Prominent Hill Resource Statement: June 30th 2008

Summary

The Prominent Hill mineral resource has increased by 35% (0.65 Mt) to 2.5Mt contained copper and 100% (3.8Moz) to 7.4Moz contained gold due to the conversion of exploration results to mineral resources. Additions have come from the Western Au, Eastern, Western and Central-Lower Cu-Au Resource areas. The total Prominent Hill mineral resource has been estimated to be 174.2Mt of copper mineralisation grading 1.39% Cu, 0.56g/t Au and 3.4g/t Ag and 109.2Mt of gold dominant mineralisation grading 0.09% Cu, 1.21g/t Au and 1.0g/t Ag.

Total Resource

Product	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)
Cu Resource	174.2	1.39	0.56	3.4
Au Resource	109.2	0.09	1.21	1.0
Total	**283.4**	**0.89**	**0.81**	**2.48**

Cu Resource

Product	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)
Measured	44.2	1.71	0.54	4.0
Indicated	62.7	1.29	0.54	3.0
Inferred	67.2	1.29	0.61	3.5

Cu Resources reported above 0.5% Cu cut-off

Au Resource

Product	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)
Measured	0.4	0.38	0.92	2.3
Indicated	37.5	0.08	1.10	1.2
Inferred	71.2	0.09	1.28	0.8

Au Resources reported below 0.5% Cu and above 0.5 g/t Au cut-off

Setting

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

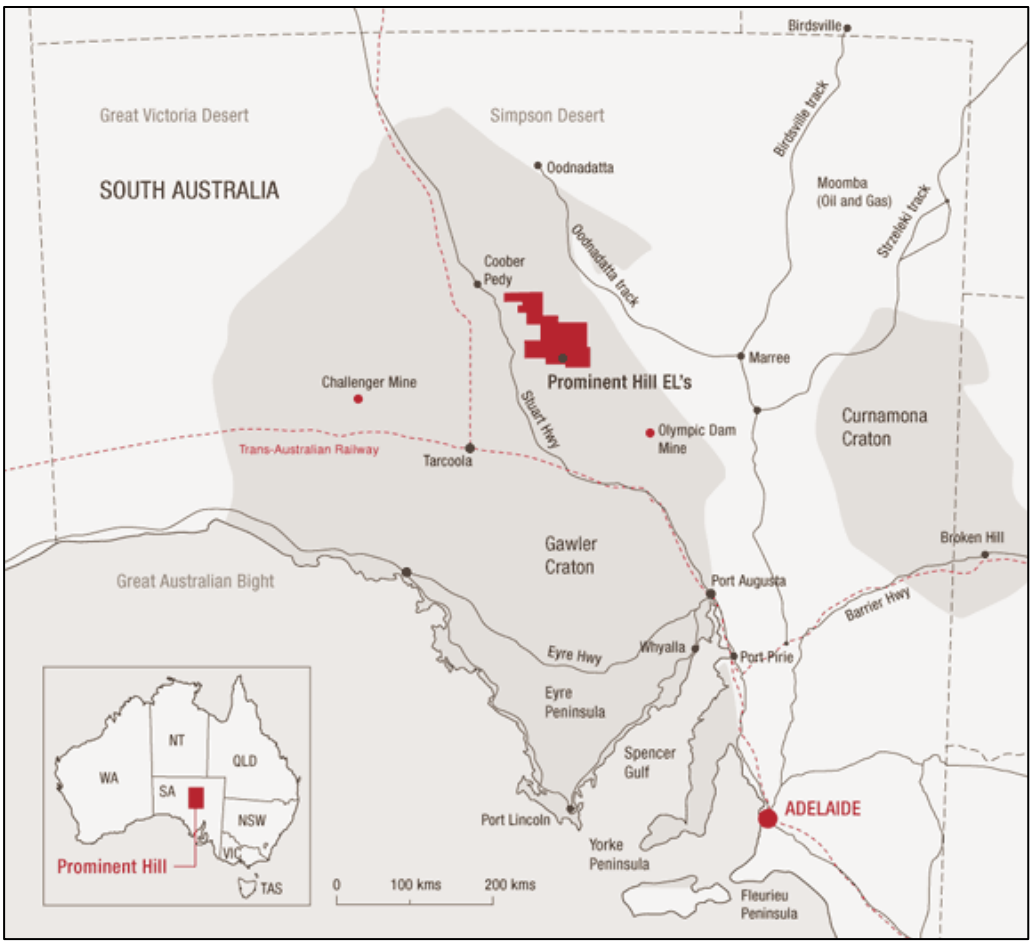

Figure 1 Prominent Hill Project Area, South Australia

Changes from the July 2007 Mineral Resource:
The total Cu mineral resource for Prominent Hill of 174.2Mt at 1.39% Cu and 0.56g/t Au above a 0.5% Cu cut-off represents a 21.4Mt (14%) increase in tonnes from the July 2007 estimate with increases of 31% in contained copper metal and 34% in contained gold ounces.

