

SUSTAINABILITY REPORT 2013

OZ MINERALS LIMITED ABN 40 005 482 824



**A MODERN
MINING
COMPANY**

CONTENTS

1 OUR SUSTAINABILITY REPORT 2013

1 About this report

1 Report scope

2 Stakeholders and materiality

3 Stakeholder engagement

4 CEO letter

5 2014 commitments

5 Performance summary 2013

6 Company overview

7 Prominent Hill

8 Carrapateena

9 Independent Assurance Statement

11 VALUES AND GOVERNANCE

11 Values and ethics

13 Corporate governance

14 Sustainability management

14 Risk management

14 Audits and compliance

14 Participation in sustainability reporting initiatives

15 Procurement

15 Transport of Prominent Hill concentrates

15 Closure planning

16 ECONOMIC PERFORMANCE

16 Operating and financial performance

16 Summary

17 Socio-economic contributions

18 Contributions to local economies

20 SOCIAL

20 Our people

20 Workforce profile and diversity

22 Labour relations and human rights

23 Safety and health

23 Safety performance and management

24 Health performance and management

25 Safety and health communication

25 Emergency preparedness

25 Social performance

25 Community engagement

29 Cultural heritage and traditional rights

30 ENVIRONMENTAL PERFORMANCE

30 Environmental performance

31 Environmental performance summary

32 Energy consumption and greenhouse gas emissions

34 Air quality management

34 Water management

35 Waste management

36 Land management and biodiversity

37 APPENDICES

37 Global Reporting Initiative

43 Glossary

44 Feedback

OUR SUSTAINABILITY REPORT 2013

Our successes as a modern mining company are created by positively contributing to our people, our community and the environment.

ABOUT THIS REPORT

REPORT SCOPE

Our Sustainability Report is a demonstration of our commitment to transparent and accountable reporting of our sustainability opportunities and challenges and our progress in managing them.

This report focuses on issues that we consider to be of material significance to our sustainability performance that are highly important to both internal and external stakeholders.

This report details OZ Minerals' sustainability performance for the calendar year to 31 December 2013. We produce a sustainability report annually, with our previous sustainability report covering the 2012 calendar year.

Our report has been prepared in accordance with Global Reporting Initiative (GRI) G4 Reporting Guidelines. We have focused on core indicators and covered off supplementary indicators where we have thought they were of significant relevance to our business.

We have also reported against indicators from the Mining and Mineral's Industry Supplement from the GRI G3.1 Guidelines as these indicators were developed by representatives from our industry and interested stakeholders.

This report covers the Prominent Hill copper-gold operation and the Carrapateena advanced exploration project and associated infrastructure, both of which are located in South Australia, as well as our offices in Adelaide and Melbourne. OZ Minerals conducted small scale exploration in Chile, Jamaica and Canada during the reporting period, however due to the size of these activities, performance is not included in this report.

Data for this report is collected using a combination of accessing information from databases, interviews and written questionnaires.

A description of our data collection and complete list of indicators that have been reported against can be found in the Global Reporting Initiative section of this report.

Net Balance Limited conducted limited assurance for information contained within our performance summary table. Limited assurance was also provided for our greenhouse gas emissions as part of our submission for the Australian Government's National Greenhouse and Energy Reporting Scheme (NGERS). Net Balance's assurance report can be found in the Independent Assurance section of this report.

STAKEHOLDERS AND MATERIALITY

In this report, priority has been given to issues that we consider to be of material significance to our sustainability performance, including the impact and potential impact our business has on our stakeholders. We have determined these material sustainability issues based on a range of internal and external considerations.

Our sustainability policy outlines our most important sustainability issues and the position we have on those issues. We have reported against all the areas addressed by our policy. We also report in accordance with our Values and Code of Conduct.

Our materiality process is 'fit for purpose'. OZ Minerals has one major operational site, Prominent Hill, and therefore most of our consultation and feedback is gathered through meetings with interested stakeholders at this site or in the surrounding community. Our Carrapateena project also maintains a direct dialogue with key stakeholders.

We communicate our economic, social and environmental performance with our employees and local communities on an ongoing basis, as outlined in the stakeholder engagement section of this report. Our approach to stakeholder engagement is detailed in the OZ Minerals External Stakeholder Engagement and Reporting Standard.

OZ Minerals' stakeholders include a wide range of individuals and groups that directly or indirectly support, influence or are impacted by our activities. Key stakeholders include contractors, customers, employees, financial institutions, governments, local communities, shareholders and suppliers.

External feedback is also collected through a variety of other mechanisms. We conduct media monitoring and collect feedback from our Annual General Meetings. We have regular government and investor meetings and receive direct feedback from retail shareholders.

Internally, sustainability related issues are brought to the attention of the Sustainability Committee of the Board and detailed in Board Papers. We have a sustainability incident tracking and management system.

We believe this report may be of most interest to shareholders, the financial community, governments, non-government organisations and academics.

While we have attempted to make this report as broadly relevant as possible, we recognise that this report may not meet the needs of all OZ Minerals' stakeholders. If you require more information, please contact us at info@ozminerals.com.

Materiality

OUR PEOPLE



› Supporting our workforce.

SAFETY AND HEALTH



› Safety, health and wellbeing of our people.

GOVERNANCE



› Ethical conduct and fair dealing.

ECONOMIC



› Contributing to our local and regional economies.

COMMUNITY ENGAGEMENT



› Contributing to the sustainable development of our local communities.

ENVIRONMENTAL MANAGEMENT



› Maintaining efficient use of resources.

STAKEHOLDER ENGAGEMENT

Stakeholder group	Stakeholders	Interests and concerns	Engagement
Customers	Smelters, refiners and downstream copper products fabricators.	Product quality, price, reliability of supply, timely delivery of monthly orders.	Regular formal and informal communication with marketing department staff. Personal visits by marketing department and process management staff. Site visits to customers' plants and customers' representatives encouraged to visit OZ Minerals' operations.
Employees	Employees.	A wide variety of interests and concerns.	Regular communication with staff through presentations and discussions, through the intranet, email alerts, hard copy newsletters, 'noticeboard items' and a weekly letter from the CEO.
Governments	Local, state and national regulators and government agencies.	Regulatory compliance, land use, access permits, licences, closure provisions and plans, product stewardship, environmental performance, community relations, socio-economic benefits.	Regular formal and informal communications with external relations, operational senior management and staff through site visits, meetings, events and reporting (including Annual and Sustainability Reports).
Industry associations	Mining and minerals industry.	Representation of industry interests.	Representative on boards and committees, engagement on specific projects.
Investment community	Mainstream brokers, financial analysts and fund managers, sustainability and ethical investment analysts, retail investment advisers, existing and potential shareholders, both domestically and internationally.	Financial returns, growth, governance, risk management.	Annual General Meeting, Annual and Sustainability Reports, Quarterly Reports and webcasts, ASX releases, Company website, direct phone contact with investor relations, presentation at industry conferences, briefings and site visits.
Local communities	Individuals and groups local to our operations, including pastoralists, traditional landowners, local Aboriginal groups, development groups, local businesses.	Employment, business development, infrastructure, land access, cultural heritage, sponsorship and donations, environmental performance, transparency.	Location-specific community relations personnel, community meetings, formal and informal communication.
Media	Print, radio, TV and interactive.	Financial and operational related queries.	Dedicated media relations function. Regular engagement with business and regional media through six teleconferences per year, regular ad-hoc one-on-one discussions, interviews, ASX releases, media releases and site visits.
Non-government organisations	Local, regional and international environmental, human rights, development, corporate social responsibility and sustainability organisations.	Governance, risk management, socio-economic contributions, human rights, environmental performance, compliance.	Liaise directly with operational management, environment and community relations departments on specific issues. Annual and Sustainability Reports, media releases.
Schools and universities	Local and state schools and universities, teachers and students.	Interaction with the mining industry, potential career pathways within the mining industry.	Site visits, OZ Minerals Coober Pedy Area School scholarships, career fairs, engagement with staff.
Shareholders	Retail and institutional shareholders.	Financial returns, growth, governance, risk management.	Annual General Meeting, Annual and Sustainability Reports, quarterly report and webcast, website (where all releases and other information on OZ Minerals is maintained and regularly updated), direct phone contact with investor relations and share registry.
Suppliers	Local businesses to large international organisations.	Supply agreements, reliable payment processes, social and environmental requirements.	Regular meetings with commercial and operational staff.
Other mining companies and academics	Other mining companies, mining regulators, industry associations and minerals industry academics, Industry Alliance with representatives of resource companies in the Coober Pedy region and Coober Pedy council.	Company updates, project information.	Papers and presentations given by executives at various industry related conferences.

Our successes as a modern mining company are created by positively contributing to our people, our community and the environment.



CEO LETTER

In 2013, we achieved continuous improvement in our safety performance and progressed initiatives to improve the representation of females within our workforce.

OZ Minerals' safety performance has continued to positively improve year on year since 2010. In 2013, we had no fatalities or serious disabling injuries. Our total recordable injury frequency rate per million working hours has decreased 26 percent to 7.69, compared to 10.49 at the end of 2012. Our lost time injury frequency rate has also shown improvement to 0.96 at the end of 2013 (1.46 in 2012).

Our workforce at Prominent Hill, including employees and contractors, has placed significant focus on identifying and analysing incidents that had the potential for more serious consequences. We call these high potential incidents. Our incident investigations enable us to determine why incidents occur and put in place measures to reduce the likelihood of a reoccurrence of these incidents.

We have actively been building a strong safety culture, shared between ourselves and contractors working on our site, where our people are encouraged to speak up if they see something they believe is not safe. In 2013, we have progressed the Prominent Hill Peer Observation Program and Culture Development Strategy as part of developing our culture that supports our workforce and in turn creates a safer operation. More detail on these initiatives can be found in the Safety section of this report.

In an industry with a historically low number of female participation, we have looked for innovative ways to offer opportunities for women to move into senior executive roles. OZ Minerals has an internal target to achieve a 25 percent female representation at each job band level and we have supportive interview targets for recruiting new positions. We recognise that in order for women to move into more senior positions, they must be supported throughout their career.

During the year, we continued our award winning Leading My Career program, which was run in conjunction with Beach Energy, an Adelaide-based oil and gas company, and Thiess, our mining contractor at Prominent Hill. This program aims to support women with their career development, through a mix of training and mentoring with senior executives. A large proportion of women who have attended this program have received a promotion, widened their job role and increased the visibility of their achievements. More information about this program can be found in the People section of this report.

We continued to support community programs as part of our commitment to ensure the communities in which we operate receive real benefit from our activities. Our sponsorships in 2013 included the Royal Flying Doctors Service, the School of the Air, the South Australian Living Arts Festival through the OZ Minerals Copper Sculpture Award and the Remote and Isolated Children's Exercise Inc. (RICE).

In 2013, a combination of tough production conditions and lower commodity prices saw us implement a range of initiatives to improve our efficiency and bring our costs down. We have had an ongoing program of moving non-production related roles based at Prominent Hill to our office based in Adelaide which has reduced our on-site costs. Regrettably, we have had to make the tough decision to make some roles redundant. As part of this process, we have made sure that all affected employees have access to outplacement services and counselling.

Following a year of record material movement in the Prominent Hill open pit, we have begun to demobilise equipment within our open pit as the waste to ore strip ratio decreases. The first excavator and associated truck fleet were demobilised in December 2013. We are working with our contracting partners to mitigate the impacts on people and the communities in which they live.

The Carrapateena project took a positive step forward during the year, with the granting of a retention lease from the South Australian government. Through the approvals process, we have engaged with a variety of local stakeholder and government groups and the feedback we have received has been overwhelmingly positive. At this early stage of the project, over 20 local contractors from local towns such as Port Augusta have conducted work at Carrapateena. We look forward to continuing our ongoing positive relationships with the local communities.

OZ Minerals also reached a Native Title Agreement with the Kokatha Uwankara Native Title Claimant Group. As part of this agreement, the Kokatha Uwankara will work with OZ Minerals to develop a Cultural Respect program so that people working at Carrapateena understand issues of cultural significance to the Kokatha Uwankara people.

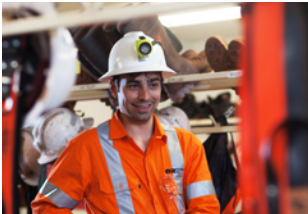



I would like to take this opportunity to thank all of our stakeholders for their support in 2013 and I look forward to working with them in the future. I welcome any feedback on this report so that we can continue to improve both our reporting and our sustainability performance.

A handwritten signature in black ink, appearing to read 'Terry Burgess', written over a horizontal line.

Terry Burgess
Managing Director and Chief Executive Officer

2014 COMMITMENTS

OZ Minerals' commitments for 2014 include targets and initiatives that represent, or are designed to achieve, an improvement in sustainability performance. In 2014, we will measure our performance against each of the following commitments:

SAFETY	ENVIRONMENT	OUR PEOPLE	COMMUNITY
			
<ul style="list-style-type: none"> › No fatalities or serious disabling injuries. 	<ul style="list-style-type: none"> › No significant (level three or above) environmental incidents. 	<ul style="list-style-type: none"> › Increase numbers of females in all bands that do not currently have a representation of at least 25 percent. 	<ul style="list-style-type: none"> › No significant (level three or above) community incidents.
<ul style="list-style-type: none"> › An improvement in the total recordable injury frequency rate against the 2013 reporting period. 	<ul style="list-style-type: none"> › Continue to demonstrate assessment of resource efficiency initiatives in line with the Energy Efficiency Opportunities framework. 	<ul style="list-style-type: none"> › At least one female or Indigenous candidate interviewed in 60 percent of all job vacancies. 	<ul style="list-style-type: none"> › Develop strategies to mitigate community impacts in regard to the demobilisation of the open pit.
<ul style="list-style-type: none"> › Quarterly review of high potential incidents to ensure implementation and functioning of controls. 			
<ul style="list-style-type: none"> › All significant occupational exposure risks monitored and action plans put in place. 			

PERFORMANCE SUMMARY 2013

● Achieved ● In progress ● Not achieved

COMMITMENT	PERFORMANCE 2013	PROGRESS
Safety and health		
No fatalities or serious disabling injuries.	There were no fatalities or serious disabling injuries in 2013.	●
Continuous improvement in our Total Recordable Injury Frequency Rate.	OZ Minerals' TRIFR improved from 10.49 in 2012 to 7.69 in 2013.	●
All significant occupational exposure risks monitored and action plans put in place.	Monitoring of occupational exposure risks is ongoing and action plans are documented.	●
Continue to progress our culture development initiatives.	The site culture development strategy has progressed during the year.	●
Environment		
No significant (level three or above) environmental incidents.	There were no significant environmental incidents in 2013.	●
Demonstrate assessment of energy and water efficiency initiatives.	Energy and water efficiency initiatives were assessed through the Energy Efficiency Opportunities framework.	●
Our People		
Increase numbers of females in all bands that do not currently have a representation of at least 25 percent.	Job bands A and E continue to have greater than 25% female representation. Job band C has increased female representation since 2012.	●
Community Relations		
Have no significant (level three or above) community incidents.	There were no significant community incidents in 2013.	●
Develop a cross-cultural awareness program for the Carrapateena project.	A Cultural Respect Program is being developed in collaboration with the Native Title Claimant Group for Carrapateena.	●

COMPANY OVERVIEW

OZ Minerals is an Australian-based modern mining company focused on copper. We pursue projects that deliver attractive returns and add value for our shareholders.

OZ Minerals owns and operates the Prominent Hill copper-gold mine with the Malu Open Pit, Ankata Underground and development of the Malu Underground, and owns the Carrapateena copper-gold project.

Prominent Hill and Carrapateena are both located in the highly favourable mining jurisdiction of South Australia. The Prominent Hill mine is located 650 kilometres north-west of Adelaide and 130 kilometres south-east of Coober Pedy. Carrapateena is located 250 kilometres from Prominent Hill and 160 kilometres north of Port Augusta.

OZ Minerals' strategy is based on delivering superior shareholder returns built upon a foundation of Governance and Zero Harm, with the following five key elements: a focus on copper, maximising current assets, building a project pipeline, investing in exploration and exercising disciplined capital management.

OZ Minerals' business model is to generate shareholder value through the discovery and development of copper deposits and production and sale of copper concentrate. Prominent Hill produces a high-grade copper concentrate, containing copper, gold and silver, which is sold to customers in Asia and Europe. A pre-feasibility study is currently being conducted on the Carrapateena project. Exploration activities are underway primarily in the Carrapateena district and other selected locations overseas.

As of 31 December 2013, OZ Minerals' market capitalisation was \$955.9 million. OZ Minerals is listed on the Australian Stock Exchange.

