

15 August 2012

The Manager, Companies  
Companies Announcements Offices  
Australian Securities Exchange  
Level 4, 20 Bond Street  
Sydney, NSW 2000



Dear Sir / Madam,

**OZ Minerals 2012 Half Year Financial Results – Webcast Details**

Please find attached the OZ Minerals 2012 Half Year Financial Results announcement and presentation. A management presentation on the results will be available to view on the OZ Minerals website at [www.ozminerals.com](http://www.ozminerals.com) at 10am EST and an archive will be available later in the day.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Francesca Lee', written over a light blue horizontal line.

**Francesca Lee**  
General Counsel and Company Secretary

15 August 2012

## ASX Release

### OZ Minerals 2012 Half-Year Financial Results

*Managing Director & CEO, Terry Burgess commented that "this was a pleasing performance for the first half of 2012, with improved safety performance, continued consistent production from the Malu open pit and the Ankata underground mine ramping-up to augment production from the open pit. This was achieved in an increasingly challenging economic environment."*

*"In the first half of 2012 we completed the \$200 million on-market share buyback program, declared an unfranked dividend of 10 cents per share, approved the construction of an exploration decline for the Carrapateena copper-gold project in South Australia, and a number of new exploration Joint Ventures in progress in South America, including the Copaquire project with our joint venture approved by International PBX Ventures Ltd. shareholders last week."*



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- Safety programs continue to drive improved safety performance at Prominent Hill during the first half of 2012.
- Prominent Hill delivered a solid operational performance for the first half of 2012 with Group:
  - Revenue of \$514.8 million;
  - Underlying EBITDA<sup>2</sup> of \$225.0 million; and
  - Net profit after tax of \$119.5 million
- Net cash inflows from operating activities of \$126.6 million with a cash balance at 30 June 2012 of \$651.1 million.
- Revised C1 cost guidance for 2012 from US\$1.00 to US\$1.10 per pound to US\$1.10 to US\$1.20 per pound (based upon consensus gold price and Australian Dollar / US Dollar exchange rate).
- Unfranked dividend of 10 cents per share<sup>1,3</sup>.
- Exploration decline at Carrapateena expected to commence in early 2013 subject to receipt of necessary permits and clearances.
- In-fill drilling program at Carrapateena continues to confirm and extend known mineralisation.
- On-market share buyback of \$200 million completed, with \$100 million of shares bought back in the first half of 2012.
- Sale of exploration assets in Cambodia completed.

Six months to 30 June (A\$ million)	2012	2011
<b>Total revenue</b>	<b>514.8</b>	<b>632.7</b>
<b>Underlying EBITDA<sup>2</sup></b>	<b>225.0</b>	<b>331.1</b>
Depreciation and amortisation expenses	(74.1)	(83.3)
<b>Underlying EBIT<sup>2</sup></b>	<b>150.9</b>	<b>247.8</b>
Net financing income	11.4	20.7
Income tax expense on underlying profit	(42.8)	(79.4)
<b>Underlying NPAT<sup>2</sup></b>	<b>119.5</b>	<b>189.1</b>
Litigation settlement expense	-	(60.0)
Impairment losses	-	(15.2)
<b>Net Profit after Tax (NPAT)</b>	<b>119.5</b>	<b>113.9</b>
Unfranked dividend per share (Australian cents)	10.0	30.0

<sup>1</sup> For Australian income tax purposes, all dividends were declared to be conduit foreign income.

<sup>2</sup> OZ Minerals financial results are reported under International Financial Reporting Standards (IFRS). This release includes certain non-IFRS measures including Underlying EBITDA, Underlying EBIT and Underlying NPAT. These measures are presented to enable understanding of the underlying performance of the Company without the impact of non-trading items such as impairment and litigation settlement expense. Non IFRS measures have not been subject to audit or review. Underlying EBITDA, Underlying EBIT and Underlying NPAT are included in Note 2 Operating Segments, which form part of the Financial Report. Refer Note 2 Operating Segments to the Financial Report for further details.