The total Au mineral resource for Prominent Hill of 109.2Mt at 1.2g/t Au above a 0.5g/t Au cut-off for blocks less than 0.5% Cu represents an increase of 71Mt (186%) from the July 2007 estimate with an increase of 212% of contained gold ounces.

The Open Pit Cu-Au Resource remains largely similar to the July 2007 mineral resource estimate with only minor changes due to triangulation and block model construction.

The total resource within the Central Mid Cu-Au area remained comparable to the July 2007 mineral resource. Definition drilling conducted since July 2007 has converted 8.6Mt of Cu resources and 12.3Mt of Au resources from Inferred to Indicated mineral resources.

The Central Lower Resource area has increased by 5.5Mt (Cu Resource) and 28.9Mt (Au Resource) compared with the July 2007 mineral resource estimate, which is a result of exploration drilling and geological interpretation. In addition, definition drilling has

upgraded 7.7Mt of Cu resources and 8.5Mt of Au resources from Inferred to Indicated mineral resources.

The Western and Eastern Cu-Au Resource areas represent newly added Inferred mineral resources as part of the June 2008 mineral resource estimate, which are the result of exploration drilling along strike of the Prominent Hill Open Pit resource. The Western Au Resource area located directly west of the Prominent Hill Open Pit also represents newly added Inferred mineral resources for June 2008. The Western Au Resource area is defined by pre-2008 exploration drilling that has recently been interpreted and estimated for consideration in underground mining scoping studies.

Indicated and Inferred categories for both the Cu and Au mineral resources increased significantly in tonnes and metal, which is largely due to exploration and definition drilling undertaken between July 2007 and June 2008. The Indicated resource tonnage increase is 16.3Mt (35.2%) for the Cu resource and 20.8Mt (123.5%) for the Au resource. The Inferred resource tonnage increase is 3.7Mt (5.8%) for the Cu resource and 49.8Mt (233%) for the Au resource.

The Measured category of the Cu and Au mineral resources tonnes and metal increased by small margins of 1.3Mt (Cu Resource) and 0.4Mt (Au Resource).