OZ Minerals employs a direct workforce of 380 people. Prominent Hill has a workforce of approximately 1,400, with the majority being contractors' employees.

OZ Minerals has strategic interests in a number of listed resource companies. Further information can be found on the OZ Minerals website, www.ozminerals.com.

OZ Minerals is a member of numerous organisations, including the Minerals Council of Australia, the Australian Mines and Metals Association (AMMA) and the South Australian Chamber of Mines and Energy (SACOME).

In 2013, OZ Minerals was the recipient of a number of awards, including:

- Excellence in Leadership – Women in Resources Award from the South Australian Premier's Community Excellence Awards in Mining and Energy.
- Indigenous Employment and Retention Award – Best Practice, awarded by the Australian Mines and Metals Association (AMMA).
- Australian Women in Resources Alliance (AWRA) Award, awarded by the Australian Mines and Metals Association (AMMA).
- Silver Award for the OZ Minerals Business Review and Annual Report, awarded by the Australasian Reporting Awards.

With an experienced team, a strong balance sheet and well performing assets, OZ Minerals is well positioned for the future.

**SUPERIOR TOTAL
SHAREHOLDER RETURNS**

ZERO HARM

FOCUS ON COPPER

MAXIMISE ASSETS

PROJECT PIPELINE

EXPLORATION

CAPITAL MANAGEMENT

BUILT ON GOVERNANCE



PROMINENT HILL

The Prominent Hill operation is comprised of the Malu open pit mine, the Ankata underground mine, a grinding and flotation processing plant, a permanent village and a haulage road, power line and bore field. Prominent Hill is a fly-in, fly-out operation employing approximately 1,400 employees and contractors. First production of Prominent Hill copper concentrates occurred in February 2009.

Copper production of 73,362 tonnes and gold production of 128,045 ounces were within the upper half of the amended guidance ranges for both copper (70,000 to 75,000 tonnes) and gold (120,000 to 130,000 ounces).

The Ankata underground mine successfully completed its first full year of production in 2013 with 1.2 million tonnes of ore mined. Since commissioning in 2012, Ankata Underground mine life has been extended by a further four years to 2022.

Production for 2014 is expected to be 75,000 tonnes to 80,000 tonnes copper and 130,000 ounces to 140,000 ounces gold. This includes approximately 4,000 tonnes of copper produced from Malu Underground, which is expected to commence commissioning in late 2014.

LOCATION

650km north-west of Adelaide, 130km south-east of the town of Coober Pedy in South Australia.

PRODUCT

Copper concentrate (containing gold and silver).

MINING METHOD

Open pit and underground mine.

PROCESSING METHOD

Conventional crushing, grinding and flotation.

2013 PRODUCTION

73,362 tonnes contained copper;
128,045 ounces contained gold.

2014 PRODUCTION GUIDANCE

75,000 tonnes to 80,000 tonnes copper
and 130,000 ounces to 140,000 ounces gold.

RESOURCES

186Mt @ 1.1% copper, 0.7 g/t gold
(2.0Mt copper, 3.9Moz gold).*

RESERVES

67Mt @ 1.0% copper, 0.6 g/t gold
(652kt copper, 1.2Moz gold).*

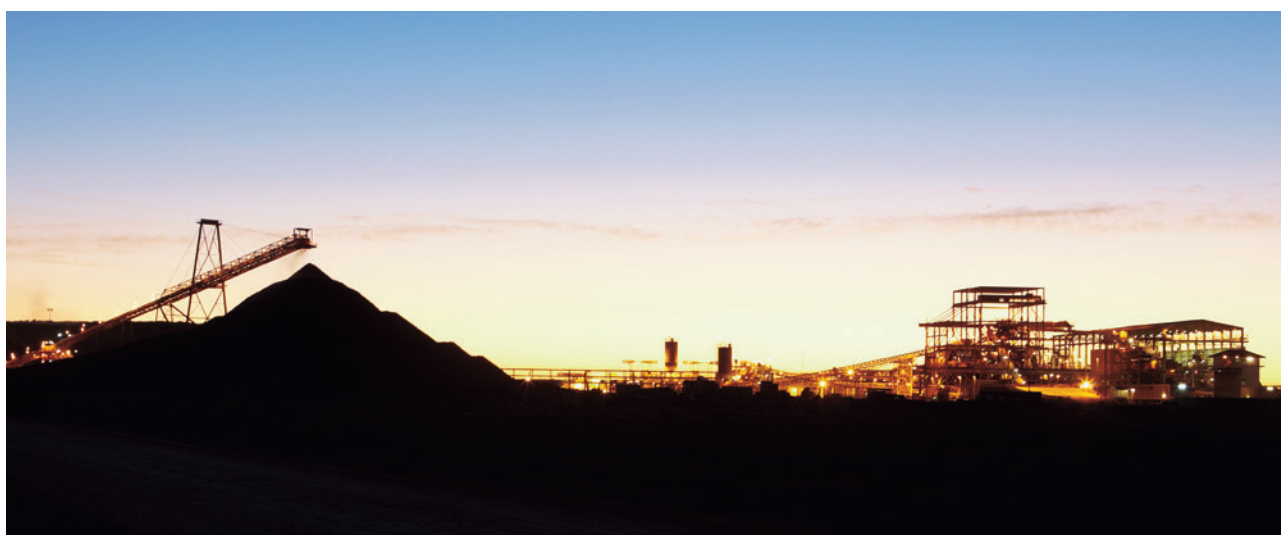
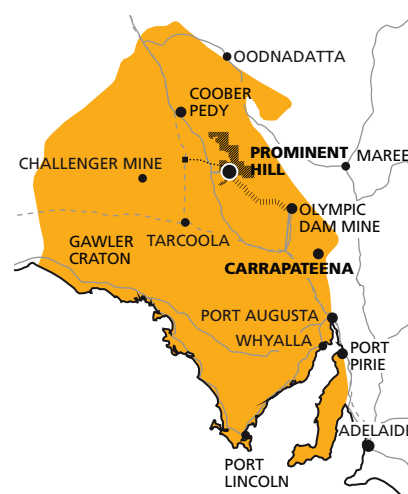
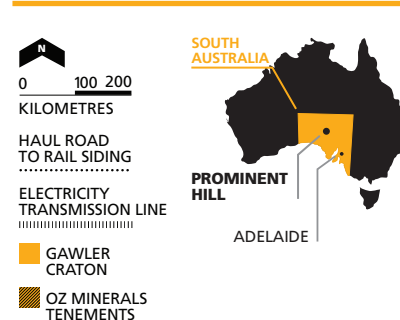
SALES

Prominent Hill concentrates are sent to customers via rail to Port Adelaide and then by ship to customers in Asia and Europe.

WORKFORCE

Approximately 1,400 (including employees and contractors).

*Please refer to OZ Minerals Resources and Reserves statements, available on our website at <http://www.ozminerals.com/operations/resources--reserves.html>, for full disclosure.



CARRAPATEENA

The Carrapateena copper-gold project, in South Australia, continues to demonstrate its value. The iron oxide copper-gold deposit, of a similar style to Prominent Hill, is located in an area that is demonstrating potential to host further deposits.

OZ Minerals is currently undertaking a pre-feasibility study to determine the potential of mining this deposit in the future. The Carrapateena pre-feasibility study aims to determine a single option for project development to take to a full feasibility study.

OZ Minerals has commenced discussions with parties who may be interested in participating in the Carrapateena project in the future.

Exploration

In 2014, OZ Minerals' exploration program will remain focused on the Carrapateena region with expenditure of approximately \$15 million to occur at the Khamsin and Fremantle Doctor prospects.

Since its discovery in late 2012 the Khamsin prospect, located 10 kilometres north-west of Carrapateena, has continued to return significant results, indicating a potential large copper-gold system with similar characteristics to Carrapateena. The aim is to estimate an initial resource for Khamsin by mid 2014.

Detailed information on the Carrapateena project can be found within our Annual Report.

LOCATION

250 kilometres south-east of Prominent Hill, 160 kilometres north of the regional centre of Port Augusta, in South Australia.

DEPOSIT

Iron oxide copper-gold deposit.

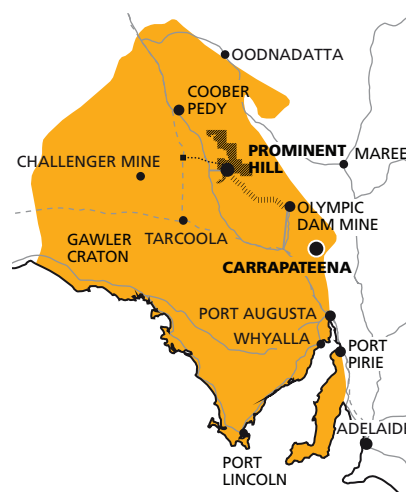
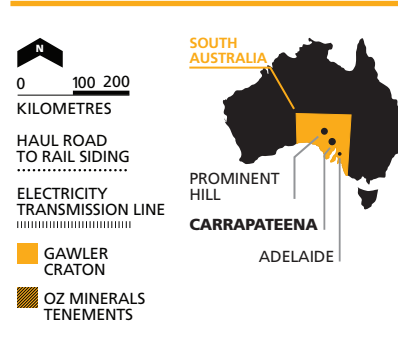
STATUS

Advanced exploration project, pre-feasibility study due to be completed first half 2014.

RESOURCES

Total Indicated and Inferred Resources (at a 0.3 percent copper cut-off) of 800Mt @ 0.8% copper and 0.3g/t gold for 6.3Mt copper and 8.4Moz of gold.*

*Please refer to OZ Minerals Resources and Reserves statements, available on our website at <http://www.ozminerals.com/operations/resources-reserves.html>, for full disclosure.



INDEPENDENT ASSURANCE STATEMENT

To the Board of Directors, Management and stakeholders of OZ Minerals Limited:

OZ Minerals Limited (OZ Minerals) commissioned Net Balance Management Group Pty Ltd (Net Balance) to carry out a limited assurance engagement of the information contained in the 2013 Performance Summary table (the 'performance data') disclosed in the organisation's 2013 Sustainability Report (the 'Report'). The Report presents OZ Minerals' sustainability performance over the period 1 January 2013 to 31 December 2013.

Assurance Objectives

The objective of the assurance engagement was to state whether anything had come to our attention that would cause us to believe, based on our limited assurance procedures that the selected performance data contained within the Report had not been prepared and presented, in all material respects, in accordance with criteria outlined below.

Responsibility

OZ Minerals' management was responsible for the preparation and presentation of the Report. This statement represents the assurance provider's independent opinion. Net Balance's responsibility in performing its assurance activities is to the Board of Directors and management of OZ Minerals alone and in accordance with the terms of reference agreed with them. Other stakeholders should perform their own due diligence before taking any action as a result of this statement.

Assurance Standard and Scope

The assurance engagement was conducted in accordance with Australian Standards on Assurance Engagements ASAE3000 Assurance Engagements other than Audits or Review of Historical Financial Information ('ASAE3000') issued by the Australian Auditing and Assurance Standards Board. The engagement covered the following in the Report:

- Limited assurance of data and statements contained in the 'Performance Summary 2013' table.
- A Global Reporting Initiative (GRI) G4 in accordance assessment. The criteria for the performance data are outlined in Table 1 below:

TABLE 1: OZ MINERALS PERFORMANCE DATA FOR ASSURANCE, FOR THE PERIOD 1 JANUARY 2013 TO 31 DECEMBER 2013

Sustainability indicator	Description	Relevant criteria
Safety and Health	No fatalities or serious disabling injuries.	As per OZ Minerals glossary and GRI G3.1 LA7.
	Continuous improvement in our Total Recordable Injury Frequency Rate.	
	All significant occupational exposure risks monitored and action plans put in place.	
	Continue to progress our culture development initiatives.	Initiatives implemented by OZ Minerals to improve site-wide safety culture, including the Peer Observation Program and the Site Culture Development Strategy, as outlined in the Culture Development Strategy case study.
Environment	No significant (level three or above) environmental incidents.	As per OZ Minerals glossary and GRI G4-EN34 and associated DMA.
	Demonstrate assessment of energy and water efficiency initiatives.	GRI G4-EN6 and associated DMA.
Our People	Increase numbers of females in all bands that do not currently have a representation of at least 25 percent.	GRI G4-LA12 and associated DMA.
Community Relations	Have no significant (level three or above) community incidents.	As per internal guidelines (Level 3 and 4 significant incidents are internally classified as those that cause or have the potential to cause moderate to major community and/or external impact and are within OZ Minerals' operational control).
	Develop a cross-cultural awareness program for the Carrapateena project.	A program for Carrapateena-based workforce, focusing on the cultural beliefs and traditions of the Kokatha Uwankara people.



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Inherent Limitations

Because of the inherent limitations of any internal control framework and underlying data, it is possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement under ASAE3000 is restricted primarily to enquiries and analytical procedures and the work is substantially less detailed than undertaken for a reasonable assurance engagement. As such the level of assurance is lower than would be the case for a reasonable assurance engagement under ASAE3000. Accordingly, we have expressed our conclusion on the above basis.

Additionally, non-financial performance data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data.

Assurance Methodology

Net Balance's assurance methodology consisted of evaluating the reliability of the selected performance data through the review of systems, processes, information and calculations used to support the data. The procedures selected depend on the assurance provider's judgement, including assessment of the risks of material misstatement of the selected performance data prepared by OZ Minerals. In making judgements, consideration was given to the internal controls relevant to the calculation and collection of the selected performance data.

Evidence gathering for the evaluation of reliability and accuracy of performance data involved the following:

- Interviews with data owners to understand the performance data metric definitions, data sources, reliability of data, completeness of data and the basis for significant assumptions used in reporting of performance. Particular attention was paid to the consistency with recognised published standards and guidelines.
- Interviews with key personnel to obtain an understanding of the systems and the process used for recording, collation and retention of performance data.
- Reviewing systems and processes for managing specified information.
- Review of internal controls relevant to the calculation of the performance data.
- Re-performing calculations for a sample of performance data.
- Collection and evaluating documentary evidence.

The assurance engagement was undertaken between January and February 2014 and the procedures took place at OZ Minerals' head office in Melbourne.

Our Independence

Net Balance has not had any part in collecting and calculating the performance data or in drafting Report content. During the reporting period, Net Balance also provided assurance over OZ Minerals' National Greenhouse and Energy Reporting (NGER) submission. As these services were of an audit nature, they are complementary to this engagement and do not impact upon Net Balance's independence. Net Balance confirms that we are not aware of any issue that could impair our objectivity in relation to this assurance engagement. Further, in conducting this assurance engagement Net Balance has met the requirements of our Independence Policy (<http://www.netbalance.com/services/assurance>). The Net Balance assurance team has the required competencies and experience to conduct this engagement.

Limited Assurance Conclusion

Based on our limited assurance procedures, nothing has come to our attention that causes us to believe, that the performance data (as described in Table 1), has not been prepared, in all material respects, in accordance with the relevant criteria. A review of the adherence to GRI G4 reporting framework found that OZ Minerals satisfies the in accordance 'core' requirements and incorporates indicators from the GRI Mining and Minerals Sector Supplement.

On behalf of the assurance team
7 March 2014
Melbourne, Australia



Kim Farrant
Associate Director, Net Balance & Lead CSAP

VALUES AND GOVERNANCE

Our core values of respect, integrity, action and results form the basis of our commitment to sustainability.

VALUES AND ETHICS

The way in which we demonstrate these values within our everyday activities are described within our codes and policies, which also support our people in understanding specific requirements. These include the OZ Minerals Code of Conduct, Whistleblower Policy, Securities Trading Policy, Anti-bribery and Corruption Policy, Continuous Disclosure Policy, Shareholder Communication Policy and Risk Management Policy. These are made available to the OZ Minerals workforce via employee inductions, the intranet and are also available on the OZ Minerals website.

The Code of Conduct describes standards for appropriate ethical and professional behaviour for all directors, employees and contractors working for OZ Minerals.

The Code provides policy on compliance with the law, protection of OZ Minerals' interests, conflicts of interest, use of knowledge and information, respect for company property, receiving gifts (including entertainment or gratuities), professional behaviour, fair dealing and compliance with the relevant health, safety, community and environmental policies, procedures, legislation and standards. Breaches of the Code are taken seriously by OZ Minerals and may be reported with the support of the Whistleblower Policy.

In January 2013, it was reported in the media that the Australian Federal Police had opened an earlier review into OZ Minerals' acquisition in 2009 of the remaining holding in the Okvau joint venture in Cambodia, following criticisms of Australia's enforcement action in a 2012 OECD report. The report stated without identifying the specific case by name, that the Australian Federal Police had received information from their overseas network that the transaction had been undertaken with due diligence and that all payments were made at the joint venture partner's request. We maintain that we undertook this transaction in normal commercial and appropriate manner. To the best of OZ Minerals' knowledge, the review has not been completed.