<sup>3</sup> In 2010 the Board made the decision to suspend the dividend reinvestment plan (DRP). The DRP remains suspended for this dividend.

**A detailed analysis of the operations and financial results of OZ Minerals for the six months ended 30 June 2012 are provided in OZ Minerals half year financial report on pages 5 to 8.**

For further information please contact:

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# **OZ MINERALS**

# **2012 HALF YEAR**

# **FINANCIAL RESULTS**

**TERRY BURGESS - MANAGING DIRECTOR & CEO**

**ANDREW COLES - CHIEF FINANCIAL OFFICER**

**15 AUGUST 2012**

**[WWW.OZMINERALS.COM](http://WWW.OZMINERALS.COM)**

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Given these risks and uncertainties, undue reliance should not be placed on forward-looking statements which speak only as at the date of the presentation. 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.

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

OZ Minerals financial results are reported under International Financial Reporting Standards (IFRS). This release includes certain non-IFRS measures including Underlying EBITDA, Underlying EBIT and Underlying NPAT. These measures are presented to enable understanding of the underlying performance of the Company without the impact of non-trading items such as impairment and litigation settlement expense. Non IFRS measures have not been subject to audit or review. Underlying EBITDA, Underlying EBIT and Underlying NPAT are included in Note 2 Operating Segments, which form part of the Financial Report. Refer Note 2 Operating Segments to the Financial Report for further details.

All figures are expressed in Australian dollars unless stated otherwise.

# HIGHLIGHTS



- Safety programs continue to deliver improved safety performance.
- Consistent production performance, despite weather related setbacks.
- Robust financial performance generating:
  - Revenue of \$514.8 million,
  - Underlying EBITDA of \$225.0 million,
  - NPAT of \$119.5 million.
- Interim unfranked dividend of 10 cents per share.
- Completion of \$200 million on-market share buyback.
- Exploration decline approved and in-fill exploration drilling at Carrapateena indicating extension to resource.
- Ankata underground mine on schedule for full production in Q3 2012.
- Copaquire JV (Chile) received shareholder approval from International PBX Ventures Ltd.

# PROMINENT HILL PRODUCTION SUMMARY



	H1'12	H1'11	Var
<b>Waste mined ('000 t)</b>	<b>33,858</b>	29,197	4,661
<b>Malu Ore Mined ('000 t)</b>	<b>3,645</b>	6,314	(2,669)
<b>Ankata Ore Mined ('000 t)*</b>	<b>95</b>	-	95
<b>Total movement ('000 t)</b>	<b>37,598</b>	35,511	2,087
<hr/>			
<b>Ore milled ('000 t)</b>	<b>4,886</b>	4,964	(78)
<hr/>			
<b>Milled grade Cu (%)</b>	<b>1.22</b>	1.19	0.03
<b>Recovery Cu (%)</b>	<b>88.5</b>	90.7	(2.2)
<hr/>			
<b>Copper in concentrate (t)</b>	<b>52,703</b>	53,725	(1,022)
<b>Gold in concentrate (oz)</b>	<b>73,362</b>	86,129	(12,767)

2012/13 mine plan focuses on waste movement.

5.9% increase in movement due to increased fleet.

Plant through put continues to exceed design expectations.

Treatment of oxidised ore reduces recovery.

12% decrease in milled gold grade following strong 2011.

\* At 30 June, ore mined from Ankata was not milled, remains in stockpiles.

- Open pit operations recovered well after significant rain event in Q1 2012.
- Processing plant continues to exceed design expectations.

- Prominent Hill revenue of **\$514.8 million**.
- OZ Minerals' underlying EBITDA of **\$225.0 million**, a reduction on the first half of 2011 due to;
  - Lower realised prices for both copper and gold
  - Higher costs due to increased material movement and depth of pit
  - Increased expenditure on exploration including Carrapateena.
- OZ Minerals' underlying NPAT of **\$119.5 million**.
- Cash flow from operations **\$126.6 million**.
- Cash balance of **\$651.1 million** at 30 June 2012.



