td>Silver</td><td></td><td>75.0</td></tr>
</table>
This Ore Reserve estimate was based on a combination of ore blending, concentrate blending, flotation treatment in the existing plant, utilisation of additional offsite treatment and marketing options to manage ore of higher uranium grades.</td></tr>
<tr><td>Environmental</td><td>A transition from former Mining and Rehabilitation Programs (MARPs) to a consolidated Program for Environment Protection and Rehabilitation (PEPR) for all tenements' regulatory conditions associated with, and including, the Mining Lease ML 6228 for the Prominent Hill operations was submitted to the Department of State</td></tr>
</table>

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td></td><td>Development (DSD) in September 2015. OZ Minerals are currently incorporating feedback from DSD and will submit a final version of the PEPR as soon as practicable.

The updated description of the operation, with project variations to reflect the Prominent Hill operations in 2016 has been included in the PEPR 2016. The PEPR 2016 is in line with the principles of the Impact Assessment Framework and sets out the criteria to be adopted to measure achievement of the lease conditions through either outcome or non-outcome based approaches.</td></tr>
<tr><td>Infrastructure</td><td>Prominent Hill is an operating mine and has the majority of necessary infrastructure in place for its continued operation.

As the production rate increases in the Malu area it will become necessary to increase the backfill capacity. Studies due to commence shortly will confirm the most appropriate solution, currently assumed to be the construction of a backfill plant.</td></tr>
<tr><td>Costs</td><td>Prominent Hill is an operating mine and capital expenditure (excluding underground capital development) is largely limited to that required to sustain the operation. The only outstanding capital costs are those associated around the expansion of the Malu backfill system and expansion of the Malu dewatering system.

Operating costs are based on:

• Forward looking estimates based on current contracts for open pit and underground mining
• Historical averages achieved

Off-site concentrate costs are detailed in the discussion of Revenue Factors.

Royalties currently run at five percent of revenue less all costs (including transport) of converting concentrate into metals.</td></tr>
<tr><td>Revenue factors</td><td>The Ore Reserve estimates are based on the life-of-mine (LOM) economic parameters. These parameters are shown in Table 14. They are drawn from OZ Minerals LOM Corporate Economic Assumptions released in Quarter 2 2016 and are the consensus values of major brokers issued in July 2016.

Table 14: Prominent Hill Economic Parameters
<table>
<tr><th>Parameter</th><th>Units</th><th>LOM</th></tr>
<tr><td>Copper</td><td>US $ / lb</td><td>2.94</td></tr>
<tr><td>Gold</td><td>US $ / oz</td><td>1281</td></tr>
<tr><td>Silver</td><td>US $ / oz</td><td>19</td></tr>
<tr><td>Concentrate Load and Transport</td><td>AU $ / t</td><td>207</td></tr>
<tr><td>Concentrate Sea Freight</td><td>US $ / wmt</td><td>67</td></tr>
<tr><td>Copper Concentrate Smelting</td><td>US $ / dmt</td><td>80</td></tr>
<tr><td>Copper Refining</td><td>US $ / lb</td><td>0.08</td></tr>
<tr><td>Gold Refining</td><td>US $ / oz</td><td>5.00</td></tr>
<tr><td>Silver Refining</td><td>US $ / oz</td><td>0.50</td></tr>
<tr><td>Exchange Rate</td><td>AUD / USD</td><td>0.75</td></tr>
</table></td></tr>
<tr><td>Market assessment</td><td>Copper concentrates are sold on the open concentrate market to a range of domestic and overseas smelters.

The Ore Reserve estimates use OZ Minerals forecast assumptions shown in Table 14 to estimate the revenue from and cost of sales.</td></tr>
</table>