RESPECT



- › For the safety of everybody in our business.
- › For each other as individuals.
- › For communities, cultures and for diversity.
- › For all our stakeholders.
- › For the environment.

INTEGRITY



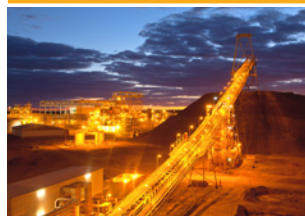
- › Honest, courageous and open in our communication.
- › Honouring commitments.
- › Consistently behaving in line with our values.
- › High standards of business ethics.

ACTION



- › Being bold, decisive and agile.
- › Being rigorous, responsible and accountable.
- › Continually improving.
- › Innovating to add value.

RESULTS



- › Delivering on goals and objectives.
- › Meeting or exceeding expectations.
- › Aspiring for excellence.
- › Creating sustainable value.
- › Never compromising on health and safety.

OZ Minerals is committed to ensuring concerns regarding illegal conduct or malpractice can be raised in good faith without being subject to victimisation, harassment or discriminatory treatment, and to have such concerns properly investigated. The Whistleblower Policy provides a mechanism by which all employees can confidentially report improper or illegal conduct without fear or discrimination.

To safeguard against insider trading, OZ Minerals' Securities Trading Policy prohibits directors and employees from trading OZ Minerals securities if they are aware of any information that would be expected to have a material effect on the price of OZ Minerals securities. The policy also establishes 'black out periods' during which directors and employees must not trade in OZ Minerals securities. The commencement of each 'black out period' is notified to all relevant groups.

The policy also prohibits directors, executives and employees from entering into any hedging arrangement over unvested securities issued pursuant to any share scheme, performance rights plan or option plan.

The Continuous Disclosure Policy outlines OZ Minerals' process for disclosure that has been established to ensure compliance with OZ Minerals' continuous disclosure obligations under the Listing Rules of the Australian Securities Exchange (ASX) and the Corporations Act.

Shareholder communications are governed by OZ Minerals' obligations under the Corporations Act and the ASX Listing Rules, in particular the continuous disclosure obligations. The purpose of this policy is to promote effective communication with shareholders by providing them with access to the latest information about OZ Minerals and to make it easier to participate in general meetings.

For more information, please refer to our Corporate Governance Statement in the OZ Minerals Annual Report and on our website.

CORPORATE GOVERNANCE

Responsibility for our strategic approach to sustainability lies with the OZ Minerals Board.

OZ Minerals' approach to corporate governance is to have a set of values and behaviours that ensure transparency and fair dealing and protect stakeholder interests.

OZ Minerals' Board currently comprises seven Directors, including one female Director. Apart from the Managing Director and CEO, all Directors are independent non-executive Directors.

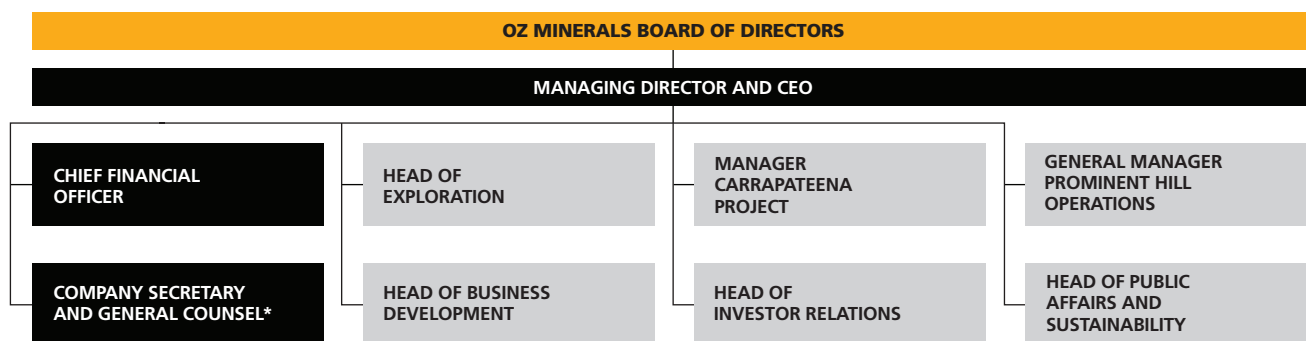
Profiles of each Director, including their skills, experience, relevant expertise and special responsibilities are detailed in our Annual Report and on our website.

The Board is committed to following the Corporate Governance Principles and Recommendations as set out by the ASX Corporate Governance Council. The Board and management regularly review OZ Minerals' policies and practices to ensure that OZ Minerals continues to maintain and improve the OZ Minerals Governance Standards.

The specific aspects that support the implementation of this approach are described in our Annual Report in the Corporate Governance section in accordance with the ASX Recommendations. Details of the main policies of corporate governance adopted by OZ Minerals are also available on our website.

To facilitate the execution of its responsibilities, the Board's Committees provide a forum for further detailed analysis of key issues. The current Board Committees are the Sustainability Committee, the Audit Committee, the Nomination and Board Governance Committee and the Human Resources and Remuneration Committee.

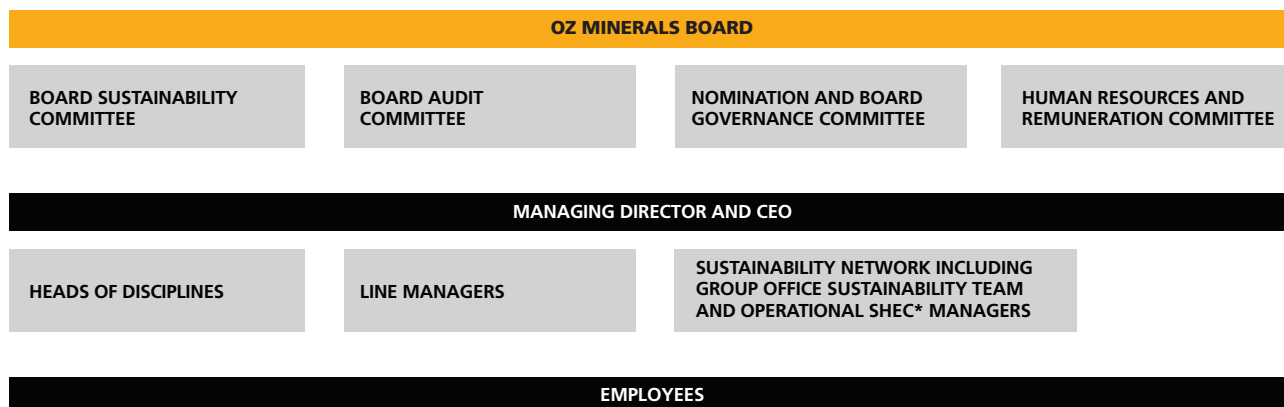
OZ Minerals' organisational and management structure



■ Executive Committee

*As at the time of writing

OZ Minerals' Sustainability Governance



*Safety, Health, Environment and Community

SUSTAINABILITY MANAGEMENT

The Board Sustainability Committee's role is to assist the Board in the effective oversight of its responsibilities in relation to safety, health, environment and community issues across OZ Minerals and the management of risks relating to these issues.

Sustainability related initiatives, performance against key performance indicators and identified issues related to our operations and stakeholders are raised to the Sustainability Committee of the Board through quarterly meetings. The annual Sustainability Report is reviewed by the Sustainability Committee.

Responsibility for OZ Minerals' business processes and sustainability performance lies with the Managing Director and CEO, supported by the Executive Committee and the executive management team.

The Managing Director and CEO's performance is measured against detailed Key Performance Indicators (KPIs) relating to financial and operational performance, investment in growth performance and sustainability performance. This forms the basic remuneration and short-term incentives (STIs). The Managing Director and CEO's KPIs cascade to all direct reports.

All OZ Minerals' general managers are accountable for upholding OZ Minerals' values and maintaining strong governance, economic and sustainability performance within their particular area of responsibility.

The following diagram illustrates OZ Minerals' organisational structure and key responsibilities for sustainability performance within all levels of the business.

The OZ Minerals Sustainability Policy details our commitments to sustainability management and responsible corporate governance.

The policy is supported by our core values that underpin the behaviour of all OZ Minerals' employees and contractors. The policy describes our commitment to Zero Harm by Choice not by Chance, which requires us to embed a culture that ensures the management of safety and health, environment and community comes naturally to our workforce and is a foremost consideration in every decision we make.

The OZ Minerals Sustainability Policy is available on our website.

OZ Minerals applies a comprehensive set of sustainability management standards to manage the safety,

health, environmental and social aspects of our business. These standards apply to all phases of mine life and are subject to periodic review to ensure we continue to meet the needs of OZ Minerals, are aligned to relevant legislation and reflect industry best practice standards. For information on how our sustainability standards apply to our contractors, see the Procurement section of this report.

Our Sustainability Standards are divided into four sections:

- Integrated Management System Standards, which provide an overall management framework.
- Safety and Health Standards, which detail our management of safety, health and security risks.
- Environmental Standards, which detail our management of environmental risks.
- Social Standards, which detail our management of social risks.

A full list of our Sustainability Standards can be found on our website.

RISK MANAGEMENT

OZ Minerals' commitment and approach to risk management is outlined in OZ Minerals' Risks Management Policy, available on our website.

The Risk Management Policy outlines OZ Minerals' commitment to the effective management of risk, which is central to our continued growth and success. Our aim is for risk management to become embedded into all our business systems, mining operations and exploration activity.

OZ Minerals' Risk Management Policy is aligned to the ISO Standard 31000 for risk management and is used as a common methodology to identify, assess, evaluate, treat, monitor and communicate risks for all aspects of OZ Minerals. A risk register is produced and the Executive Committee reviews the risks and the status of action items identified to mitigate the risks each quarter.

The Sustainability Committee monitors OZ Minerals' non-financial risks as they relate to safety, health, the environment or the community.

Utilising the same integrated management processes, the Audit Committee reviews and assesses the adequacy of OZ Minerals' internal control and financial management systems and accounting and business policies. The Audit Committee is given further assurance in regard to OZ Minerals' financial management systems through OZ Minerals' internal audit function.

Senior management are responsible for risk management in their respective areas of accountability. They ensure that procedures exist to monitor risks and, through observation and audit, gain confidence that effective controls are implemented and consistently applied. Our business improvement program is also focused on continuous improvement of our processes.

The OZ Minerals Risk and Opportunity Management Standard provides a common framework for systematic management of risks and opportunities to OZ Minerals in all sustainability areas, as well as other aspects of the business that involve an element of risk. The standard applies to all managed facilities, including contractor activities, and addresses the risk management process.

AUDITS AND COMPLIANCE

OZ Minerals regards compliance with all relevant regulations and legislation as the minimum performance standard for all operations and activities. No fines or non-monetary sanctions were imposed during the reporting period.

OZ Minerals conducts regular audits to systematically and objectively verify conformance with sustainability management standards and legal requirements, as well as provide recommendations to improve safety, health, environment and social performance. The Audit and Assessment Management Standard addresses process requirements for internal and external auditing and assessment, including planning training, methodology, schedules, follow-up and close-out of audit and assessment findings.

PARTICIPATION IN SUSTAINABILITY REPORTING INITIATIVES

OZ Minerals is a participant in the Extractive Industries Transparency Initiative pilot program with the Australian Government. This initiative enables countries to fully disclose and reconcile taxes and other payments made by the resources industry companies to governments, as part of driving accountable management of revenues from natural resources.

OZ Minerals discloses its sustainability performance as part of the Australian government's National Greenhouse and Energy Reporting Scheme (NGERS) and the National Pollution Index as well as under international frameworks including the Carbon Disclosure Project. OZ Minerals subscribes to the Minerals Council of Australia's Enduring Value Framework for Sustainable Development.

PROCUREMENT

We support economic development in the communities in which we operate by seeking to buy locally first and then regionally, within the state, nationally or internationally where local procurement is not available, or is not competitive.

We assist local businesses through pre-qualification processes and our Procurement Policy outlines a consistent approach to procuring goods and services.

Our greatest supply impact is through the contracting of mining and other services. Our largest material inputs include diesel fuel, explosives, grinding media used in our processing plant, and cement, for use within our underground mine. These materials are sourced from large, reputable organisations with operations within Australia.

All of our contractors are subject to a pre-qualification process. Each business is comprehensively evaluated against criteria including safety, health, environment and community aspects and management of risk, internal auditing processes and employee management.

Our contractors are also measured on their processes for evaluating potential third party contract services. Minimum performance criteria are required to be met to attain contracts with OZ Minerals, corresponding to the risks associated with the contracts.

Our major contractors have requirements in their contracts consistent with the OZ Minerals Code of Conduct and Safety, Health, Environment and Community Management Standards. Our contractors are required to undertake a comprehensive program of OZ Minerals and work site inductions to develop a clear understanding of the requirements of working at our sites. All high value and high risk contracts are required to submit a Safety, Health, Environment and Community Management Plan that describes the operational controls that are to be implemented to manage significant risks. We require our contractors to adhere to OZ Minerals' values of respect, integrity, action and results, and maintain behaviour that ensures the safety of our workforce.

Our contractors working at our sites have an OZ Minerals representative managing their contract. This provides us with a direct opportunity to maintain ongoing engagement with regards to sustainability management.

TRANSPORT OF PROMINENT HILL CONCENTRATES

Copper-gold concentrates produced at Prominent Hill are transported by road to a rail siding and then by rail to Port Adelaide. The concentrate is then shipped to customers in Asia and Europe.

There were no reported incidents of non-compliance with regulations or voluntary codes related to the safety and health impacts of our products, information and labelling, breaches of customer privacy, losses of customer data or marketing communications during the reporting period.

All sale contracts for OZ Minerals' products contain pre-agreed chemical specification ranges. Monitoring and testing regimes are maintained to ensure adherence to all of these contractual commitments. This process of consultation and contracting assists in prevention of issues in downstream smelting or refining of OZ Minerals' products.

All customers and transport providers are supplied with a Material Safety Data Sheet that describes the handling requirements associated with our product.

OZ Minerals uses specially designed containers to transport copper concentrate from Prominent Hill to Port Adelaide. The containers are offloaded using the rotainer system, by rotating the container to release the concentrate directly into the hold of the ship. This system enables OZ Minerals to bypass a concentrates shed and traditional loading facilities, maintaining a high environmental standard in shipping, storage and ship loading.

CLOSURE PLANNING

Closure planning is a consideration during all stages of operations. It is OZ Minerals' intention that through careful and proactive planning the social and environmental impacts of eventual mine closure are mitigated. Our Social Closure Standard in addition to our Environmental Rehabilitation and Closure Standard aim to ensure that the potential closure and post-closure risks and opportunities are effectively identified and managed through the mining life cycle.

The potential impacts of closure are an ongoing consideration in our engagement with governments and local communities and our support for community development activities, including development of local businesses not related to mining activities.

The Prominent Hill operation has a Life of Mine Working Closure Plan as well as a Mining and Rehabilitation Program, which outlines closure planning for the site. The Closure Plan is annually reviewed and independently audited every second year in accordance with our internal accounting policy.

Provisions are made for the estimated cost of rehabilitation, decommissioning and restoration relating to areas disturbed during the mine's operations. Further details on provisions, including labour transitions, amount and type of financial provision and stakeholder engagement processes are available in our Annual Report.

Over the next five to six years, we are undertaking a progressive demobilisation of the open pit in line with our mine plan. For more information, see the Demobilisation of the open pit case study in the Our People section of this report.

ECONOMIC PERFORMANCE

In 2013, OZ Minerals remained focused on its copper-gold operation at Prominent Hill, undertaking the pre-feasibility study at Carrapateena and assessing potential acquisition opportunities.

OPERATING AND FINANCIAL PERFORMANCE

2013 was a year of investment at Prominent Hill with the peak of waste movement in the Malu Open Pit, a successful first full year of production from Ankata Underground and work towards development of a third mine, Malu Underground.

The beginning of 2014 sees the open pit in improved condition with lower material movement scheduled for the year and total production on track to increase to 75,000 to 80,000 tonnes of copper and 130,000 to 140,000 ounces of gold. Total mining costs and overall capital expenditure at Prominent Hill is planned to reduce year on year.

At Carrapateena, expenditure is also anticipated to be lower with work continuing on the pre-feasibility study and Khamsin exploration with the aim of delivering a maiden Mineral Resource in the first half of 2014. Preparatory work has begun to introduce other participants to the project following completion of the pre-feasibility study.

In 2013, OZ Minerals continued to investigate growth opportunities in copper while remaining highly disciplined. Suitable opportunities will continue to be examined in 2014, with OZ Minerals considering it has continued capability to execute on these.