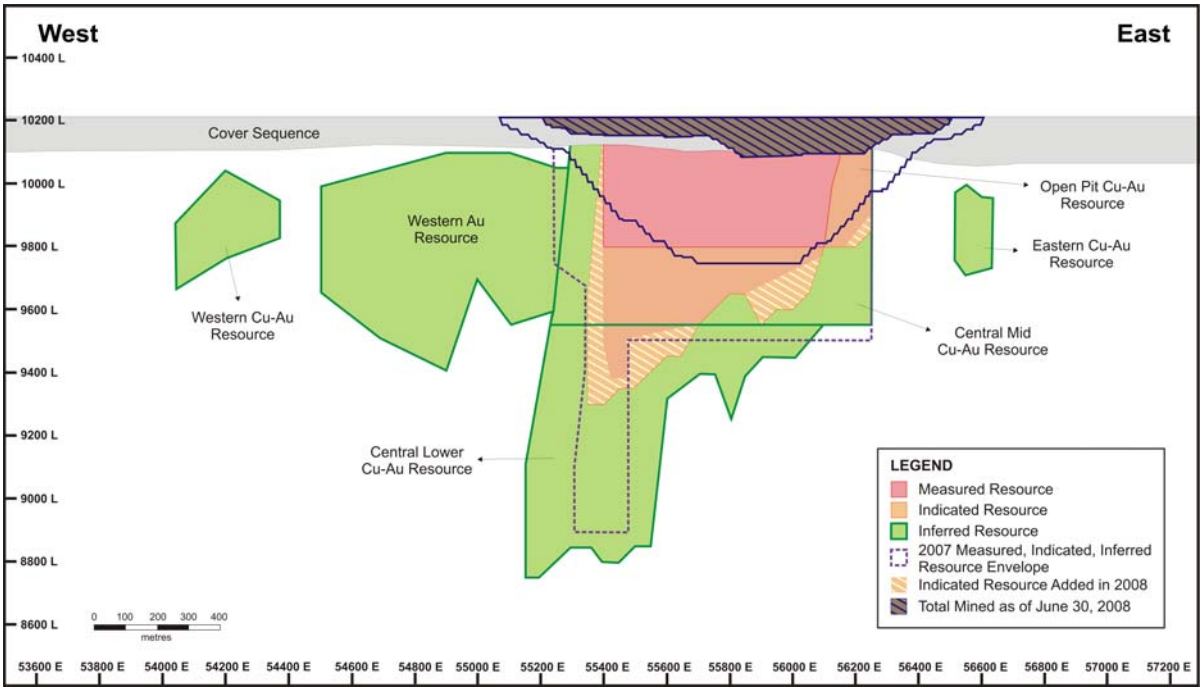

Figure 2 Long projection of Prominent Hill showing the outline of the 2007 and 2008 Mineral Resources.

Assessment and Reporting Criteria

The following table provides a summary of important criteria related to the assessment and reporting of the Prominent Hill Copper/Gold resource.

Criteria	Status
Sampling Techniques and Data	
Drilling techniques	• Diamond (NQ2) standard tube drilling and reverse circulation (RC) was used for geological interpretation.
Drill sample recovery	• Core recovery was good with 93% recovered.
Logging	• Core was logged into the OCRIS™ logging system. • Core was photographed prior to being logged by the geologist. • All core is stored at the Prominent Hill core shed.
Sub-sampling techniques and sample preparation	• Core is orientated along the bottom of hole and then half-core samples are taken using a diamond core saw. • Sample interval density was measured using "Archimedes Principle" • Samples were dried, crushed and pulverised to a nominal 90% passing -75 microns.
Quality of assay data and laboratory tests	• The 2004-08 Cu grades were determined by modified aqua-regia/perchloric acid digest ICPOES determination (AMDEL Adelaide ore-grade Cu method) • The 2004-08 Au grades were determined by 40g Fire Assay AAS (at AMDEL Adelaide). • For the pre 2004 data, the AMDEL ore-grade Cu method was adopted for assays greater than 1%Cu in the initial HF/mixed-acid digest ICPOES assay results. • Assay data quality was determined through submission of field and laboratory standards, blanks and repeats which were inserted at a nominal rate of 1 each per 25 drill samples.
Verification of sampling and assaying	• Umpire laboratory checks were completed during the Bankable Feasibilty Study (BFS) and no issues were identified that would prevent the unreserved classification of the Cu and Au mineral resources under the guidelines of the JORC Code (2004 Edition). • Three pairs of twinned holes were drilled at Prominent Hill and their results are detailed in the BFS.
Location of Data points	• All diamond drillholes were surveyed and recorded in the PH-MST GBIS™ database. • Most drill-hole collar coordinates were surveyed in MGA94_53 using differential GPS (DGPS), however holes drilled prior to 2006 were surveyed using tape and compass or GPS. 12 new drillholes were awaiting DGPS surveys at the time of modelling. These lay on the margins of the deposit and their proposed collars are only expected to change by +/- 1m once surveyed. • MGA coordinates were converted to local mine grid for mineral resource estimation. • All drill-holes have magnetic down-hole surveys taken at 30m

