

18 JANUARY 2016

ASX Release

Prominent Hill gold trial confirms significant value in stockpiles

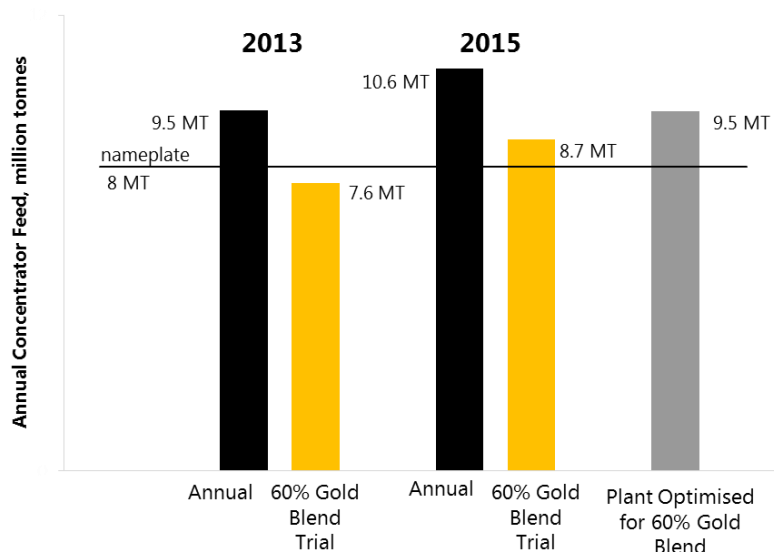


Summary:

- Gold trial confirms Prominent Hill processing plant's ability to process existing gold ore stockpiles in a blend with copper ore at 8.7 MT per annum and identifies optimisations that will result in an estimated blended throughput of 9.5 MT per annumⁱ
- As at 30 June 2015, gold ore on the stockpile was estimated at 11 Mt of Proved Ore Reserves @ 0.7g/t Au, 2.4g/t Ag and 0.10% Cuⁱⁱ
- Recoveries of gold and silver were broadly in line with existing recovery metrics
- Book value of the gold ore stockpile at 30 June 2015 was \$142 millionⁱⁱⁱ

A R
S E
X L
E
A
S
E

In December 2015, a one week trial was held at Prominent Hill to process an ore blend containing approximately 60% gold ore, which is indicative of the expected plant ore feed from 2020 to 2022. The trial was conducted to assess the impact of a high gold ore blend on plant throughput and recovery. The results surpassed that of a similar trial held in 2013 and highlighted a potential optimised circuit that could push throughput of 60% gold ore to 9.5 MT per annum.



As part of the mine plan to prioritise copper production, maximise the efficiency of the open pit mining contract and keep the processing plant at or near full capacity until at least 2022, a significant stockpile of gold ore has been built as a by-product of mining copper ore. Whilst relatively low in grade, the stockpile has been mined in the normal

sequence of accessing higher grade copper ore first and the cost of creating the stockpile is a sunk cost. The gold ore stockpile will be an excellent de-risked source of cash flow between 2020 and 2022.

"These strong trial results reaffirm our ability to run Prominent Hill at or near full capacity until 2022," said Andrew Cole, Managing Director and CEO.

"The cost of building this stockpile has already been incurred so we expect to generate significant cash flow from processing the stockpile in addition to our underground ore in future years," said Mr Cole.

Gold ore stockpile as at 30 June 2015	estimated at 11Mt of Proved Ore Reserves
Grades	Au 0.7g/t, Ag 2.4g/t and Cu 0.10%
Ore reserve recovery assumptions	Gold 80%, Silver 75%, Copper 0%
Book carrying value as at 30 June 2015	\$142 million

For further information please contact:

Investors

Tom Dixon
T 61 8 8229 6628
M 61 450 541 389
tom.dixon@ozminerals.com

Media

Damon Hunt
T 61 8 8229 6697
M 61 409 079 887
damon.hunt@ozminerals.com

ⁱ The Ore Reserve estimate underpinning this production target has been prepared by a Competent Person in accordance with Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2012 Edition). The production target is based solely on Proved Ore Reserves.

ⁱⁱ This information is extracted from page 29 (Table 3) of the report entitled 'Prominent Hill 2015 Mineral Resource and Ore Reserve Statement and Explanatory Notes as at 30 June 2015' and is available to view on http://www.ozminerals.com/uploads/media/151104_ASX_Release_Prominent_Hill_Mineral_Resources_and_Reserve_Statement.pdf. OZ Minerals confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. OZ Minerals confirms that the form and context in which the findings of the Competent Person are presented have not been materially modified from the original market announcement.

ⁱⁱⁱ OZ Minerals 2015 Half Year Financial Report. (Notes to the consolidated Interim Financial Statements on page 24) Book value of ore is determined in accordance with *AASB 102 Inventories* which requires inventories to be held at cost or net realisable value.