A detailed analysis of the 2013 Financial Statements of OZ Minerals is provided in the Operating and Financial Review section of the Annual Report.

SUMMARY

- Continued improvement in safety performance.
- 2013 production at 73,362 tonnes of copper and 128,045 ounces of gold with C1 cash costs at US\$179.6 cents/lb.
- Lower production with peak mining volumes and mining activity costs along with lower commodity prices contributed to:
 - Revenue of \$644.0 million;
 - Underlying EBITDA of \$115.8 million; and
 - Underlying net loss after tax of \$62.5 million.
- In June 2013, asset write-downs of \$231.9 million (net of tax) were recognised in relation to Prominent Hill assets, leading to net loss after tax of \$294.4 million for the full year.
- Cash at the end of the year was \$364.0 million and the company has an undrawn debt facility of US\$200 million.
- Total dividends in respect to 2013 of 20 cents per share (\$60.6 million).

Full year financial results summary

Year ended 31 December (A\$ million)	2013	2012
Group revenue	644.0	985.7
Underlying EBITDA ¹	115.8	353.9
Depreciation and amortisation	(218.5)	(174.7)
Underlying EBIT ¹	(102.7)	179.2
Net financing income	7.0	19.9
Income tax benefit/(expense)	33.2	(47.1)
Underlying NPAT ¹	(62.5)	152.0
Impairment of assets, net of tax	(231.9)	–
NPAT	(294.4)	152.0
Dividends per share – unfranked (cents)	20	30

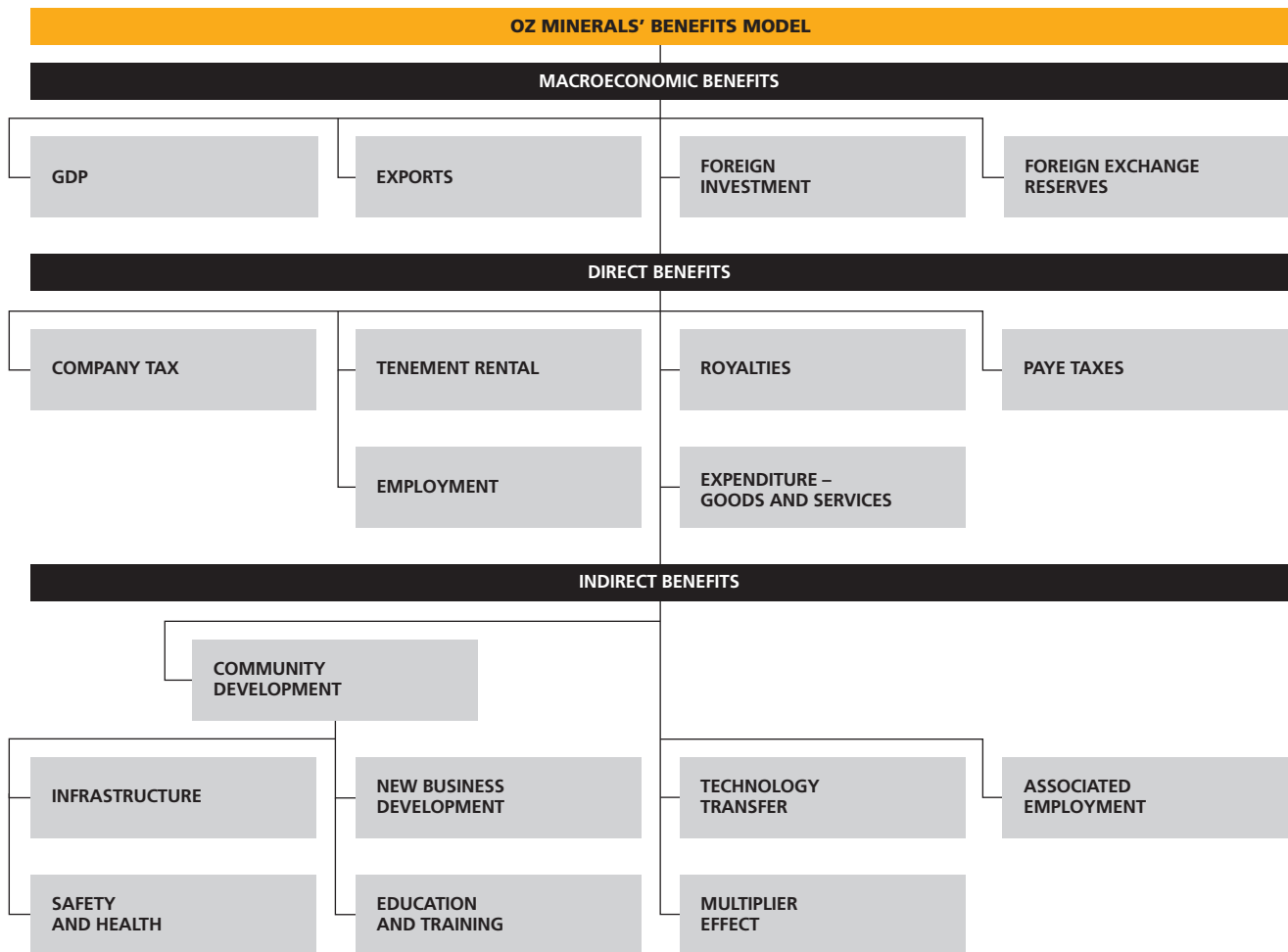
¹ OZ Minerals financial results are reported under International Financial Reporting Standards ('IFRS'). This summary includes certain non-IFRS measures, including Underlying EBITDA, Underlying EBIT and Underlying NPAT. These measures are presented to enable understanding of the underlying performance of the Consolidated Entity without the impact of non-trading items such as write-down of assets. Non-IFRS measures have not been subject to audit or review. Underlying EBITDA, Underlying EBIT and Underlying NPAT are included in Note 3 Operating Segments, which form part of the Consolidated Financial Statements. Refer Note 3 Operating Segments to the Consolidated Financial Statements for further details.

SOCIO-ECONOMIC CONTRIBUTIONS

OZ Minerals actively seeks to generate long-term and sustainable benefits for the local region. We define local as the areas close to the operation from which employees and suppliers may be drawn.

Total significant financial assistance received from the Australian Government was a total of \$182,952 in financial incentives for training and education purposes.

The benefits from investments made by OZ Minerals include improvements in infrastructure, health, safety awareness, education and training, and local business development. These direct and indirect benefits are illustrated in the OZ Minerals' benefits model, below.



CONTRIBUTIONS TO LOCAL ECONOMIES

OZ Minerals makes significant contributions to local, regional and national economies directly through the payment of taxes and royalties to governments, as well as payments to our workforce and suppliers. In 2013, Prominent Hill contributed approximately \$9.5 million in royalties to the South Australian government.

Our operations also add significant value through indirect employment and investments in community development initiatives and programs. For information on our community support, please see the Community Engagement section of this report.

OZ Minerals contributes production payments from Prominent Hill into a fund for the Antakirinja Aboriginal community, who are the traditional owners of the land around Prominent Hill. A scholarship payment of \$200,000 is also paid annually into a scholarship fund for Antakirinja Aboriginal community for a variety of educational expenses. For more information, please see the Cultural Heritage and Traditional Rights section of this report.

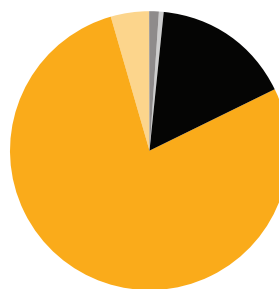
Our operations preferentially purchase goods and services locally wherever feasible. During the 2013 reporting period, our activities at Prominent Hill and Carrapateena made significant contributions to local and regional economies, totalling approximately \$158.5 million to South Australian suppliers and contractors.

From activities based at our Prominent Hill operation and Carrapateena project, a total of approximately \$12.7 million was spent on goods and services in the Coober Pedy and Port Augusta region, while \$6.4 million was spent in the Upper Spencer Gulf region.

These figures do not include wages and salaries paid to our major contractors or expenditure by our contractors, such as our catering contractor who predominately sources food from South Australia.

For more information on local employment, local businesses, community investment and training, see the Our People section of this report.

Breakdown of 2013 Expenditure By Origin



■ South Australian suppliers A\$158.5m
– Prominent Hill A\$133.6m
– Carrapateena A\$24.9m

■ Local suppliers A\$12.7m
– Prominent Hill A\$9.4m
– Carrapateena A\$3.3m

■ Regional suppliers A\$6.4m
– Prominent Hill A\$2.8m
– Carrapateena A\$3.6m

■ National suppliers A\$766.6m
– Prominent Hill A\$738.6m
– Carrapateena A\$28.0m

■ International suppliers A\$41.3m
– Prominent Hill A\$29.9m
– Carrapateena A\$11.4m

ECONOMIC VALUE GENERATED AND DISTRIBUTED for year ended 31 December 2013 (for continuing operations)
All amounts in A\$ millions

Region	Revenue, other income and financing income A\$m ^(b)	Operating expenses A\$m ^(c)	Employee benefit expenses A\$m ^(d)	Payments to providers of capital		Payments to the government		Community investments A\$m ⁽ⁱ⁾	Economic value retained A\$m
				Shareholders A\$m ^(e)	Providers of funds A\$m ^(f)	Income taxes A\$m ^(g)	Royalties A\$m ^(h)		
South Australia ^(a)	644.2	(385.2)	(59.3)	0.0	(1.9)	0.0	(9.5)	(0.6)	187.7
Victoria ^(a)	14.0	(57.1)	(19.2)	(91.0)	(3.5)	6.5	0.0	0.0	(150.3)
Total Australia	658.2	(442.3)	(78.5)	(91.0)	(5.4)	6.5	(9.5)	(0.6)	37.4
Total overseas (sale of Cambodia assets ^(j))	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.9
Total OZ Minerals	659.1	(442.3)	(78.5)	(91.0)	(5.4)	6.5	(9.5)	(0.6)	38.3

Notes

^(a) Amounts are divided into the regions identified below based on where the segment is located (i.e. Prominent Hill is located in South Australia). The regions include the following entities:

Victoria All Corporate Office entities
 South Australia Prominent Hill Mine, Carrapateena

The entities located outside Australia are not defined as operating segments of OZ Minerals.

^(b) Revenue includes sales adjusted for discounts, treatment charges, refining and distribution costs, other income and financing income as disclosed in the income statement in the OZ Minerals audited financial statements for the year ended 31 December 2013, as reconciled below

	\$m
Revenue	644.0
Other Income	1.8
Income from sale of assets in Cambodia	0.9
Financing income	12.4
Total	659.1

^(c) Operating expenses include changes in inventories, raw materials, consumables and other direct costs, contracting and consulting expenses, freight expenses, community investment and other expenses as disclosed in the income statement of the OZ Minerals audited financial statements for the year ended 31 December 2013.

	\$m
Changes inventories	25.0
Raw materials	(343.5)
Exploration and evaluation	(74.5)
Freight expenses	(40.3)
Net foreign exchange loss	40.9
Other expenses	(50.5)
Total	(442.9)

^(d) Employee benefit expenses of \$78.5 million are as per the consolidated income statement of the OZ Minerals audited financial statements for the year ended 31 December 2013.

^(e) Payments to shareholders relates to dividend payments of \$91 million.

^(f) Payments to providers of funds relates to financing expenses of \$5.4 million as per the income statement in the OZ Minerals audited financial statements for the year ended 31 December 2013.

^(g) OZ Minerals received a tax refund of \$6.5 million and generated tax losses during the year.

^(h) Royalty expenses of \$9.5 million as per the income statement in the OZ Minerals audited financial statements for the year ended 31 December 2013.

⁽ⁱ⁾ Community investments of \$0.6 million include voluntary contributions, sponsorships, donations, education and training.

^(j) OZ Minerals received shares in Renaissance Minerals Limited to the value of \$0.9 million (2012: 58.0 million), on disposal of the Cambodia assets. The receipt of these shares constituted non-cash investing activities.

SOCIAL

OZ Minerals is committed to sustaining an organisational culture in which diversity is both appreciated and expected by all of our employees.

OUR PEOPLE

WORKFORCE PROFILE AND DIVERSITY

At the close of 2013, our workforce including contractors was approximately 1,600, with approximately 1,400 based at Prominent Hill. OZ Minerals directly employs approximately 380 people, with the majority based at Prominent Hill. We have a corporate office in Melbourne and an office that supports Prominent Hill in Adelaide. Approximately 75 percent of our workforce lives in South Australia.

In 2013, we commenced a program of relocating roles not associated with production from Prominent Hill to Adelaide, and moved to a larger office in Adelaide to facilitate these changes. We also reviewed our organisational structure, particularly at Prominent Hill, and regrettably this has impacted on a number of roles. During this time of change, affected employees were offered access to OZ Minerals' Employee Assistance Program and outplacement services as required.

We strongly believe that fostering a diverse workforce results in a better workplace for our employees and leads to a better company overall. Creating and sustaining a positive culture is an important way of supporting our employees that come from different backgrounds.

Women comprise approximately 23 percent of the workforce directly employed by OZ Minerals and 14 percent of employees within the Prominent Hill workforce. Our job bands A and E/F have female representation equal to or greater than 25 percent and we are continuing to work towards increasing

women within our other job band levels, particularly within our middle management area. In 2013, 31 percent of our new recruits were women.

We recognise that an important aspect of promoting gender diversity is to provide opportunities for women to move into key decision-making roles within the business. For more information on our initiative to increase female representation, see the Leading My Career case study.

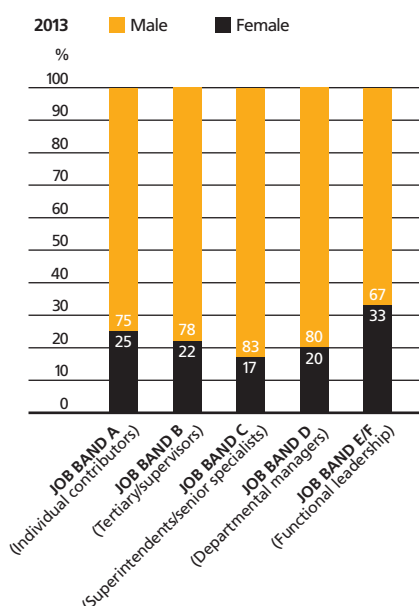
OZ Minerals offers equal remuneration for all our employees, reflective of the type of job, years of experience and the period for which employees have held their position. We annually review the earnings of our employees by gender and job band level, to provide assurance that our employee's remuneration remains equitable and in line with market trends.

We actively seek to look for ways to encourage Aboriginal representation within OZ Minerals and the workforce at Prominent Hill. There are approximately 150 Aboriginal employees at our Prominent Hill operation, employed by OZ Minerals and our contracting partners.

OZ Minerals holds a two-day cross-cultural awareness program that is assisted by the Antakirinja people, the traditional owners of the land around Prominent Hill. This has been an important program in facilitating a culturally supporting workforce. For more information, see the Cross-Cultural Awareness case study in this section of the report.

Since the commencement of Prominent Hill, we have looked at innovative ways to provide employment opportunities for local people, including those that have been long-term unemployed. Over a period of six years, our Pre-Employment Training program enabled approximately 70 local people, the majority of whom are Aboriginal, to gain education, training and employment at Prominent Hill. A high proportion of graduates from this program have remained employed at Prominent Hill for three years or longer, providing them with a solid work history that improves their long-term employment opportunities.

Gender Representation across Job Bands



CASE STUDY > CULTURAL AWARENESS PROGRAM

The traditional owners of the land surrounding Prominent Hill, the Antakirinja Malu-Yankunytjatjara people, assist with the running of a two-day cross-cultural awareness program for all OZ Minerals employees and Prominent Hill-based contractor supervisors.

The focus of this program is learning about the traditions, culture and history of the Aboriginal people from this area. One of the highlights of the course is the significant and active contribution by men, women and elders of the Antakirinja people, providing participants with a unique opportunity to hear stories and gain an insight into the lives of these people.

It focuses on educating people about Aboriginal culture, particularly Antakirinja culture, including their beliefs, connection to the land and areas of cultural significance, as well as looking at Aboriginal ways of life and challenges that persist.

The program has been an important part of creating an inclusive, supportive culture at Prominent Hill.

The program has been conducted more than 75 times since its inception in 2006.

The Kokatha Uwankara Claimant Group in collaboration with OZ Minerals is developing a cultural respect program for Carrapateena-based OZ Minerals employees and contractors. This program will focus on the cultural beliefs and traditions of the Kokatha Uwankara people.



CASE STUDY > LEARNING AND DEVELOPMENT

OZ Minerals is looking at innovative ways to offer training and development opportunities for employees, while encouraging employees to take a proactive approach for their professional development.