Criteria	Commentary
	Revenue is determined by the metal content, metal payable scales negotiated for the product and the price assumptions. The cost of sales includes the transport costs from mine to customer, the negotiated smelter treatment and refining charges and commercial remedies for deleterious elements. The smelter treatment and refining charges are typically negotiated on an annual basis directly with customers with regard to industry benchmark terms. Deleterious elements are accounted for in the product with penalty scales applied according to their content.
Economic	Economic inputs are described above. The Prominent Hill open pit and underground are operating mines and not the subject of studies to justify their development.
Social	OZ Minerals has advised that all agreements with stakeholders are in good standing and will endure for the life of the Ore Reserve. Pastoral Agreements are in place with Pastoral Lease Holders ensuring access arrangements are secure. In accordance with Part 9B of the Mining Act 1971 (SA) an appropriate Native Title Mining Agreement has been negotiated with the Antakarinja Land Management Aboriginal Corporation which will stand until such time as OZ Minerals and its subsidiaries relinquish the Prominent Hill mining tenements.
Other	OZ Minerals has advised that Prominent Hill is in compliance with all legal and regulatory requirements. Prominent Hill is located in the Department of Defence Woomera Prohibited Area. Access to the Woomera Prohibited Area is secured through a Deed of Access with the Department of Defence. Power to site is currently supplied via a 132kV distribution line owned by OZ Minerals which draws grid power via BHP Billiton's Olympic Dam infrastructure. Long term access is currently the subject of ongoing negotiations.
Classification	The Ore Reserve estimates are based on the Mineral Resource estimates classified as "Measured" and "Indicated" after consideration of all mining, metallurgical, social, environmental and financial aspects of the project. All Proved Ore Reserves were derived from the Measured Mineral Resources and all Probable Ore Reserves were derived from the Indicated Mineral Resources. The Ore Reserve classifications reflect the Competent Persons' view of the deposits.
Audits or reviews	The July 2016 Ore Reserves were reviewed by AMC Consultants Pty Ltd and found to have been completed using accepted industry practice and appropriately classified as Proved and Probable in accordance with the JORC Code.
Discussion of relative accuracy/ confidence	**Open Pit** In the open pit and after depletion, the proportion of Proved ore within the remaining Ore Reserve has increased from 40 percent in 2015 to 46 percent in 2016. Historically, across the life of mine, the 2016 Mineral Resource block model underestimates the tonnes of copper and gold ore in the open pit while providing a good estimate of the contained metals.

Criteria	Commentary
	Underground The Ore Reserve estimate is drawn from 58 percent Proven and 42 percent Probable Resources. Reconciliation to Resource has been in line with expectations. Recent mining experience, underground diamond drilling, Mineral Resource estimate improvements, mining studies and a maturing operation have combined to improve understanding of the geological and mining aspects of the underground. Stope dilution and ore recovery are based on reconciled data collated and the results forecast from operational improvements currently being implemented.

Competent Person's Statement – Open Pit

The information in this report that relates to the open pit Ore Reserves is based on and fairly represents information and supporting documentation compiled by Michael Wood BEng (Min), a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM Membership No. 225408).

Michael Wood is a full time employee of OZ Minerals Limited. Michael Wood is a shareholder in OZ Minerals Limited and is entitled to participate in the OZ Minerals Performance Rights plan.

Michael Wood has over 10 years of experience as a mining engineer including five years in Iron Oxide Copper Gold style deposits. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Michael Wood consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

The Ore Reserve estimates have been compiled in accordance with the guidelines defined in the JORC Code.

Michael Wood
Technical Services (Mine Planning) Superintendent
Prominent Hill
OZ Minerals Limited

Contributors

Michael Wood was the sole contributor to the open pit Ore Reserve estimate.

Competent Person's Statement – Underground

The information in this report that relates to the underground Ore Reserves is based on and fairly represents information and supporting documentation compiled by Luke Sandery BEng (Min), a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM Membership No. 212082).

Luke Sandery is a full time employee of OZ Minerals Limited. Luke Sandery is a shareholder in OZ Minerals Limited and is entitled to participate in the OZ Minerals Performance Rights plan.

Luke Sandery has over 10 years of experience as a mining engineer including five years in Iron Oxide Copper Gold style deposits. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Luke Sandery consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

The Ore Reserve estimates have been compiled in accordance with the guidelines defined in the JORC Code.

Luke Sandery
Technical Services Manager
Prominent Hill
OZ Minerals Limited

Contributors

Luke Sandery is responsible for the underground Ore Reserve estimates in this Report.

The information on which the underground Ore Reserve estimates were based was provided by Hendric BEng (Min) and Sean Cook BEng (Min), who are both full-time employees of OZ Minerals Limited.