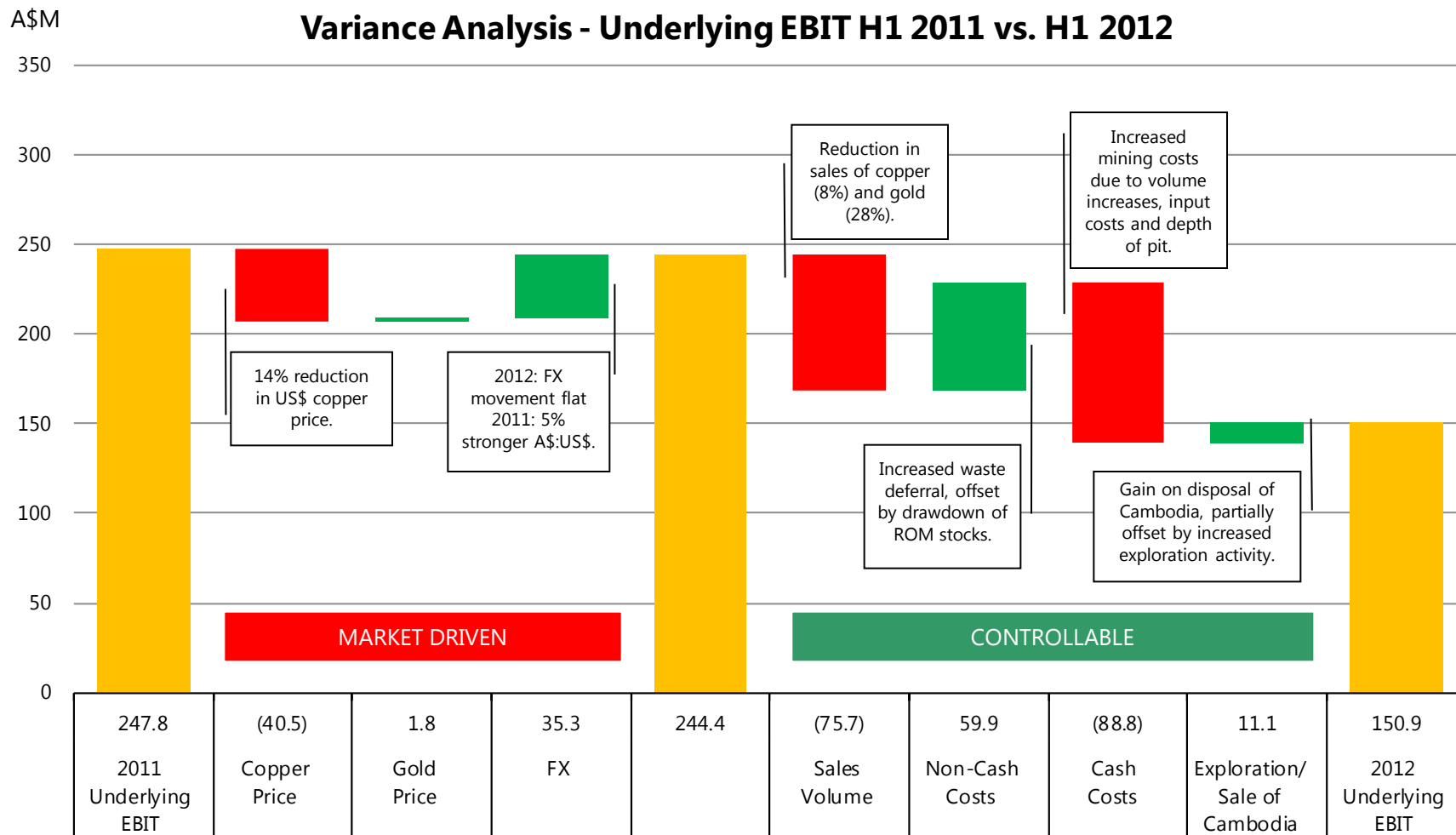
# INCOME STATEMENT

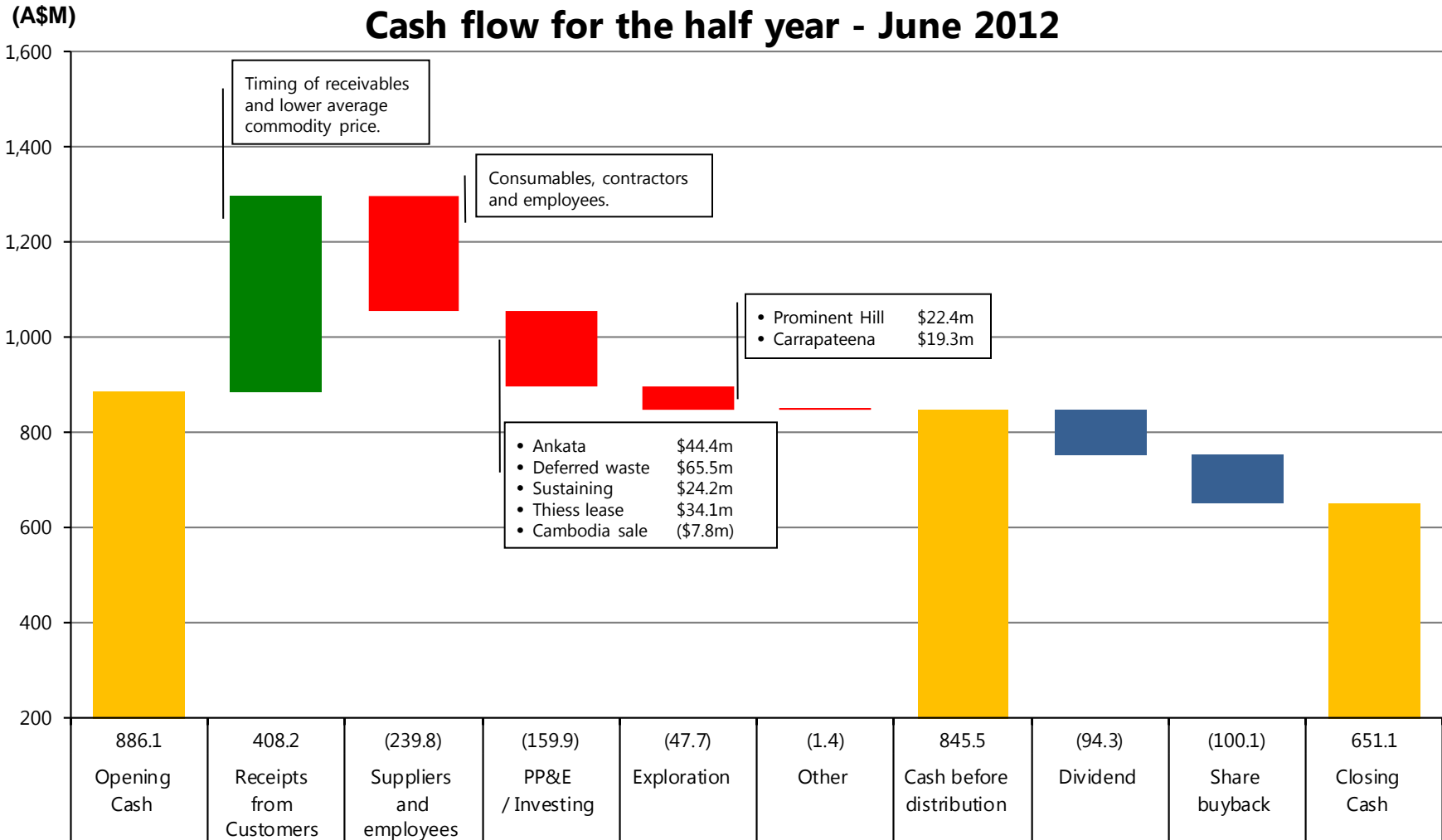


A\$M	Consolidated Jun'12	Consolidated Jun'11	
Revenue	<b>514.8</b>	632.7	Lower average Copper price (14% down from 2011).
Cost of goods sold	<b>(240.8)</b>	(210.8)	Includes raw materials, consumables, direct employee costs, movements in inventory, freight and royalties.
