

OZ MINERALS LIMITED

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3 December 2008

By Email: dean.litis@asx.com.au

Mr Dean Litis
Principal Adviser, Issuers (Melbourne)
Australian Securities Exchange
Level 45, Rialto
525 Collins Street
MELBOURNE VIC 3000



Dear Dean

Debt Refinancing

I refer to your letter of 2 December 2008 and the Company responds as follows:

1. At the time the Price Query Response was provided to ASX, the Company believed that the date by when the two debt facilities described in your letter (the "Facilities") needed to be refinanced (the "Refinancing Date") would be extended. The Company was in negotiations with the lenders under the Facilities (the "Lenders") on an extension to the Refinancing Date. These negotiations were confidential and incomplete and, as stated above, the Company believed that the Facilities would be extended. In addition, the Company believed that it had contractual grounds for requiring the Lenders to grant an extension, as the Company was of the view that it had used its best endeavours to procure a refinancing of the Facilities by the Refinancing Date. See the reference to clause 4.6(b) of the Refinancing Agreement in paragraph 6 below.
2. See above response to question 1.
3. See above response to question 1.
4. The Company became aware that one of its Lenders had declined to accede to an extension of the Facilities on terms acceptable to the Company late on 27 November 2008, well after trading had closed.
5. The Company requested a Trading Halt as soon as practicable after it became aware that one of its Lenders had declined to accede to its request for an extension on terms that would have been acceptable to the Company.
6. The Company (formerly Oxiana Limited) entered into the Refinancing Agreement on 28 February 2008, at the time that the Smaller Facility was also entered into by the Company. The Refinancing Agreement dealt with a number of matters, including the regulation of the relationship between the Lenders under the Facilities, in addition to including an obligation on the Company to procure a refinancing of the Facilities by the Refinancing Date.

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The Refinancing Date under the Refinancing Agreement was originally 8 August 2008 but was later extended by the Lenders to 30 November 2008.

Clause 4.6(b) of the Refinancing Agreement provides as follows:

“The Security Trustee (and the relevant Beneficiaries) must not unreasonably withhold their consent to a request by the Obligors to extend the then current Refinancing Date if the Obligors can demonstrate that they have used their best endeavours to procure the Refinancing by that date.”

7. At the time the Refinancing Agreement was entered into in February, it was not considered material, given the long lead time for the refinancing and given the existence of Clause 4.6(b) of the Refinancing Agreement as described above.
8. See the answers to questions 6 and 7.
9. The Company is in compliance with the listing rules, including listing rule 3.1.

Yours sincerely



Francesca Lee
General Counsel & Company Secretary

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2 December 2008

Francesca Lee
Company Secretary
OZ Minerals Limited
MELBOURNE

By email only

Dear Francesca

OZ Minerals Limited (the "Company") – Debt refinancing

We refer to the following.

- The Company's announcement dated 19 November 2008 (**Price Query Response**) given to ASX Limited (**ASX**) in response to ASX's price query letter dated 18 November 2008 (a copy of which was released to the market together with the Price Query Response).
- The Company's announcement to ASX dated 25 November 2008 entitled 'OZ Minerals to defer projects and cut operating costs' (the **25 November 2008 Announcement**) in which the Company stated that it was in negotiations to refinance its debt facilities and although those negotiations were incomplete, lenders for the US\$140 million facility (**Smaller Facility**) had agreed to an extension of that facility and negotiations to extend a US\$420 million facility (**Larger Facility**) were well-advanced.
- The Company's request for a trading halt dated 28 November 2008 (**Request for Trading Halt**) in which the Company referred to its 25 November 2008 Announcement and stated:
 - the Smaller Facility is due for repayment on 30 November 2008 and the lenders had agreed to extend the repayment date to 31 January 2009;
 - the Larger Facility is due for repayment in periodic instalments, with the first instalment due on 31 December 2008;
 - *'However, under a separate arrangement, the Company has undertaken to refinance both facilities (the "**Facilities**") by 30 November 2008. As part of its negotiations with the lenders and pursuant to its rights under the Facilities, the Company has requested an extension of this date to 31 January 2009 to allow sufficient time to conclude negotiation of a proposed new syndicated facility which will be used to refinance the Facilities.'*

- The Company's request for a voluntary suspension dated 1 December 2008 in which the Company stated that:

'While negotiations between Oz Minerals and its lenders have progressed considerably...Oz Minerals has not been able to extend the time by which it is required to refinance facilities in the amount of US\$560 million to 31 January 2009, as it was seeking to do.'