OZ Minerals has been promoting the use of high quality courses delivered through online websites, known as Massive Open Online Courses (MOOCs), such as Coursera and EdX.

Many of our employees are interested in undertaking further study that can assist with career advancement, support their existing role or add to foundational knowledge for personal benefit.

The most popular courses are related to business management, finance and in particular those offered by the Wharton Business School. OZ Minerals has supported those undertaking vocational study by offering study groups and an internal discussion platform.

Employees are encouraged to share their learning experiences with colleagues and apply their knowledge in their current roles.



CASE STUDY > LEADING MY CAREER

Targets exist within OZ Minerals to increase female representation to 25 percent across every job level. OZ Minerals recognises that in order for women to reach senior management positions, they must be supported during each stage of their career.

To facilitate this, OZ Minerals runs a career development program called Leading My Career specifically for women to provide training and mentoring. This program is run in conjunction with Beach Energy, an Adelaide-based oil and gas company, and Thiess, our major open pit mining contractor.

Leading My Career partners high-performing women with a senior mentor, including members of the Board of Directors, Executive Committee and General Management of the participating organisations. Through a structured program, participants develop crucial skills to act on their career goals.

The majority of participants have moved into more senior roles following the program or widened their job role and increased the visibility of their achievements.

In 2013, five graduates of Leading My Career were awarded scholarships to attend the Luminaries program run by Behind Closed Door. This is an invitation-only program aimed at developing future executives.



CASE STUDY > CULTURE DEVELOPMENT STRATEGY

Over the year, OZ Minerals and our contracting partners have continued to progress the Culture Development Strategy.

The Culture Development Strategy was developed in 2012 to provide a consistent framework for the multitude of organisations working at Prominent Hill to identify and continuously improve aspects of their organisational culture.

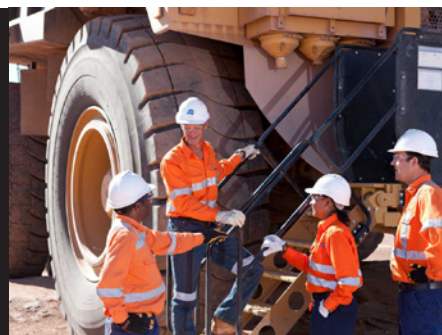
The Strategy places into context a wide range of existing initiatives which are necessary to build and maintain an effective 'one site culture'.

There are eight key focus areas including Critical Risk Management, People Development, Employee Leader Engagement, Peer Observation Program, Fair Culture, Roles and Accountabilities, Incident Management and Business Improvement.

In 2013, OZ Minerals and our contracting partners formulated targeted actions plans based on a self-assessment undertaken in late 2012. Progress against these action plans were shared across the site through monthly leadership forums.

A core part of the strategy is a focus on sharing knowledge and promoting continuous improvement across organisations at Prominent Hill.

The process is iterative, and with each successive self-assessment, organisations gain greater awareness and make positive improvements to systems, leadership behaviour and management strategies, and ultimately leads to improvements in our safety performance.



CASE STUDY > DEMOBILISATION OF THE OPEN PIT

In line with our mine plan, Prominent Hill is undertaking a progressive demobilisation of equipment within the open pit from the beginning of 2014 until the end of the open pit mine life in 2018–19.

As we move into the later stages of the mine plan, the quantity of waste rock relative to the amount of ore (known as the strip ratio) will decrease, which means that we will require less equipment to move material. As our equipment needs decrease, this will have an impact on the size of the open pit workforce.

In late December 2013, the first excavator, five haul trucks and one production drill rig were demobilised, leading to a reduction in approximately 60 operational roles from some of our main contractors.

OZ Minerals is liaising with relevant contracting partners on an ongoing basis throughout the demobilisation process to identify the most 'at-risk' communities and develop strategies to mitigate the impacts on these communities.



LABOUR RELATIONS AND HUMAN RIGHTS

OZ Minerals has a strong record in labour relations and continually acts to maintain harmonious relations with all employees, contractors and their representatives. Our labour relations are in line with relevant employment legislation.

We have established forums and communication processes that facilitate effective communication and have developed strong relationships with relevant unions and external parties. During 2013, OZ Minerals had no incidents of industrial unrest, strikes or lockouts.

OZ Minerals' employees are on a mix of collective and individual employment arrangements. Our Harassment, Discrimination and Bullying Policy recognises that whatever arrangement an employee has, we recognise the right of our employees to freely associate and join trade unions. In 2013, approximately half of our eligible workforce was covered by a collective agreement. This agreement is in place until 2015.

OZ Minerals' Harassment, Discrimination and Bullying Policy outlines our process for reporting of discrimination incidents. OZ Minerals takes reports of discrimination seriously. OZ Minerals aims to provide opportunity and equality for all employees and a workplace that is free from harassment and unlawful discrimination.

OZ Minerals' Human Rights Standard is in place at OZ Minerals' managed facilities, across all phases of mine life, ensuring that we have processes for raising human rights awareness, including identification of human rights issues and impacts. OZ Minerals upholds, understands and promotes fundamental human rights within our sphere of influence.

A minimum age of 18 is a requirement of obtaining full-time work at OZ Minerals and 16 for part-time or casual work. Exceptions are made for apprentices or trainees under regulated training schemes.

SAFETY AND HEALTH

SAFETY PERFORMANCE AND MANAGEMENT

Our first priority at OZ Minerals is to ensure the health, safety and wellbeing of our workforce.

We are continually focused on strengthening safety leadership across OZ Minerals to ensure leaders at all levels across the business demonstrate a commitment to safety and actively follow-up on safety issues.

OZ Minerals has continued a number of initiatives to develop a robust safety culture where our workforce feels empowered to raise safety issues before there is potential for an incident.

We encourage our workforce to take a personal responsibility in reporting any hazards that they may encounter. We empower our employees and contractors to cease operations if necessary to ensure the safety of our workforce.

To support our workforce, we have initiatives targeted to improving our workforce culture, as we believe this leads to improved safety outcomes. For more information, see the Peer Observation Program and Culture Development Strategy case studies.

A significant focus during 2013 was placed on identifying incidents that had potential to cause more serious consequences and eliminating the root cause to prevent their reoccurrence.

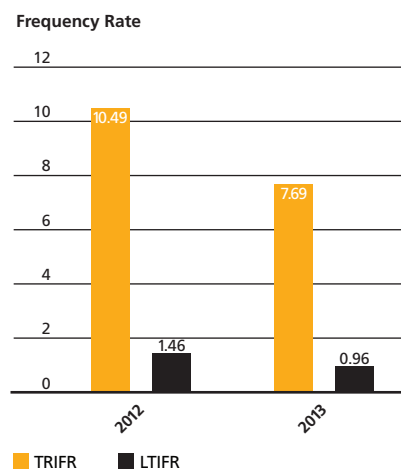
These are known as high potential incidents. Our intention is to promote the identification and elimination of high risk situations, educate our workforce of these risks and prevent incidents that can cause harm.

The safety performance of our employees and contractors has shown consistent improvement over 2013. At the end of 2013, our total recordable injury frequency rate (TRIFR) per one million hours worked was 7.69. This was a positive improvement compared to the 2012 TRIFR of 10.49. Our lost time injury frequency rate also improved from 1.46 in 2012 to 0.96 at the end of 2013. There were no fatalities or serious disabling injuries in 2013.

We report safety statistics for our entire workforce, including all contractors operating on OZ Minerals controlled sites. We believe this is an important part of instilling a strong 'one site' culture, which encourages positive safety behaviour.

As a proactive management strategy, we monitor lead indicators to reduce workplace hazards and injuries. Each area of the operation has its own set of lead indicators that are measured monthly. Potential and actual significant safety incidents are thoroughly investigated using the Incident Cause Analysis Method. We regularly review our incidents to ensure we learn from these events and implement additional controls where necessary.

OZ Minerals Lost Time and Total Recordable Injury Frequency Rate Per million hours worked



CASE STUDY > PEER OBSERVATION PROGRAM

OZ Minerals' Peer Observation Program is a behavioural-based safety program that provides our Prominent Hill workforce with the tools to constructively approach each other, have a conversation about routine tasks and identify ways to make them safer. These are known as safety observations.

In 2013, approximately 180 employees and contractors at Prominent Hill were trained as Peer Observers, completing over 1,000 observations across the operation.

The Peer Observation Program has been successful in eliminating at-risk behaviours that have previously caused injuries and incidents.



HEALTH PERFORMANCE AND MANAGEMENT

We endeavour to control occupational exposures to levels that minimise occupational disease and health risk. Exposure to dust, noise and heat are the greatest risks to the health and wellbeing of our employees at Prominent Hill and Carrapateena.

To reduce occupational exposures to an acceptable level, control measures are used in all areas where occupational exposures are likely to be at or above guideline levels. Our priority is to eliminate, isolate or engineer out hazards. An additional control is the mandatory use of Personal Protective Equipment (PPE).

We conduct an extensive formal monitoring program across Prominent Hill for occupational exposures, including noise, dust, silica, copper, mineral fibres, radiation, diesel particulate matter (predominately in the underground mine) and lead in every area of the operation that has potential for exposure. Lead is used as part of a laboratory process to determine the quantity of copper in our concentrate. The laboratory is the only area of the operation where there is potential exposure to lead.

OZ Minerals has a Radiation Management Plan that details our measures to effectively monitor and control potential radiation exposure at the Prominent Hill operation. Our management plan is reviewed and approved by the state regulator, the Radiation Protection Branch of the South Australian Environmental Protection Agency (EPA). Current monitoring has shown that due to the low level of radioactive materials in the mine ore, the exposure of our workforce to radiation is well below the annual limit for workers under occupational exposure guidelines.

Our occupational health monitoring program incorporates personal monitoring, through dust pumps, noise dosimeters and TLD radiation monitoring badges as well as static samples and area surveys. This enables us to gather detailed information of actual work exposure to airborne contaminants among different workgroups and determine the average worker exposure over the working period.

We implement control measures in all areas where occupational exposures are likely to be at or above guideline levels. As a measure of good practice, OZ Minerals has adopted conservative levels below relevant standards to trigger response actions. Control measures include the mandatory use of personal protective equipment, water suppression, good housekeeping and hygiene practices, exhaust filters, effective ventilation and maintenance of vehicle cabin seals.

We report exceedances above regulatory limits as required and ensure controls are in place to reduce the exposure of the workforce.

Our 2013 monitoring program identified 22 exceedances over trigger levels. Monitoring is conducted with no controls in place to inform what control measures are required. In each case, the controls already implemented meant that the actual exposure to individuals was at an acceptable level.

There were no cases of occupational disease reported at our operations in 2013.

Contractor management

We aim to ensure the management systems and procedures of contractors engaged by OZ Minerals are consistent with our Values, Code of Conduct and Sustainability Standards. In developing a consistent and aligned approach to safety and health management, our aim is to remove duplication of effort and develop shared safety cultures.

The Site Leadership forum provides an opportunity for OZ Minerals and contractor managers to progress site-wide initiatives relating to the functional operation of Prominent Hill.

Fitness for work

OZ Minerals' sites have fitness-for-work programs in place to ensure that all persons at our operations present for work in a condition that will not pose a safety risk to themselves or others.

At OZ Minerals, the fitness-for-work program includes a wide range of activities and education, including fatigue management, employee assistance programs, functional assessments, access to fitness centres or activities, along with drug and alcohol programs.

OZ Minerals is committed to educating our people on matters relating to alcohol and drugs. This education is supported by testing programs for both alcohol and drugs at our administration offices and operations. OZ Minerals conducts daily alcohol tests at our operations, and the acceptable blood alcohol limit is 0.00 percent for anyone working at OZ Minerals sites.

SAFETY AND HEALTH COMMUNICATION

OZ Minerals operational sites have safety and health committees to ensure safety and health matters remain a priority. The committees are composed of elected members and nominated management representatives, and represent all sections of the workforce. Committee meetings are held regularly and are attended by contractors and OZ Minerals personnel. The committees' functions include discussion and resolution of site-wide safety issues and procedures.

Before the start of every shift, every person at Prominent Hill and Carrapateena meets with other members of their team to discuss safety related information from the previous shift, along with upcoming safety information. We call these Pre-Start Information (PSI) meetings. A daily PSI newsletter is produced detailing all hazards and events recorded in the past 24 hours. Other reports of events and hazards are generated on a daily, weekly and monthly basis.

Regular safety and health meetings are held at Prominent Hill and Carrapateena to discuss relevant safety and health topics, such as heat stress, occupational disease risk, hazard awareness identification and fire safety awareness. Issues raised from site management meetings are cascaded down to be discussed at weekly meetings, and issues raised by the workforce cascade back to management.

A Site Safety Forum at Prominent Hill was established in 2013 to provide a platform for safety professionals from OZ Minerals and our contracting partners to discuss issues and identify strategies for better safety outcomes across Prominent Hill.

EMERGENCY PREPAREDNESS

OZ Minerals' crisis management plan outlines the roles, responsibilities and processes that the corporate Crisis Management Team would follow in the event of a crisis occurring. We define a crisis as an event that seriously threatens our people, operations, assets, environment or long-term prospects and reputation.

Our sites each have a specific crisis management plan that outlines the response initiated in the event of a crisis.

At Prominent Hill, the Emergency Response Team (ERT) is equipped to respond to all emergency incidents. This team is comprised of four full-time emergency service officers and two full-time registered nurses. In the past year, the ERT expanded its volunteer base to 60 members of the Prominent Hill workforce, including representatives of OZ Minerals and our major contractors. The ERT members volunteer their own time for training and practice and are also on standby when they are on site.

The ERT members are trained to respond to a number of incidents, including injuries, fires, mass casualty, heights rescue and vehicle rescue. They are also able to respond to incidents in the local community such as Coober Pedy.

In 2013, the ERT team responded to over 150 incidents, the majority relating to activation of alarms on site or medical emergencies. During the year, the ERT responded to five motor vehicle accidents that occurred outside the mine lease on the Stuart Highway, the major highway adjacent to Prominent Hill that runs to Coober Pedy. The involvement of the ERT greatly contributed to the successful resolution of the incidents, including stabilising and treating injured persons prior to evacuation and assisting police and ambulance services.

In June, the South Australian Mines Rescue Competition was held at Prominent Hill. Teams from across South Australia competed against each other in a range of activities including underground rescue, rope rescues, using breathing apparatus, fire fighting, first aid and road crash rescue.

The Mines Rescue Competition is an opportunity for mine rescue teams across the state to hone their skills and share their knowledge with other emergency responders. It also strengthens the relationships between the emergency response teams, giving greater confidence in the ability to offer mutual aid in the event of a serious emergency.

SOCIAL PERFORMANCE

COMMUNITY ENGAGEMENT

One of our key sustainability objectives is to ensure that our local communities receive real benefit from our activities.

Our community engagement programs are targeted to the areas close to our operations. As our main operating site, Prominent Hill has our most extensive engagement program. Prominent Hill is located in a very isolated region in northern South Australia, with the closest town of Coober Pedy located approximately 130 kilometres away.

We regularly meet with the local community in Coober Pedy and surrounding areas to discuss our activities and the needs of the community. Our Stakeholder Engagement section of this report outlines our methods to engage with key community stakeholders and their main interests and concerns.

In 2013, the Coober Pedy Industry Alliance was formed, consisting of representatives of local mining companies, including OZ Minerals, and the local council. The Alliance allows for a collaborative strategic approach to supporting the local community in a sustainable manner through alignment of common goals and objectives.

We actively invest in the community, through sponsorships, in-kind donations and participation by OZ Minerals employees. Our preference is for locally organised initiatives that provide long-term benefit to our host communities which are aligned with the wishes of these communities. Our sponsorship guidelines, available on our website, details our approach to investing in community development.

Our total sponsorship of local organisations and programs for 2013 was approximately \$300,000. Our community investment initiatives are detailed in the case studies below.

CASE STUDY > COOBER PEDY AREA SCHOOL SCHOLARSHIPS

During the year, OZ Minerals commenced an academic scholarship program with the Coober Pedy Area School to encourage students to complete their education.

The scholarships aim to relieve financial pressures associated with future studies to motivate students to complete their final

years of secondary education and drive academic success. Each of the scholarships is valued at \$4,000.

This year's scholarships were awarded to two students in Year 11 and Year 12, in recognition of the student's school participation and academic achievement.

The money is held in trust by the school and is dedicated for use by the student to assist with their further education.

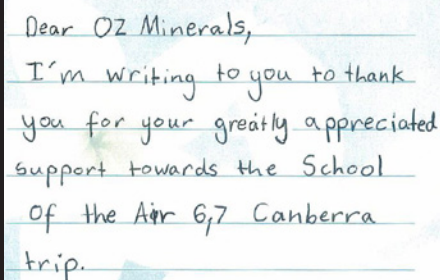
The 2013 scholarships were awarded at the Coober Pedy Area School's end of year assembly by OZ Minerals representatives.