Net foreign exchange gain/(loss)	<b>2.2</b>	(32.7)	
Exploration expense	<b>(47.7)</b>	(33.6)	Prominent Hill, Carrapateena and foreign exploration.
Gain on sale of Cambodia	<b>18.8</b>	-	
Other expenses	<b>(22.3)</b>	(24.5)	Corporate and site administration (ex. Employee costs).
<b>Underlying EBITDA</b>	<b>225.0</b>	331.1	Lower ore mined reduced depreciation.
Depreciation and amortisation	<b>(74.1)</b>	(83.3)	Lower tax expense due to lower taxable income.
<b>Underlying EBIT</b>	<b>150.9</b>	247.8	
Net financing income	<b>11.4</b>	20.7	
Income tax expense	<b>(42.8)</b>	(79.4)	
<b>Underlying NPAT from continuing operations</b>	<b>119.5</b>	189.1	
Litigation settlement expense	-	(60.0)	
Impairment	-	(15.2)	
<b>NPAT from continuing operations</b>	<b>119.5</b>	113.9	

- Lower copper pricing and decreased gold production reduced revenue compared to 2011.
- Higher mining costs due to increased material movement and depth of pit.
- Sale of Cambodian assets to Renaissance Minerals Limited completed in H1 2012.

# UNDERLYING EBIT



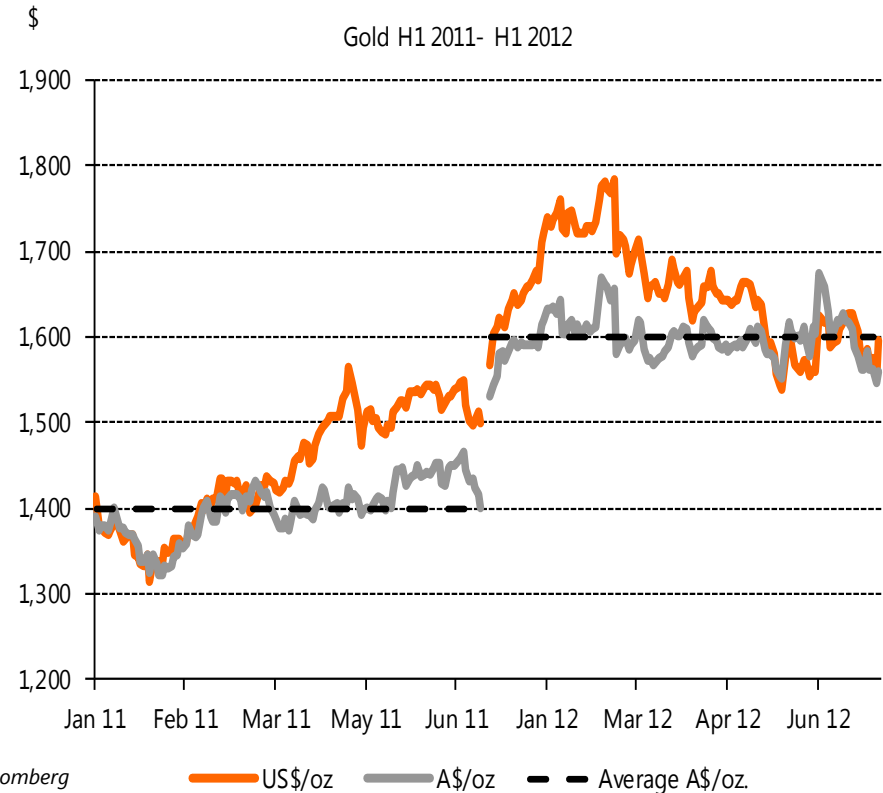
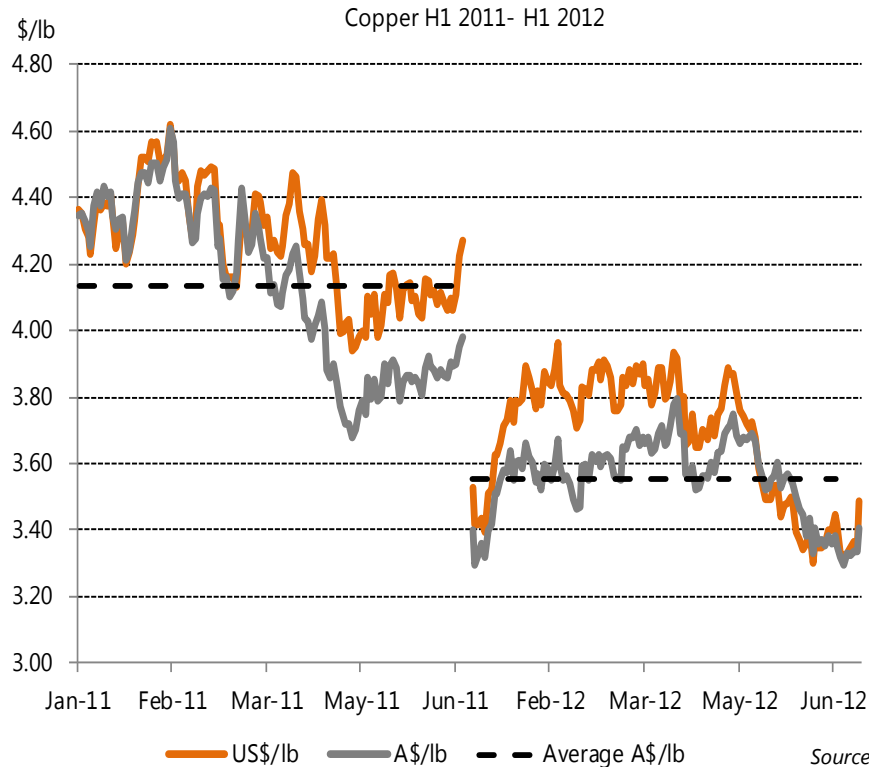