	intervals using either a single or multi-shot down-hole camera. An azimuth adjustment of +6.3° degrees was applied for the conversion to local mine grid for all magnetic surveys. • Some diamond holes were partially surveyed by Surtron or Northern Exploration Services using a North Seeking Gyro (NSG). • During the BFS, an assessment of 30 drill hole traces defined by both North Seeking Gyro and reliable multi-shot data (determined from the magnetic field intensity and declination data collected with each reading), showed separations of less than 10m at the end of hole locations. The NSG data also showed that, apart from the Cadna-owie sand unit in the cover sequence, holes are generally predictable in the degree and direction of deviation. • Obtaining complete survey data for partially gyro-surveyed holes, involved adjusting multi shot magnetic data and adding this onto the last down-hole gyro survey point.
Data spacing and distribution	• Drilling has been completed on nominal north-south 50m sections with 25m infill holes and sections located immediately below the unconformity and in the Eastern Gold dominant zone (also tested with an additional oblique drilling grid). • Within the upper copper-gold mineralisation, holes are drilled approximately 50m apart on section; the eastern gold dominant mineralisation has been drilled at approximately 25m horizontal separation on section. • Within the deeper copper-gold and Western Gold mineralisation, holes are drilled approx. 100-200m apart on section. • The majority of upper holes are angled at approximately 60 degrees to the south, whilst deeper holes are angled at approximately 60 degrees to the north. • There are 7 vertical holes and 29 holes drilled oblique to the drill sections • Drilling is predominantly concentrated between 54000E and 56700E and between 10210RL and 8700RL
Orientation of data in relation to geological structure	• The majority of drilling has been completed on nominal north-south sections which intersect the strike of the orebody. • There is no expected bias due to the continuity of the orebody along strike. • The intersection angle is between 30 and 50 degrees through the haematite breccia bodies.
Estimating and Reporting of Mineral Resources	
Database integrity	• The Prominent Hill database is a SQL system and consists of three components. These are a Field Logging System (FLS), a transfer-database (TRN), and a master-database (MST). • The FLS consists of OCRIS™ logging software collecting data directly to SQL Server. The software controls data input via pick lists ensuring adherence to logging legends along with their checks.

	• SQL stored procedures are employed to migrate data from individual logging-computers into the TRN. • The TRN works as a quarantine and compilation system with suitable checking procedures applied. • Data is transferred from the TRN to the MST via SQL Server stored procedures once data has been checked. • Validation checks are written into the SQL database and these are activated via database and user triggers to ensure the MST data is correct with respect to fundamental quality issues.
Geological interpretation	• The mineralization at Prominent Hill forms part of a large regional alteration system. Interpretation and geochronological analysis of drill samples from Prominent Hill and surrounding prospects suggests a genesis related to the Gawler Range Volcanic / Hiltaba volcano-plutonic event (ca. 1585Ma). • The ore system is built on regional E-W, NW and NE-trending mineralizing structural channels which carried copper and gold bearing hydrothermal fluids. Copper-gold mineralization is hosted by haematite-matrix breccias, which have undergone extensive near-surface sericite alteration and silica hydrothermal overprinting (hydrolytic alteration). • The geology at Prominent Hill is categorized into the following lithologies and structural zones from north to south: • Skarn-granitoid package: a deeper, older package of deformed metasediment, intruded by high-level granitoids and intensely metasomatised during the mineralizing event. • Hanging-wall fault zone (HWFZ); representing the northern extent of the main copper and gold mineralization, containing chloritic fault breccias, graphitic shear zones, skarn, granitoid and dolomite in an east-west trending zone of 10-20 metres true thickness. It separates the skarn-granitoid package from the volcano-sedimentary sequence and is the fault set along which juxtaposition of the two, through reverse fault (N-block up) movement, occurred. • Volcano-sedimentary package – Variably haematised and silicified dolomite and limestone, shale, sandstone, greywacke and mafic to intermediate volcanics. • Copper-gold mineralization occurs in domains of haematite-matrix breccia within the volcano-sedimentary package • Several late stage dolerite dykes cross-cut the orebody and are thought to represent Gairdner Dyke Swarm equivalents (ca. 800Ma).
Dimensions	• Mineralisation zones are tabular and sub-parallel to the lithostratigraphic architecture in the west and are pipe-like and plunge steeply WNW to NW in the east. The deposit is thought to have formed in a north-dipping reverse fault system between ENE and WNW trending faults and shear zones, with breccias forming in zones of maximum dilation.

	• The dip of the mineralisation is sub-vertical to steep northerly. • Known zones of mineralisation extend from 54000E to 56700E, 11800N to 12800N and 10210RL and 8700RL
Estimation and Modelling Techniques	• Polygons and hence triangulations are based on interpretations completed on 50m easting sections. • Triangulated interpretations have been domained into the following constrained fault and breccia bodies: • HWFZ • PHSZ • BD1 • BD2 • BD3 • BD4 • BG1 • BG2 • BG3 • FW-Au • HW-Au • Northern Cu • Western Cu, and • Eastern Cu • In addition to these mineralised breccia domains, lithological domains, (+/- Cu/Au mineralisation), have also been constructed. These include: greywacke-sandstone (GWK-SST), DOLOMITE, SHALE, SKARN, MSED, quartz-microdiorite (QMDT) and andesite (ANDES-1, -2 and -3). • Late stage, unmineralised dolerite dykes have been domained as DOLT-1, -2 and -3. • Metallurgical characteristics (derived from early test work conducted in 2004) are incorporated into the resource domaining and provide further controls on grade interpolation. The metallurgical/mineralization domains within the breccias are modelled separately as either chalcocite-bornite (CCBN), pyrite-bornite (PYBN), bornite-chalcopyrite (BNCP) or chalcopyrite-pyrite (CP). The mineralogical divisions are based on visual estimates from logging, Cu:S ratios and Co assays (as pyrite at Prominent Hill contains elevated Co). • A priority system of 48 domains was set up to account for overlapping mineralisation, intrusive rock shapes and cover sequence lithologies. • Priority numbers ranged from 50 (lowest priority), to 910 (highest priority). A 49th code of 950 was assigned to all blocks above the surface within air. • The block model was constructed with parent blocks of 25mE by 25mN by 12mRL within areas with average drill spacing up to 50m by 50m, other areas applied a parent block size of 100mE by 100mN by 100mRL.