CASE STUDY > SCHOOL OF THE AIR

The School of the Air (SOTA) program provides education for remote and isolated students throughout South Australia, including children from our neighbouring pastoral stations.

OZ Minerals has a five year partnership with School of the Air to provide sponsorship of school camps.

As their 'classrooms' cover vast distances, school camps are an important opportunity to allow students to meet each other face to face and enable them to participate in activities that metropolitan students regularly undertake.



Dear OZ Minerals,
I'm writing to you to thank
you for your greatly appreciated
support towards the School
of the Air 6,7 Canberra
trip.

CASE STUDY > GREAT BREAKAWAY BOLTS

The Great Breakaways Bolt is a long-standing marathon-style fundraising event held in Coober Pedy. OZ Minerals has been participating in the event since its inception in 2009. The Great Breakaways Bolt encompasses 35 kilometres from the Breakaways Reserve, along the Dog Fence down the Oodnadatta Track and finishes at the Coober Pedy town oval. The route takes in the beautiful scenery of the area and takes over four hours to complete.

OZ Minerals sponsored participating Prominent Hill employees and contractors for each kilometre they completed, raising approximately \$2,000 towards the community initiative.

All funds raised from the 2013 Breakaways Bolt have been donated to the Coober Pedy Drive-In, one of the last surviving drive-ins in Australia and one of the longest running outdoor theatres in the state. Funds will be used to upgrade the Coober Pedy Drive-In projector from one that displays 35mm film, which is no longer in production, to a digital projector system.

CASE STUDY > SUPPORTING COMMUNITY RACES

OZ Minerals has been supporting important local community events since the commencement of Prominent Hill.

We have ongoing sponsorships of gymkhanas and community races held in rural areas of South Australia, including the towns of William Creek, Oodnadatta, Maree, Marla, Coober Pedy and Glendambo.

These are important social events that are highly anticipated and enjoyed by the local community.

OZ Minerals has a three-year \$90,000 sponsorship supporting local gymkhanas and country horse races around Prominent Hill.



CASE STUDY > OZ MINERALS' COPPER SCULPTURE AWARD: SUPPORTING TALENTED SOUTH AUSTRALIAN ARTISTS

OZ Minerals has an ongoing partnership with the South Australian Living Arts Festival through the OZ Minerals' Copper Sculpture Award.

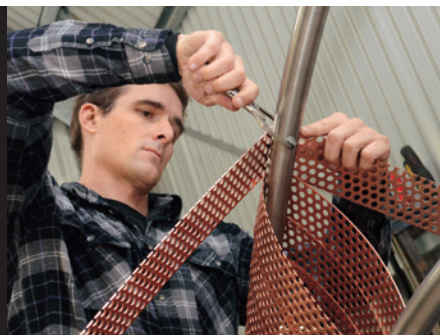
Nicholas Uhlmann, the 2013 recipient of the award, created the stunning three metre high copper sculpture 'Dream Voyager'. The large sail-like sculpture is made of perforated copper wrapped around a stainless steel armature, anchored on a brilliantly blue patinated copper and corten steel base.

Dream Voyager was exhibited during the South Australian Living Arts Festival in the main terminal of Adelaide Airport. With 20,000 people travelling through Adelaide Airport on daily basis, the Airport was an ideal place to showcase Nicholas' work

to the community. Most of OZ Minerals' workforce passes through the airport on their way to work at the Prominent Hill copper-gold mine and Carrapateena exploration project, which are both situated in South Australia.

The Copper Sculpture Award is similar to a commission. South Australian artists are given the opportunity to submit a proposal of their idea and apply for financial assistance for copper and production costs. Artists are then able to sell their works after the SALA Festival.

In early 2013, 'This Vital Arc' a large lightning bolt structure created by Chris Ormerod as part of the 2011 Copper Sculpture Award, found a permanent home at OZ Minerals' Prominent Hill mine.



CASE STUDY > SUPPORTING EYE HEALTH AWARENESS IN ABORIGINAL COMMUNITIES

Diabetes-related complications and cataracts continue to contribute significantly to blindness within Aboriginal communities.

OZ Minerals has partnered with Sight For All Foundation to promote eye health awareness within Aboriginal communities, including the common causes and corrective strategies for vision loss.

Diabetes is the fastest growing cause of visual loss within Aboriginal adults, with over a third of Aboriginal people with diabetes also suffering from diabetic eye disease. An animated video was sponsored by OZ Minerals to raise awareness among Aboriginal children of the potentially blinding complications of diabetic eye disease.

Cataracts are the leading cause of blindness among Aboriginal people, however less than one quarter of the patients requiring surgery present for their sight-restoring operations. OZ Minerals has sponsored a Sight For All cataract surgery awareness video for Aboriginal patients that need to come to Adelaide from remote communities for major surgery. This video is played to patients in health clinics to help alleviate fears about the journey, the surgery and its outcomes.

The videos can be viewed on the video gallery on the OZ Minerals website.



CASE STUDY > ASSISTING OUTBACK FAMILIES WITH YOUNG CHILDREN

Living in remote areas presents challenges for raising young children, such as providing opportunities for social interaction. As rural South Australia encompasses 650,000 square kilometres, many outback children are only able to spend time with playmates outside their family at larger community events.

OZ Minerals is partnering with the Remote and Isolated Children's Exercise, a community-led organisation providing support to families with young children in outback South Australia, including hosting social events that provide opportunities for children to make friends and learn how to play within groups.

Parents also benefit from the activities by creating relationships with other parents, acquiring ideas for activities when back at home and gaining confidence and skills in parenting.

We have a sponsorship of \$20,000 per year for three years, enabling RICE to confidently deliver programs that increase community connection. Our sponsorship has enabled RICE to almost double the amount of children's activity fun days they hold during the year.



CASE STUDY > ROYAL FLYING DOCTOR SERVICE

OZ Minerals has been a proud and 'major' partner of the Royal Flying Doctor Service since 2007 when the Prominent Hill mine was still in construction. The RFDS provides both emergency and essential primary health care to people working, living and travelling in rural and remote areas of Australia.

As part of our ongoing sponsorship, OZ Minerals has provided the RFDS with \$300,000 over three years. The RFDS uses funds to purchase new aircraft and medical equipment.

In 2013, the RFDS was named Australia's most reputable not-for-profit organisation for the third year running by the 2013 AMR Charity Reputation Index.

As a remote site, Prominent Hill and our surrounding communities rely on the services provided by the RFDS. The RFDS conducts over 200 landings, an average of four times a week, in the remote communities surrounding Prominent Hill.



CASE STUDY > SHARING THE MINING EXPERIENCE: UNIVERSITY STUDENTS

OZ Minerals is helping to introduce mining to a new generation of talent by hosting engineering and geology students from the University of Adelaide at the Prominent Hill mine. For many, this was their first time at a working mine site.

For three days, 120 students experienced first-hand what it is like to live and work on a remote mine site. Students toured the open pit mine and processing plant and participated in presentations on technical

mining aspects covering the main areas of exploration, mining and processing. A key aspect of the experience was for the ability for students to have access and learn from OZ Minerals' senior mining professionals.

Extending classroom learning thorough field visits enables students to understand how their theoretical studies fit with day to day operations and provides students with a greater appreciation for future career options.



CULTURAL HERITAGE AND TRADITIONAL RIGHTS

OZ Minerals adheres to all relevant Australian Acts and regulations regarding local communities, land and customary rights, including those of Aboriginal people. Native Title rights for the Antakirinja Aboriginal group were identified through the Native Title Agreement Act.

In 2013, OZ Minerals reached a Native Title Agreement with the Kokatha Uwankara Native Title Claimant Group.

Other pertinent legislation includes the Pastoral Land Act and the Mining Act. In 2013, there were no incidents or violations involving rights of Aboriginal people.

Any disturbances around culturally significant areas are reported internally and significant disturbances, such as unintended land clearances, are reported to the relevant authorities.

Our Prominent Hill mine site is located on the traditional lands of the Antakirinja Aboriginal community. An Antakirinja Matu-Yankuntjatjarra Aboriginal Corporation (AMYAC) ANZ Bank Trust fund has been developed to assist in the sustainable use of production payments. The trust includes an advisory council made up of representatives from the Antakirinja traditional owners.

We regularly meet with representatives of this group in relation to the OZ Minerals funded Antakirinja Scholarship Disbursement Fund. This fund is ongoing and is opened twice a year to students for funds to assist them with their studies. Typically, funds are used to purchase books, laptops, uniforms, fees and for other education expenses.

Production payments from Prominent Hill are paid into the fund and distributed into the community in areas such as education and cultural and community development.

On an annual basis, we currently disperse a scholarship payment of \$200,000 for a variety of educational expenses. This is administered by the scholarship sub-committee, on which OZ Minerals is represented. We have also contributed to an Accumulation Trust, of which an annual payment of \$100,000 is held in trust for ten years. The interest component may be accessed after that period for ongoing education expenses. This is designed so that OZ Minerals can continue to support future generations of the AMYAC Aboriginal community.

CASE STUDY > NATIVE TITLE AGREEMENT WITH THE KOKATHA UWANKARA CLAIMANT GROUP

A certificate signing ceremony was held between the Kokatha Uwankara Claimant Group and OZ Minerals to acknowledge our native title agreement with respect to OZ Minerals' retention lease activities at the Carrapateena project.

The Kokatha Uwankara people are the native title claimants of the land on which the Carrapateena advanced exploration project is situated.

As part of the agreement, OZ Minerals in consultation with the Kokatha Uwankara group will develop and implement an education and training program to enhance employment opportunities for the community.

A Liaison Committee, made up of members of the Kokatha Uwankara group and OZ Minerals representatives, has been established to enable ongoing consultation in regards to training and employment opportunities, and to develop and implement guidelines for the management of culturally sensitive areas.

OZ Minerals also appointed an Aboriginal Liaison Officer from the Kokatha Uwankara group to act as an on-site facilitator and mentor to Aboriginal employees.

The Kokatha Uwankara will work with OZ Minerals to develop a Cultural Respect program so that people working at the site understand issues of cultural significance to the Kokatha Uwankara people.



ENVIRONMENTAL PERFORMANCE

We are committed to responsible stewardship of natural resources to minimise our impact on the environment.

ENVIRONMENTAL PERFORMANCE

As a mining company, our activities require energy and water to extract, move and process ore into saleable concentrate. As part of our business improvement processes, we identify initiatives and process improvements so that we can maximise the efficiency of our natural resource use. Our energy and water efficiency initiatives are detailed in the case studies below.

Prominent Hill and Carrapateena are located in remote arid desert regions that have low annual rainfall and typical arid ecosystem vegetation. We aim to avoid land disturbance during our activities, and minimise our impacts where this is not possible through progressive rehabilitation of the land.

As part of our environmental management, our activities are governed by conditions detailed in our mining approvals, lease conditions and environmental licences set out by environmental regulatory authorities.

OZ Minerals discloses its environmental performance through a number of reporting initiatives, including the Australian Government's National Greenhouse and Energy Reporting Scheme (NGERS), the Energy Efficiency Opportunities (EEO) Program, the National Pollutant Index and the Carbon Disclosure Project (CDP).

All environmental incidents and near misses are reported through our incident reporting system. Investigations are undertaken to determine the underlying cause in order to eliminate the potential for future failures and to apply effective controls company-wide. Significant environmental incidents are defined as any occurrence within OZ Minerals' operational control that has resulted in, or had the potential to cause, at least moderate environmental impact. This year, there were no significant incidents.

There were no significant spills or discharges. In 2013, OZ Minerals had no fines or prosecutions relating to environmental performance.

ENVIRONMENTAL PERFORMANCE SUMMARY

Indicator	Performance ¹
Significant (Level 3 or 4) reportable environmental incidents ²	0
Spills or discharges ³	0
Regulatory environmental non-compliances ⁴	1 ⁵
Fines and prosecutions relating to environmental performance	\$0
Energy use in gigajoules ⁶	4,063,853
Total greenhouse gas emissions (CO ₂ equivalent emissions) ⁶	400,175
Water input (megalitres)	6,227
Water reclaimed and reused (megalitres) ⁷	1,300
Water discharged off site (megalitres)	3.7 ⁸
Waste rock mined (tonnes)	74.2 million
Tailings produced (tonnes)	9.4 million
Potentially acid forming waste rock (tonnes)	4.4 million
Total land holding (square kilometres)	Tenements of approximately 8,000
Footprint (square kilometres)	78
Land disturbance (hectares)	123
Land rehabilitated (hectares)	53

¹ Covers the reporting period of 1 January to 31 December 2013 for Prominent Hill and Carrapateena (see footnote 6 for exclusions).

² Level 3 and 4 significant incidents are internally classified as those that cause or have the potential to cause moderate to major environmental impact within OZ Minerals' operational control.

³ Incidents that typically involve the loss from containment of poor quality mine water or a hazardous chemical or fuel, internally classified as a level 3 or 4 significant incident.

⁴ Incidents that, among other consequences, also result in a legal requirement to report to a regulatory authority.

⁵ As detailed in our annual compliance report for Prominent Hill, four pastoral wells have declined below agreed limits. Discussions with the affected pastoral leaseholder are continuing to agree upon a long-term water management strategy.

⁶ OZ Minerals' energy use and greenhouse gas emissions are reported for the financial period of 1 July 2012 to 31 June 2013 in line with Australian government's National Greenhouse and Energy Reporting scheme. Greenhouse gas emissions relate to scope 1 and scope 2 emissions only.

⁷ See the case study on increasing water efficiency at the Prominent Hill processing plant.

⁸ Water discharged is from the Carrapateena waste water treatment plant, which is discharged into an irrigation field.

ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSIONS

We actively monitor and analyse our energy consumption and greenhouse gas emissions.

The majority of OZ Minerals' energy use occurs at the Prominent Hill operation. Our two main areas of energy consumption are at our plant, which utilises electricity from the main grid, and the diesel that we use to operate mining vehicles.

In line with our mine plan for Prominent Hill, our activities increased over the reporting period which lead to a corresponding increase in energy use and greenhouse gas emissions.

To improve consistency between different reporting frameworks, we are reporting our energy use and greenhouse gas emissions based on the financial year calendar in line with methodology under the National Greenhouse and Energy Reporting Scheme. To enable comparison with previous period, we have restated our performance for the 2011–12 financial year.

In the 2012–13 financial period, OZ Minerals' total energy consumption was 4.06 petajoules. Diesel and purchased electricity are the dominant energy sources from Prominent Hill, contributing 73 and 27 percent, respectively.

Over the 2012–13 reporting period, we generated approximately 400,175 tonnes of carbon dioxide equivalent emissions. While the majority of our energy is sourced from diesel, approximately half of our greenhouse gas emissions are derived from electricity use. This is due to the higher emissions intensity of electricity compared with diesel.

Over the 2012–13 period, our on-site consumption of fuels increased relative to the previous reporting period. This is due to increased activity of mining equipment within the Prominent Hill open pit, of which diesel is the primary energy source.

Total energy consumption July 2012 – June 2013 (GJ)

Energy (GJ)	Prominent Hill	Carrapateena	Group Office	Total
On-site combustion of fuels	2,934,006	48,734	0	2,982,740
Purchased electricity	1,080,298	0	815	1,081,113
Total	4,014,304	48,734	815	4,063,853

Total direct and indirect greenhouse gas emissions July 2012 – June 2013 (CO₂)

Greenhouse gas emissions (CO ₂ -e t)	Prominent Hill	Carrapateena	Group Office	Total
Scope 1 ¹	201,566	3,393	0	204,959
Scope 2 ²	194,947	0	269	195,216
Total	396,513	3,393	269	400,175

¹ Scope 1 refers to direct emissions resulting from the on-site combustion of fuels and explosives.

² Scope 2 refers to indirect emissions resulting from the import of electricity from external parties; commonly the electricity grid.

Total energy consumption July 2011 – June 2012 (GJ)

Energy (GJ)	Prominent Hill	Carrapateena	Exploration	Group Office	Total
On-site combustion of fuels	2,242,512	15,283	1,296	0	2,259,091
Purchased electricity	995,609	0	0	851	996,460
Total	3,238,121	15,283	1,296	851	3,255,551

Total direct and indirect greenhouse gas emissions July 2011 – June 2012 (CO₂)

Greenhouse gas emissions (CO ₂ -e t)	Prominent Hill	Carrapateena	Exploration ¹	Group Office	Total
Scope 1 ²	155,837	1,065	84	0	156,986
Scope 2 ³	187,628	0	14	286	187,928
Total	343,465	1,065	98	286	344,914

¹ Note exploration activities in the 2011–12 period refer to the Cobar exploration project, which ceased prior to the 2012–13 reporting period.