# BALANCE SHEET

A\$M	Consolidated Jun'12	Consolidated Dec '11	
<b>Assets</b>			
Cash	651.1	886.1	Decrease in cash balance from December due to share buyback and timing of sales receipts.
Receivables	207.0	86.8	
Inventories	276.9	297.1	Increase in debtors due to timing of shipments.
Prepayment	9.9	7.1	
Investments & exploration assets	519.1	502.0	Includes investment in Carrapateena and Sandfire shareholding.
PP&E and leased equipment	1,339.0	1,243.4	
<b>Total Assets</b>	<b>3,003.0</b>	<b>3,022.5</b>	
<b>Liabilities</b>			
Creditors	93.4	90.5	
Current tax liability	24.7	16.2	
Net deferred tax liability	128.0	100.2	Increase due to timing differences on deferred mining.
Provisions	22.9	21.4	
<b>Total Liabilities</b>	<b>269.0</b>	<b>228.3</b>	
<b>Net Assets</b>	<b>2,734.0</b>	<b>2,794.2</b>	

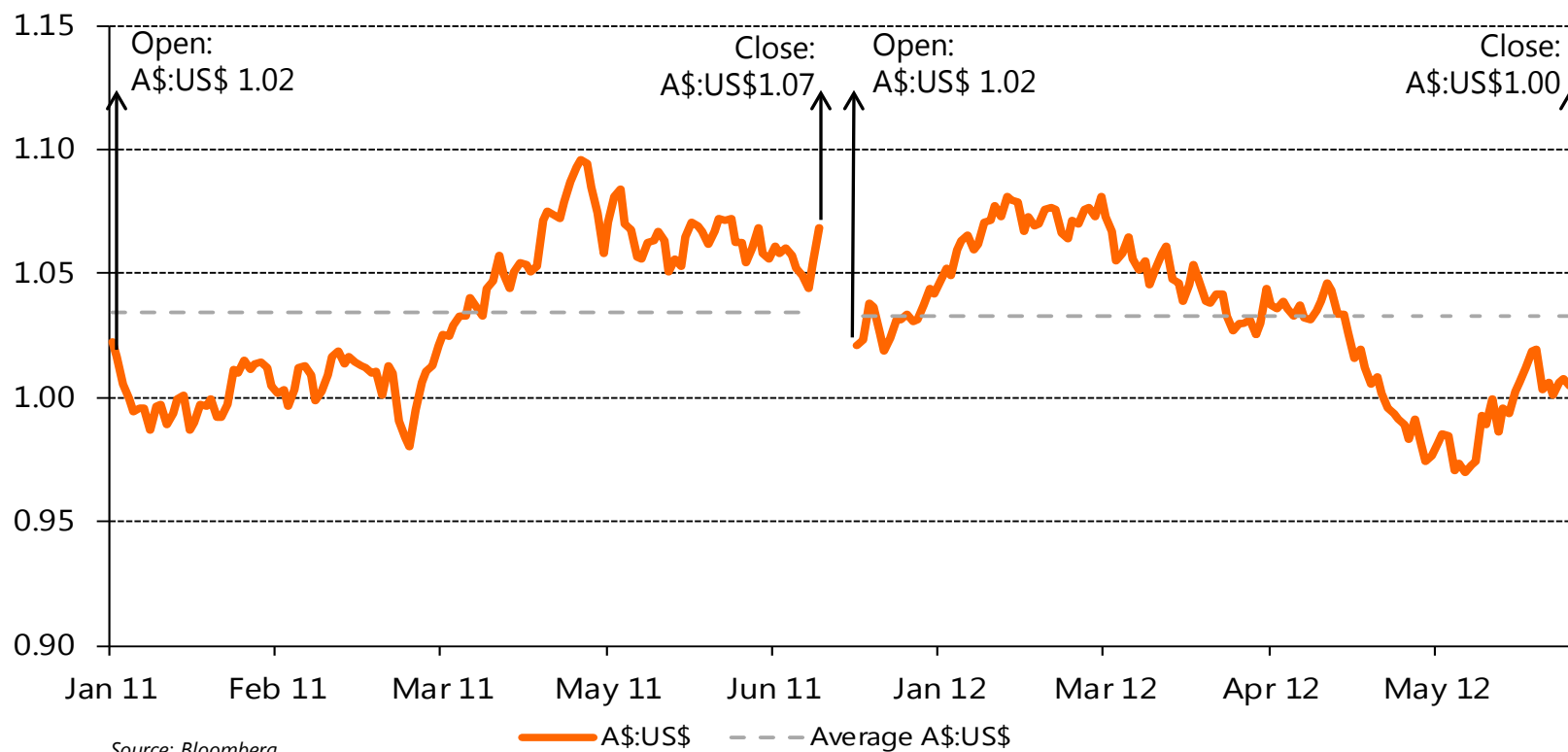
- Balance sheet remains strong with significant cash holdings and no debt.
- US\$200m debt facility remains undrawn and in place.