As you are aware listing rule 3.1 requires an entity, once it becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, to immediately tell ASX that information. The exceptions to this requirement are set out in listing rule 3.1A.

I would also like to draw your attention to the definition of "aware" in Chapter 19 of the listing rules. This definition states that:

"an entity becomes aware of information if a director or executive director (in the case of a trust, director or executive officer of the responsible entity or management company) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive officer of that entity."

Furthermore, paragraph 18 of Guidance Note 8 states:

"Once a director or executive officer becomes aware of information, he or she must immediately consider whether that information should be given to ASX. An entity cannot delay giving information to ASX pending formal sign-off or adoption by the board, for example."

Listing rule 3.1A sets out an exception from the requirement to make immediate disclosure, provided that each of the following are satisfied.

- 3.1A.1 *A reasonable person would not expect the information to be disclosed.*
- 3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential.*
- 3.1A.3 *One or more of the following applies.*
 - *It would be a breach of a law to disclose the information.*
 - *The information concerns an incomplete proposal or negotiation.*
 - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure.*
 - *The information is generated for the internal management purposes of the entity.*
 - *The information is a trade secret."*

ASX notes that the Price Query Response did not refer to the negotiations regarding its debt facilities as a possible explanation for its share price decrease from \$0.83 as at the close of trading on 17 November 2008 to a low of \$0.67 on 18 November 2008.

Having regard to the above definition, listing rule 3.1, we ask that you answer the following questions.

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1. At the time the Company provided ASX with its Price Query Response, was the Company aware that its lenders were either unlikely to accede to an extension of the Company's debt facilities or that there was uncertainty that the Company's debt facilities would be extended (the "Information")?
 2. If, at the time that the Price Query Response was provided to ASX, the Company was aware of the Information, did the Company consider that the Information was material to the Company?
 3. If, at the time that the Price Query Response was provided to ASX, the Company was aware of the Information, and the Company did not consider that it was material, please advise the basis on which the Company did not consider the Information to be material to the Company.
 4. If the answer to question 1 is "no", please advise when the Company became aware of the Information.
 5. If the Company became aware of the Information prior to providing ASX with its Request for Trading Halt, why was the information not released to the market at an earlier time? Please comment specifically on the application of listing rule 3.1 and the exceptions to the rule in listing rule 3.1A.
 6. When did the Company enter into the "separate agreement" to refinance both facilities by 30 November 2008 referred to in the Request for Trading Halt (the "Refinancing Agreement")?
 7. If the Company entered into the Refinancing Agreement prior to providing ASX with the Request for Trading Halt, did the Company consider the fact that it had entered into the Refinancing Agreement was material to the Company?
 8. If the Company entered into the Refinancing Agreement prior to providing ASX with the Request for Trading Halt, and the Company did not consider the fact that it had entered into the Refinancing Agreement was material, please advise the basis on which the Company did not consider the entering into the Refinancing Agreement was material to the Company?
 9. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by return e-mail. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, no later than 10.00am EDST on Wednesday 3 December 2008.

Please note that ASX reserves the right, under listing rule 18.7A, to release this letter and the Company's response to the market. Accordingly, it would be appreciated if you would prepare your response in a form suitable for release to the market and separately address each of the questions asked.

If you have any queries in relation to the above please let me know.

Yours sincerely

[Sent by electronic means without signature]

Dean Litis

Principal Adviser, Issuers (Melbourne)