² Scope 1 refers to direct emissions resulting from the on-site combustion of fuels and explosives.

³ Scope 2 refers to indirect emissions resulting from the import of electricity from external parties; commonly the electricity grid.

CASE STUDY > ENERGY EFFICIENCIES OPPORTUNITIES

Energy Efficiency Opportunities (EEO) is an Australian government initiative requiring businesses using more than 0.5 petajoules of energy each year to assess opportunities to improve the efficiency of their energy use.

Under the EEO program, businesses are required to identify, evaluate and report publicly on cost effective opportunities to save energy, occurring within a five year cycle.

OZ Minerals identified five energy efficiency initiatives in line with EEO, of which three have been implemented and two are expected to be implemented.

**Mill Optimisation**

In 2010, a Grinding Expert System was installed at the Prominent Hill mills as part of the processing plant. The SAG (semi-autogenous grinding) and ball mills are used to grind ore into smaller pieces.

The grinding expert system provides greater control and improved grinding performance. This system enables us to improve mill speed management, improving the efficiency of energy use during the grinding process.

Energy saved: 42,358 GJ
Greenhouse gas abated (CO₂-e): 7,652 tonnes
Financial savings: \$1,430,237
Equipment type: Mining equipment
Business response: Implemented
Payback period: Three months

In-Basement Excavator Maintenance

In 2011, Prominent Hill implemented a process change to undertake maintenance of excavators within the open pit.

The previous method involved undertaking maintenance within the workshops and required the excavators to be driven out of the pit, a process taking several hours.

The cumulative travel time amounts to 264 hours per year.

In-basement maintenance has direct benefits through a reduction in fuel consumption associated with travel to the maintenance facility. It also increases the productivity of the excavators through reducing down time.

Energy saved: 11,744 GJ
Greenhouse gas abated (CO₂-e): 816 tonnes
Financial savings: \$403,808
Equipment type: Mining equipment
Business response: Implemented
Payback period: Less than three months

Low Emission Diesel Fuel Alternative

In 2012, preliminary discussions and workshops were held with our diesel supplier to procure a diesel product that can deliver savings of up to three percent.

As diesel forms one of our largest energy sources, this poses a significant opportunity for energy efficiency, a reduction in carbon dioxide emissions and associated cost savings.

The fuel type has a unique combination of additives that maintains engine performance and protects engines against corrosion. A comprehensive baseline assessment of our fuel consumption was undertaken at the Prominent Hill operation in 2013.

Energy saved: 60,157 GJ
Greenhouse gas abated (CO₂-e): 4,181 tonnes
Financial savings: \$1,690,490
Equipment type: Mining equipment
Business response: Evaluating initiative for implementation
Payback period: Three months

Automatic control of secondary fans for the Ankata underground mine

A system of primary and secondary fans are used within the Ankata underground mine to provide air circulation and ventilation. The secondary fan system is comprised of fans and ducts within the mine.

The use of secondary fans is directly linked with the location of activity within the mine. Manual operation of the secondary fans can

mean that fans will be left on unnecessarily in areas where mining activities are not currently occurring.

Automatic control of secondary fans enables the activation of the fans to be directly linked to mining operations, reducing unnecessary energy use without compromising the safety of the workforce.

Energy saved: 4,730 GJ
Greenhouse gas abated (CO₂-e): 855 tonnes
Financial savings: \$159,726
Equipment type: Electric motors
Business response: To be implemented
Payback period: To be determined

Integrated management and optimisation of the primary fans for the Ankata underground mine

A system of primary and secondary fans are used within the Ankata underground mine to provide air circulation and ventilation. The primary air supply is supplied to the underground mine through large fans located at the surface.

In the Ankata underground mine, two manually operated variable pitch fans are used to provide primary ventilation.

These fans can be adjusted to alter the flow direction of the air however this process is complex and requires the involvement of the fan manufacturer.

In light of this, the initial mine plan involved only two adjustments to the fan over the life of mine. It was identified that optimising the pitch of the fans at regular intervals will significantly improve fan performance and result in substantial savings.

Energy saved: 5,203 GJ
Greenhouse gas abated (CO₂-e): 940 tonnes
Financial savings: \$175,698
Equipment type: Electric motors
Business response: To be implemented
Payback period: To be determined

AIR QUALITY MANAGEMENT

Outside of greenhouse gas emissions, the main emission relevant to our operations is dust, generated by stockpiling, moving materials and from vehicles driving on unsealed surfaces. We use a range of control measures to reduce the amount of dust generated through our activities, including undertaking regular road maintenance and implementing speed restrictions. Recycled water is applied on frequently used roads to reduce dust creation.

We undertake systematic sampling of air quality in and around the Prominent Hill operation to understand our impacts on the environment. We measure the quantity of total suspended particulates and particles less than 10 parts per million, which is used as a leading indicator measure for occupational hygiene monitoring and control. From our comprehensive sampling undertaken since the commencement of operations at Prominent Hill, we are able to verify that our air quality management is effective in preventing impact from the operation. For information on occupational hygiene monitoring

at Prominent Hill, see the Health performance and management section of this report.

Air quality is affected by the generation of sulphur and nitrogen oxides through the burning of fuels. Data for key air emissions from stationary and mobile sources are reported annually to the Australian Government's National Pollutant Inventory (NPI) and are available for public viewing at www.npi.gov.au.

There are no ozone-depleting substances, persistent organic pollutants (POPs), stack emissions or hazardous air pollutants (HAPs) produced at Prominent Hill. Air emissions by type and weight for Prominent Hill are provided below.

Quantity ¹	NOx ²	SOx	Volatile organic compounds (VOC)	Particulate matter	Fugitive emissions
Tonnes	1,464	1.2	103.4	7,910.7	10,464

¹ Data sourced from the 2012–13 NPI report.

² Calculation based on default data.

WATER MANAGEMENT

The efficiency of water extraction and the containment of waste water are key aspects of operational performance. Water is used in most aspects of operations, including exploration, mining and processing.

Situated in a location with a relatively low average annual rainfall of less than 200 millimetres per year, the Prominent Hill site is dependent on the supply of groundwater to sustain its operation. Prominent Hill draws its water from the Boorthanna Formation geological unit of the Arkaringa Basin. This groundwater system is discrete from the Great Artesian Basin aquifer system that feeds the Great Artesian Basin springs, and no influence on these springs has been detected. The operation's well field is located approximately 30 to 40 kilometres south-east of the mine and is operated under a miscellaneous purpose licence.

Approximately 80 percent of water at Prominent Hill is used within the processing plant. Water is also used for drinking water and village amenities, after purification through a reverse osmosis plant, and is used for operational purposes within the open pit and underground mining areas.

To maximise our water efficiency, water is reclaimed and reused wherever possible. Approximately 1,300ML/year is recycled.

Within the processing plant, water is used to process the ore and separate the copper minerals and gold from waste products. An initiative undertaken to increase water efficiency during this process is detailed in the Increasing Water Efficiency case study.

The waste products from the processing plant, in the form of a slurry, is eventually discharged to the tailings storage facility. In 2013, we have been able to improve the recovery of water from the tailings storage facility. Approximately 373 megalitres of water within the slurry was collected from the tailings storage facility and returned to the processing plant for reuse during 2013.

In 2013, a series of upstream drains and pumps were installed to improve the stability of the southern open pit wall. Water collected from the pumpfield has been diverted for use within the processing plant, equating to a water saving of approximately 370 megalitres per year through this process.

Approximately 90 percent of water from our waste water treatment plant is reclaimed for use as dust suppression on unsealed roads across the operation.

Our water efficiency initiatives have enabled us to reduce our water intake and use of our operational wellfield.

OZ Minerals' water management plan incorporates standard groundwater monitoring as well as opportunistic sampling.

A key focus for OZ Minerals is our relationships with pastoralists, with respect to water use. Our operational well fields are located on nearby pastoral stations.

In the majority of cases, the pastoralists draw water from a different, shallower aquifer than that used by the mine well field. We have a water sampling program to monitor water levels and quality in previously agreed pastoral bores on neighbouring stations. We continue to closely monitor the surrounding groundwater sources and report on our results to relevant stakeholders.

We have had ongoing concerns that one area of our well fields, also utilised by neighbouring pastoralists, is experiencing a reduction in water depth below specified limits. We are maintaining ongoing discussions with the pastoralist to determine a long-term water management strategy and undertaking investigations to better understand the hydrogeology of the area.

OZ Minerals' total water use during 2013 was 6,222 megalitres. The majority of water was used at Prominent Hill and sourced from groundwater bores.

Parameter (ML)	Prominent Hill ¹	Carrapateena ²	Total
Water input	6,150	72	6,222
Water discharge off site ³	0	3.7	3.7
Water reused	1,300	0	1,300

¹ All water used at Prominent Hill is sourced from groundwater.

² Water at Carrapateena is sourced from dams, groundwater and water cartage.

³ Water discharged off site refers to water from the waste water treatment plant and is discharged to an irrigation field.

CASE STUDY > INCREASING WATER EFFICIENCY AT THE PROMINENT HILL PROCESSING PLANT

An opportunity was identified to further increase water efficiency through water recycling at the Prominent Hill process plant. The process plant is the most energy and water-intensive aspect of the operation.

Within the process plant, the mined ore goes through a sequence of stages to produce a copper concentrate. Water is used to process the ore and separate the copper minerals and gold from waste products.

In 2010, an improvement was made to the final stage in the processing plant to allow water to be reclaimed before the end waste product, known as tailings, is sent to the tailings storage facility. Over the last few years, an increased proportion of water has been reclaimed at this stage.

A series of studies were undertaken in late 2012 to determine if excess reclaimed water is suitable for use within the flotation circuit, which occurs at an earlier stage of the process plant. The flotation circuit uses a mix of air bubbles, reagents and water to separate copper from waste products.

The positive results indicated that raw water (sourced directly from groundwater) could be substituted with the excess reclaimed water within the circuit. In early 2013, the process was implemented, resulting in a reduction of raw water use by 75kL/hour. Over the first full year of implementation in 2013, we have been able to reduce our groundwater intake by approximately 600ML, equating to an approximate 10 percent reduction in raw water use.



WASTE MANAGEMENT

Mining and ore processing waste

The largest forms of waste in mining operations are waste rock and tailings. At the Prominent Hill operation, waste is managed onsite in disposal facilities in accordance with our standards related to waste rock and tailings management. These standards define the requirements for the management of waste rock to prevent environmental impacts, promote beneficial post-mining land uses and reduce post-mining rehabilitation and closure liability.

To prevent or minimise the potential environmental impacts associated with waste rock and tailings disposal, a range of strategies are implemented during operations. These include:

- Geochemical characterisation of acid-generating materials.
- Resource modelling.
- Selective handling and encapsulation of waste rock.
- Disposal of tailings into specially designed and engineered facilities.

- Linking operational planning to long-term closure management.
- The containment and treatment of mine waters to meet regulatory discharge criteria.

Over the reporting period, Prominent Hill produced 74.2 million tonnes of waste rock, with approximately 4.4 million tonnes considered to be potentially acid forming.

Most of the waste rock generated is placed in rock dumps within the mining areas with a proportion of non-acid forming rock used for the construction of mine infrastructure, such as the tailings storage facility and roads.

We encapsulate potentially acid forming rock within the integrated waste landform stockpiles and prevent surface water runoff using physical control measures to prevent impact to the environment. To ensure our control measures are effective, we conduct ongoing monitoring of surface water to detect any potential changes in downstream surface water quality from baseline values, including metal concentrations and acidity.

In 2013, approximately 9.4 million tonnes of tailings were produced. All tailings are contained within the tailings storage facility.

Water sampling is conducted after heavy rainfall events at sites around the tailings storage facility and surrounding waste rock to ensure there is proper containment of heavy metals and acid-generating rock material.

Non-mineral waste

Prominent Hill has an on-site waste recycling station, which enables us to significantly reduce the amount of waste sent to landfill and recycle stockpiled steel, cans, bottles and other materials on site. Recycling is undertaken at Carrapateena and all non-mineral waste generated at Carrapateena is transported off site.

LAND MANAGEMENT AND BIODIVERSITY

At the end of 2013, OZ Minerals held mining leases and exploration tenements of approximately 4,000 square kilometres at Prominent Hill. During the year, OZ Minerals relinquished approximately 3,500 square kilometres of tenements relating to the IMX joint venture around Prominent Hill. The total footprint of the mine at Prominent Hill is approximately 78 square kilometres, as detailed in our mining lease agreement.

In 2013, OZ Minerals increased its tenement ownership surrounding Carrapateena to approximately 4,000 square kilometres. This includes the Stuart Shelf tenements of approximately 2,500 square kilometres.

During the year, 25 hectares was disturbed and 41 hectares and rehabilitated at Prominent Hill, while 98 hectares was disturbed and 13 hectares was rehabilitated at Carrapateena.

The area surrounding Prominent Hill is comprised of an arid lands ecosystem, primarily consisting of low lying saltbush vegetation. Prominent Hill experiences extreme temperatures and periodic rainfall. Common wildlife seen in the region around the mine including kangaroos, snakes, lizards, birds of prey as well as small mammal and bird species. The mining lease area, outside of the mine footprint, is used by pastoralists for stock grazing.

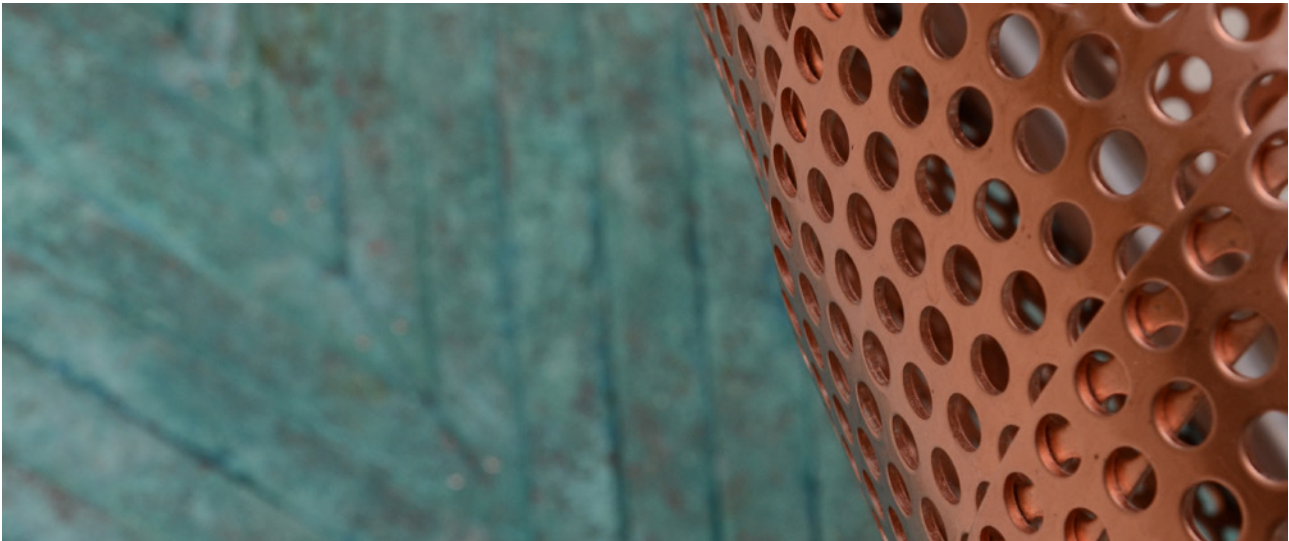
Flora and fauna monitoring is undertaken twice a year by external specialists to examine potential changes to the environment as a result of mining operations. The monitoring results continue to indicate mining activities have a minimal effect on the surrounding natural environment.

The Significant Environmental Benefit (SEB) offset area involves the ongoing protection of land within the Mount Eba Pastoral Lease. Through management of the SEB offset area, OZ Minerals aims to protect and enhance habitat for two bird species, the chestnut-breasted whiteface and the thick-billed grasswren (eastern subspecies). Both of these species are listed on the International Union for Conservation of Nature's (IUCN) Red List of Threatened Species.

OZ Minerals uses a Biodiversity Management Plan (BMP) to effectively manage biodiversity and minimise adverse effects on flora and fauna throughout the mine life cycle. Our BMP details our strategy for effectively managing the local environment, including our commitments to improving local biodiversity through fox baiting and cat trapping, and ensuring any land clearance is effectively rehabilitated.

An annual flora and fauna monitoring survey was conducted at Carrapateena during the year to develop an understanding of the existing biodiversity.