# COPPER & GOLD PRICES



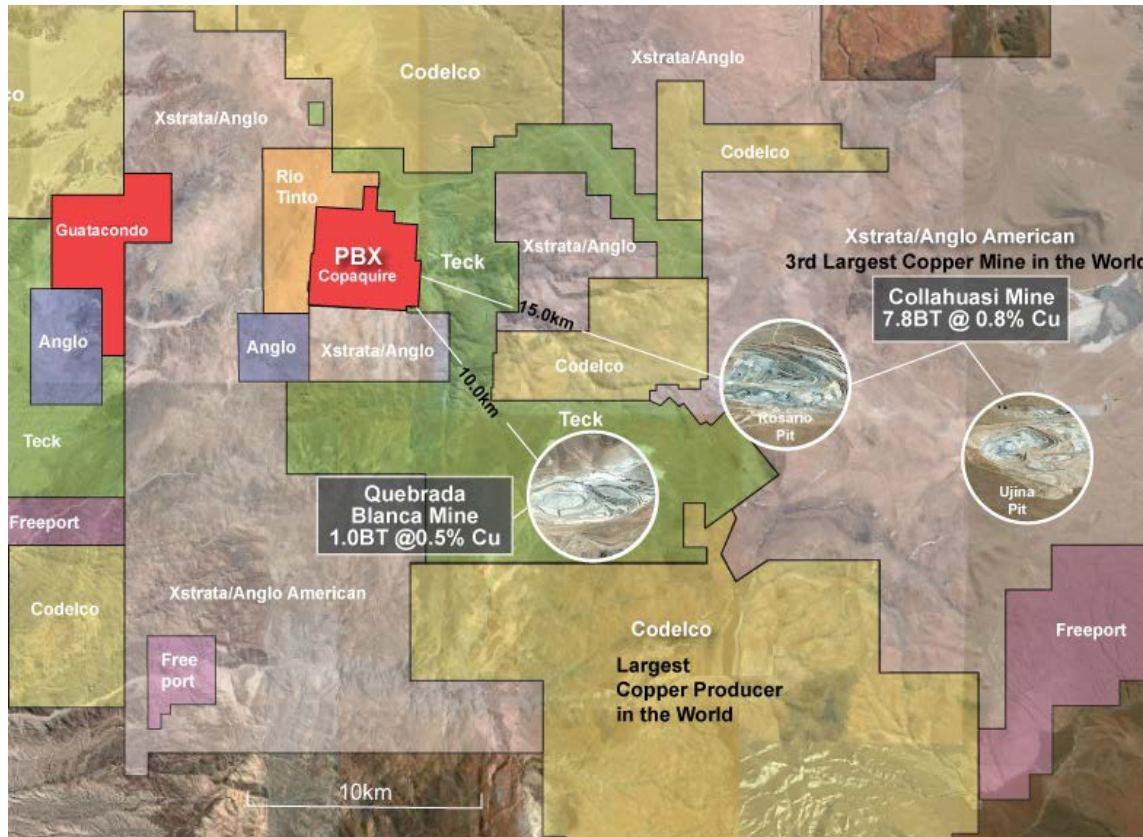
- Average LME copper price of US\$3.67/lb and gold price of US\$1,651/oz for H1 2012.
- Significant decrease in average copper price from H1 2011 to H1 2012.
- Outlook for copper and gold remains strong.

## A\$/US\$ H1 2011 - H1 2012



- Differential between **opening** and **closing** A\$:US\$ rates drives unrealised foreign exchange gains/losses on US\$ cash holdings.
- **Average** A\$:US\$ in line with 2011.

# COPAQUIRE: SURROUNDING MINERS



- OZ Minerals has entered into a joint venture (JV) with International PBX Ventures Ltd. (PBX) on its 100% owned Copaque project in Northern Chile.
- The JV approved by PBX shareholders in early August.
- Copaque in a highly prospective region – surrounded by major mining houses.
- OZ Minerals to target porphyry copper style mineralisation.
- Exploration activities expected to commence by Q4 2012.

## Production

- 2012 Copper production: 100,000 – 110,000t.
- 2012 Gold production : 130,000 – 150,000oz.

## Costs

- 2012 C1 costs : US110-US120c/lb.
- Increased C1 cost guidance driven by:
  - Lower payable metal production.
  - Revised mine plan following Q1-Q2 weather events resulting in reduced strip ratio.
  - One off costs to improve mine productivity.



# SUMMARY



- Consistent production at Prominent Hill delivering a robust set of financial results. Interim unfranked dividend of 10 cents per share.
- Ramp-up of Ankata progressing well with full production rates expected to be achieved by end of Q3.
- Production guidance maintained for 2012, cost pressures remain a key area of focus.
- OZ Minerals Board approved the construction of an exploration decline at Carrapateena.
- Exploration JVs in progress in South America with approval of Copaqueire JV in Chile.
- Value-adding growth through exploration JVs and M&A remains an important focus.