	• Ordinary kriging (OK) to the parent block size was used to estimate Cu, Au, Ag, U, Fe, Ba, S, Si, Ca and F grades separately. • Up to three estimation passes with increasing search neighbourhood size were run for all domains (Pass1 – 75 by 75 by 10m, Pass 2- 150 by 150 by 10m, Pass 3 – 300 by 300 by 20m). • A minimum of 4 and maximum of 32 composites were used per estimate. • An Octant based search limited composites to a maximum of 4 composites per octant (not applied to Pass 3 for domain 610). • 5m assay composites were used. • Estimation applied composite length weighting.
Moisture	• Tonnes have been calculated on a dry basis.
Cut-off parameters	• Copper mineral resources have been reported above a 0.5% Cu block grade cut-off, and • Gold dominant mineral resources have been reported below a 0.5% Cu and above a 0.5 g/t Au block grade cut-off. • The reporting cut off was increased from the July 2007 mineral resource (0.3% Cu cut-off) to improve reporting of the global mineral resource, which currently has a large component of mineralisation that may be extractable by underground mining methods.
Mining factors or assumptions	• The upper-central portion of the mineral resource is currently being mined as an open pit operation. • Underground mining studies are being undertaken on mineral resources outside the planned open pit area.
Metallurgical factors or assumptions	• Metallurgical characteristics within the total copper and gold resources respectively are considered to be comparable with areas studied as part of the BFS.
Bulk density	• All sampled core and more than 20% of all other core has been measured for density. • The method used the entire air-dried core sample weighed in air and water, which was used to estimate the density. • Regression analysis of iron assays and density was applied to estimate the density of blocks given the ordinary kriged iron value. Where blocks were not estimated for iron, the average density for the domain was assigned. • Several waste domains with low iron values were assigned the average domain density.
Classification	• Mineral resources have been classified on the basis of geological confidence. • The method of classification of Open Pit Resources remains unchanged from the 2006 estimate, which applied resource categories on the basis of mineralised domain combined with drill-hole spacing. All other resource areas were classified as follows: • Measured resources have an average drill-hole spacing of 25 by

	25 metres. • Indicated resources have an average drill-hole spacing of 50 by 50 metres, and • Inferred resources have an average spacing of up to 100 by 200 metres in all areas except the Western Au area which has a drill-hole spacing of up to 200 by 200 metres.
Audits or Reviews	• A review of this resource estimate has been conducted by Behre Dolbear Australia. • An audit and review of sampling techniques and data has been undertaken for Prominent Hill during the BFS. • Annual database and protocol reviews are conducted by Duncan Hackman of Hackman & Associates. A detailed audit history pre BFS can be seen in the BFS document.

Competent Person Statement

This Mineral Resource Statement has been compiled in the accordance with the guidelines defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition).

The information in this report that relates to Mineral Resources is based on information compiled by Patrick Say and Jared Broome, full time employees of OZ MINERALS Limited. Patrick Say (Senior Resource Geologist) is a member of the Australasian Institute of Mining and Metallurgy (AUSIMM), and Jared Broome (Principal Resource Geologist) is a Fellow in the Australasian Institute of Mining and Metallurgy and a member of the Australian Institute Of Geoscientists.

All information relating to the geological interpretation and drilling data, including database validation, has been carried out by Patrick Say and Jared Broome. The block model calculations and the Resource Estimation have been carried out by Patrick Say and Jared Broome.

Jared Broome and Patrick Say named above have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.