APPENDICES



GLOBAL REPORTING INITIATIVE

Data collection

The boundaries of all material aspects disclosed in this report relate to OZ Minerals' Prominent Hill operation and Carrapateena exploration project, unless otherwise specified. Our offices are included in relation to energy use, greenhouse gas emissions and employee data only.

OZ Minerals conducted small scale exploration in Chile, Jamaica and Canada during the reporting period, however due to the size of these activities, performance is not included in this report.

OZ Minerals' Sustainability Report has been prepared in accordance with Global Reporting Initiative (GRI) G4 'Core' Reporting Guidelines. We believe the 'Core' reporting guidelines are fit for purpose for the size of our organisation.

In accordance with the guidelines, we have reported against 34 standard disclosures as well as topics (referred to by GRI as 'aspects') that are deemed material to our business. For more information on how we define materiality, see the Stakeholders and Materiality section of this report. Under G4 guidelines, aspects that are not reported or not material do not need to be disclosed within the GRI content index.

Our safety performance includes both OZ Minerals employees, contractors and visitors working at our sites.

In the 'Our People' section, data relates to permanent full-time and part-time OZ Minerals employees only and are calculated using the head count methodology, unless otherwise specified.

OZ Minerals measures greenhouse gas emissions using the Australian Government National Greenhouse and Energy Reporting (Measurement)

Amendment Determination 2008 as amended in 2011. Under this reporting framework, our energy and greenhouse gas emissions also relate to our offices in Adelaide and Melbourne. Further information on our greenhouse gas emissions can be found in our public submission to the Carbon Disclosure Project, available at www.cdproject.net.

All monetary amounts in this document are in Australian dollars unless otherwise stated.

Information contained in the Performance Summary 2013 table and the greenhouse gas and energy section of this report have been assured by Net Balance Management Group (Net Balance), through an assurance undertaken for this report and as part of the Australian Government's NGER scheme. An independent third party check has been conducted on the GRI indicator table and the preparation of the report in accordance with the Global Reporting Initiative's G4 guidelines.

● Fully reported ● Partially reported ✓ Independently Assured

STANDARD DISCLOSURES		Location in Document	Level of reporting
Strategy and Analysis			
G4-1	Provide a statement from the most senior decision maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability.	CEO Letter	●
Organisational profile			
G4-3	Report the name of the operation.	About this report	●
G4-4	Report the primary brands, products and services.	Company overview	●
G4-5	Report the location of the organisation's headquarters.	Our people	●
G4-6	Report the number of countries where the organisation operates.	Company overview. OZ Minerals is conducting small scale exploration in Chile, Jamaica and Canada, however due to the size of these activities, performance is not included in this report.	●
G4-7	Report the nature of ownership and legal form.	www.ozminerals.com/Investor-Information/Company-Summary.html	●
G4-8	Report the markets served (including geographic breakdown, sectors served and types of customers and beneficiaries).	Company overview	●
G4-9	Report the scale of the organisation, including total number of employees and operations, net revenues, quantity of products or services provided.	Company overview; Operating and financial performance; Our People; Annual Report	●
G4-10	Report the total number of employees by: employment contract and gender; permanent employees by employment type and gender; total workforce by employees and supervised workers and gender; workforce by region and gender; self-employed; any significant variations in employment numbers due to season, etc.	Our people	●
G4-11	Report the percentage of total employees covered by collective bargaining agreements.	Our people. 49% of our employees are covered by a collective bargaining agreement.	●
G4-12	Describe the organisation's supply chain.	Procurement	●
G4-13	Report any significant changes during the reporting period on the organisation's size, structure, ownership or its supply chain.	CEO Message, Our people	●
G4-14	Report whether and how the precautionary principle is addressed by the organisation.	The precautionary principle is applied to the management of greenhouse gas emissions.	●
G4-15	List externally developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribes or endorses.	Sustainability management – participation in sustainability reporting initiatives.	●
G4-16	List memberships of associations.	Company overview	●
Identified material aspects and boundaries			
G4-17	List all entities included in the organisation's consolidated financial statements.	Annual report	●
G4-18	Explain the process for defining the report content and the Aspect Boundaries; Explain how the organisation has implemented the Reporting Principles for Defining Report Content.	Stakeholders and materiality	●
G4-19	List all the material Aspects identified in the process for defining report content.	Materiality	●
G4-20	For each material Aspect, report the Aspect Boundary within the organisation.	Data collection	●
G4-21	For each material Aspect, report the Aspect Boundary outside the organisation.	Data collection	●
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for restatement.	Energy and Greenhouse Gas Emissions; energy use and greenhouse gas emissions have been restated in line with reporting requirements under the National Greenhouse and Energy Reporting Scheme.	●

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STANDARD DISCLOSURES CONTINUED		Location in Document	Level of reporting
Identified material aspects and boundaries continued			
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	No significant changes have occurred since the previous reporting period of calendar year 2012.	●
G4-24	Provide a list of stakeholder groups engaged by the organisation.	Stakeholder engagement summary	●
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	Stakeholder engagement summary	●
G4-26	Report the organisation's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically for the report preparation process.	Stakeholder engagement and materiality	●
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns.	Stakeholder engagement and materiality	●
G4-28	Reporting period.	About this report	●
G4-29	Date of most recent previous report.	About this report	●
G4-30	Reporting cycle.	About this report	●
G4-31	Contact person.	Feedback	●
G4-32	Report the 'in accordance' option the organisation has chosen and report the GRI content index for the chosen option (core or comprehensive).	About this report	●
G4-33	Report the organisation's policy and current practice with regard to seeking external assurance for the report.	About this report	●
G4-34	Report the governance structure of the organisation, including committees of the highest governance body.	Corporate governance	●
G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	Corporate governance	●
G4-36	Report whether the organisation has appointed an executive-level position or positions with responsibility for economic, environmental and social topics.	Corporate governance	●
G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environment and social topics.	Corporate governance; Stakeholder engagement	●
G4-38	Report the composition of the highest governance body and its committees.	Corporate governance	●
G4-39	Report whether the Chair of the highest governing body is also an executive officer.	Annual report	●
G4-40	Report the nomination and selection processes for the highest governing body and its committees.	Annual report	●
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders.	Annual report	●
G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organisation's purpose, value or mission statements.	Annual report	●
G4-45	Report the highest governance body's role in the identification and management of economic, environmental, and social impacts, risks and opportunities.	Sustainability management	●
G4-46	Report the highest governance body's role in reviewing the effectiveness of the organisation's risk management processes for economic, environmental and social topics.	Sustainability management	●
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social topics.	Corporate governance	●
G4-48	Report the highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material Aspects are covered.	Corporate governance	●
G4-49	Report the process for communicating critical concerns to the highest governance body.	Corporate governance	●

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STANDARD DISCLOSURES CONTINUED		Location in Document	Level of reporting
Identified material aspects and boundaries continued			
G4-56	Describe the organisation's values, principles, standards and norms or behaviour such as codes of conduct and codes of ethics.	Corporate governance	●
G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity, such as helplines or advice lines.	Values and ethics	●
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behaviour.	Values and ethics	●
Economic			
Aspect – Economic Performance			
G4-EC1	Report the direct economic value generated and distributed.	Economic performance; Contributions to local economies	●
G4-EC4	Financial assistance received from the government.	Economic performance; Contributions to local economies	●
Aspect – indirect economic impacts			
G4-EC7	Development and impact of infrastructure investments and services supported.	Community engagement	●
Aspect – Procurement practices			
G4-EC9	Proportion of spending on local suppliers at significant locations of operation.	Contributions to local economies	●
Environmental			
Aspect – Materials			
G4-EN1	Materials used by weight or volume.	Waste management	●
Aspect – Energy			
G4-EN3	Energy consumption within the organisation.	Energy consumption and greenhouse gas emissions	●
G4-EN6	Reduction of energy consumption.	Case study – Energy Efficiencies Opportunities	● ✓
Aspect – Water			
G4-EN8	Total water withdrawal by source.	Water management	●
G4-EN9	Water sources significantly affected by withdrawal of water.	Water management	●
G4-EN10	Percentage and total volume of water recycled and reused.	Case study – Increasing water efficiency	●
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Land management and biodiversity	●
G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Land management and biodiversity	●
G4-EN15	Direct greenhouse gas emissions (scope 1).	Energy consumption and greenhouse gas emissions	●
G4-EN16	Energy indirect greenhouse gas (scope 2).	Energy consumption and greenhouse gas emissions	●
G4-EN20	Emissions of ozone-depleting substances.	Air quality management	●
G4-EN21	NO _x , SO _x , and other significant air emissions.	Air quality management	●
G4-EN22	Total water discharge by quality and destination.	Water management	●
G4-EN23	Total weight of waste by type and disposal method.	Water management	●
G4-EN24	Total number and volume of significant spills.	Environmental performance	●
Aspect – compliance			
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Sustainability management	●

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STANDARD DISCLOSURES CONTINUED		Location in Document	Level of reporting
Environmental continued			
Aspect – Transport			
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organisations, and transporting members of the workforce.	Transport of Prominent Hill concentrates	●
Aspect – Supplier Environmental Assessment			
G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	Procurement	●
Aspect – Environmental Grievance Mechanisms			
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.	Environmental performance	● ✓
Social			
Labour Practices and Decent Work			
Aspect – Labour/Management Relations			
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Safety and health	●
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, absenteeism and total number of work-related fatalities, by region and by gender.	Safety and health	●
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.	Safety and health	● ✓
Aspect – Training and Education			
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Workforce profile and diversity; Case study – Learning and development; Case study – Leading My Career	●
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	All of our employees receive biannual performance and career development reviews	●
Aspect – Diversity and Equal Opportunity			
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity.	Workforce profile and diversity	● ✓
Human Rights			
Aspect – Investment			
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	Procurement. Our major contractors have requirements in their contracts consistent with the OZ Minerals Community Standards, which includes a standard on Human Rights.	●
Aspect – Child Labour			
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.	OZ Minerals does not employ forced, bonded or child labour, and supports the elimination of child, forced and compulsory labour.	●

● Fully reported ● Partially reported ✓ Independently Assured

STANDARD DISCLOSURES CONTINUED		Location in Document	Level of reporting
Society			
Aspect – Local Communities			
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments and development programs.	Community engagement. OZ Minerals sole operation has an implemented community engagement program.	●
G4-SO4	Communication and training on anti-corruption policies and procedures.	Values and ethics	●
G4-SO5	Confirmed incidents of corruption and actions taken.	There have been no confirmed incidents of corruption.	●
Aspect – Compliance			
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Sustainability management	●
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society.	Sustainability management	●
Aspect – Grievance Mechanisms for Impacts on Society			
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms.	There were no community incidents in 2013.	●
Aspect – Customer health and safety			
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	Sustainability management	●
Aspect – Product and Service Labelling			
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements.	Transport of Prominent Hill concentrates.	●
MM1	Amount of land disturbed or rehabilitated.	Land management and biodiversity.	●
MM2	The number and percentage of total sites identified as requiring biodiversity, management plans according to stated criteria, and the number (percentage) of those, sites with plans in place.	Land management and biodiversity.	●
MM3	Total amounts of overburden, rock, tailings, and sludges and their associated risks.	Waste management	●
MM5	Total number of operations taking place in or adjacent to Indigenous Peoples' territories, sites where there are formal agreements with Indigenous Peoples' communities.	Cultural heritage and traditional rights.	●
MM6	Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples.	There were no significant disputes in 2013.	●
MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and the outcomes.	There were no significant disputes in 2013.	●
MM10	Number and percentage of operations with closure plans.	Closure planning	●

GLOSSARY

acid rock drainage (ARD)

When rock surfaces are exposed to air and rain, a reaction can occur with the elements in the rock which results in a change in the characteristics of the water that drains off. If the rock contains sulphides, oxidation processes can acidify the water. This process is known as acid rock drainage (ARD).

biodiversity

Biodiversity is the variety of plants, animals and micro-organisms, their genetic variation and the different ecosystems of which they inhabit.

carbon dioxide equivalent (CO₂-e)

Carbon dioxide equivalent is a standard measurement used to indicate the impact of various greenhouse gas emissions on global warming relative to the same amount of carbon dioxide (CO₂).

copper concentrate

The Prominent Hill operation produces copper concentrate. This is a fine grained material that contains a percentage of copper, gold and other minerals which has been concentrated to increase its copper content through the removal of waste materials. Copper concentrate is used by smelters to produce copper in its metal form.

cultural development initiatives

Initiatives implemented by OZ Minerals to improve site-wide culture, namely the Site Culture Development Strategy.

footprint

The area covered by OZ Minerals' operations and activities.

Global Reporting Initiative (GRI)

An international multi-stakeholder process aimed at producing and disseminating globally applicable sustainability reporting guidelines. These guidelines are for voluntary use by organisations for reporting on the economic, environmental and social dimensions of their activities, products and services. For more information, see www.globalreporting.org.

greenhouse gases (GHG)

Gases in the earth's atmosphere that absorb and re-emit infrared radiation, including carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydro fluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆).

human rights

Basic standards of treatment to which all people are entitled, regardless of nationality, gender, race, economic status or religion.

IUCN Red List

The International Union for Conservation of Nature's (IUCN) Red List provides information about the characteristics, conservation status and distribution of flora and fauna species facing the risk of global extinction.

KPI

Key Performance Indicator.

kilolitre (kL)

One kilolitre is equal to one thousand litres.

Leading My Career

A training and mentoring program for high-performing females, run collaboratively between OZ Minerals, Beach Energy and Thiess Mining (Prominent Hill).

Lost Time Injury Frequency Rate (LTIFR)

A Lost Time Injury (LTI) is a work-related injury or illness resulting in an absence from rostered work of at least one full day or shift any time after the day or shift on which the injury occurred. The LTIFR is the number of LTIs per million hours worked.

megalitre (ML)

One megalitre is equal to one million litres.

Peer Observation Program

A behavioural-based safety program that involves employees observing colleagues while they undertake job tasks to identify possible risks and hazards.

petajoule (PJ)

One petajoule is equal to 10¹⁵ joules.

significant community incidents

Level 3 and 4 significant incidents are internally classified as those that cause or have the potential to cause moderate to major community and/or external impact within OZ Minerals' operational control.

significant community issues

Key concerns raised by local community stakeholders that are a result of or strongly influenced by OZ Minerals' activities within operational control.

significant occupational exposures

Substances that potentially may present a significant health risk from exposure to OZ Minerals Prominent Hill employees and similar exposure groups.

Site Culture Development Strategy

A Prominent Hill initiative that enables employee and contractor management to define, assess and improve key areas to improve the overall safety culture.

stakeholders

Any person, group or interested party that may be impacted by OZ Minerals' operations, activities or performance.

tailings

Finely ground materials from which valuable minerals have been largely extracted.

tailings storage facility

Facility designed for the storage of tailings material produced during ore processing.

Total Recordable Injury Frequency Rate (TRIFR)

TRIFR is the total number of recordable injuries per million working hours. 'Recordable Injuries' include those that result in lost time, medical treatment and restricted work injuries. First aid injuries are not categorised as recordable injuries.

waste rock

Material such as soils, barren or uneconomic mineralised rock that surrounds a mineral orebody and must be removed in order to mine the ore.

FEEDBACK

OZ Minerals Limited

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Careers at OZ Minerals

www.ozminerals.com/careers

Annual General Meeting

2.00 pm (Melbourne time)
Tuesday, 27 May 2014
Melbourne Exhibition Centre Auditorium
Level 2, Clarendon Street
Southbank, Melbourne

Cover story

OZ MINERALS COPPER SCULPTURE 'DREAM VOYAGER' BY NICHOLAS UHLMANN

South Australian based sculptor Nicholas Uhlmann was the recipient of the 2013 OZ Minerals Copper Sculpture Award, and was awarded copper and funding to create his original sculpture. Dream Voyager is a stunning three metre high copper sculpture. The large sail-like sculpture is made of perforated copper wrapped around a stainless steel armature, anchored on a brilliantly blue patinated copper and corten steel base.

Dream Voyager was exhibited in the main terminal of the Adelaide Airport during the 2013 South Australian Living Arts Festival (SALA).

OZ Minerals has an ongoing partnership with SALA and has offered the Copper Sculpture Award since 2010.

The Copper Sculpture Award is similar to a commission. South Australian artists are given the opportunity to submit a proposal of their idea and apply for financial assistance for copper and production costs. Artists are then able to sell their works after the SALA Festival.

Previous winners include Chris Ormerod with 'This Vital Arc', Rachel and Mark Young with 'After the Rain', Victor Harbor High School with their copper school signage and print artist Mei Sheong Wong.

In 2013 'This Vital Arc,' a large lightning bolt structure created by Chris Ormerod, found a permanent home at OZ Minerals' Prominent Hill mine.



Copper sculpture photography:
Catherine Leo

