ASX Release

23 September 2022

Green light for West Musgrave Project

- OZ Minerals makes Final Investment Decision on West Musgrave
- West Musgrave to be one of the world's largest, lowest cost, lowest emissions copper-nickel projects
  - All key regulatory approvals in place
  - Land access agreement signed with the Ngaanyatjarra people
  - First concentrate targeted for H2 2025, aligned with beginning of forecast nickel market deficit
  - ~1,500 jobs during construction and ~400 jobs in ongoing operations
- Capacity to fully fund West Musgrave
  - New $1.2 billion syndicated facility supported by key relationship banks, subject to final binding agreements
  - Potential strategic partnership via a minority interest being explored
- Feasibility Study finalised[1]
  - More than 50% increase in project Net Present Value to ~$1.5 to ~$2.2 billion[2] on capital of ~$1.7 billion[3]; Robust IRR of 18 to 22%[3]
  - ~$9.8 billion[4] undiscounted cashflow over the operating life of mine
  - Processing capacity increased from 12.0 Mtpa to 13.5 Mtpa through mine planning and plant optimisation
  - Average annual production ~35,000 tpa nickel, ~41,000 tpa copper in the first five years; average annual production ~28,000 tpa nickel and ~35,000 tpa copper over a 24-year operating life[5]
  - Bottom quartile C1 cost of ~US$0.50/lb (Ni payable net of by-product credit) and ~US$(1.10)/lb (Cu payable net of by-product credit)
  - One of the largest fully off-grid, hybrid renewable powered mines in the world with an initial ~80% renewable penetration[6]

[1] All project values in real terms as at 1 January 2022 unless otherwise noted.
[2] Project valuation date of 1 January 2023. Ranges based on Project base case and CRU copper long-term upside price case
[3] Nominal value. Assumes a third-party power purchase agreement, a mining fleet lease agreement, and a lease of the Living Hub
[4] Nominal value from commencement of production
[5] These production targets must be read in conjunction with the Production Targets Cautionary Statement on page 6
[6] ~80% renewable energy penetration relates to power generation. Does not include mining fleet.

OZ Minerals (ASX: OZL) today announced final investment approval by the Board to develop its fourth operating asset, the West Musgrave copper-nickel Project (West Musgrave) in Western Australia, for direct capital investment of approximately $1.7 billion[3].

OZ Minerals Chief Executive Officer, Andrew Cole, said: "Investment approval for West Musgrave unlocks one of the largest undeveloped nickel projects in the world and, with expected lowest quartile costs, it is set to generate ~$9.8 billion[7] undiscounted cashflow over its 24-year operating life.

"Along with the support we have received from the Ngaanyatjarra people and Western Australian government, with all key regulatory approvals now in place, a number of our relationship banks have provided credit approved commitment letters for a new $1.2 billion syndicated facility to support development of the West Musgrave Project in addition to our existing facilities. We are also considering the option to selldown a minority interest in the Project to a strategic partner building on the significant in-bound interest we have received over the past six months.

"In addition to the ~80 per cent renewable energy sourced from wind and solar for power generation, the Project scope includes a pathway to net zero scope 1 emissions by 2038. The pathway is aligned with the potential transition to an electric haulage fleet at the first engine change out, together with exploring other initiatives to reduce diesel and the application of offsets.

"Our project execution strategy will enable us to mitigate industry-wide cost inflation being experienced globally. An increase in direct Project capital to approximately $1.7 billion[3] is offset by a substantial increase in Project value and results in stronger cash flow generation of circa $1.9 billion[7] during the first five years of production.

"We have a strong track record of project delivery and we are supported by our key supply partners, who will share development risk towards delivery of the Project on time and on budget. To further manage inflationary pressures, we have increased our contingency allowance to ~$190 million and our construction schedule allows for first concentrate in H2 2025."

OZ Minerals Chairman, Rebecca McGrath, said: "The Board's approval of West Musgrave is a fundamental step towards realising OZ Minerals' strategy to evolve into a modern minerals producer set to supply global copper and nickel markets as the world moves into the de-carbonisation and electrification era.

"The funding approach to West Musgrave allows us to continue to fund the current sequencing of brownfields expansions underway in the OZ Minerals portfolio through operating cashflow while providing certainty and flexibility to further maximise the value of West Musgrave.

"Key to today's announcement is the support for the Project by the Ngaanyatjarra people, with the signing this week of the Land Access Agreement after more than five years of collaboration to facilitate a productive long-term partnership.

"The Board considered the value created for all stakeholders when making the final investment decision. We can see the enormous potential of this Project for:

- our workforce in a modern flexible working environment
- the local community in economic and wellbeing opportunities
- our shareholders in realising our growth potential
- governments in income from royalties, exports and jobs
- customers who we will assist in meeting demand for minerals critical to the electrification and decarbonisation era
- our suppliers who we look forward to working with to build a modern, low carbon emissions mine."

The West Musgrave Project team has been working closely with key contracting partners to design and prepare for rapid execution of the Project. Site mobilisation is set to commence next month. Long-lead items have been

[7] Nominal value from commencement of production

secured along with production slots and contract partners have been identified for 80 per cent of the material contracts.

The Project team has worked closely with stakeholders to develop the Project and they provide the following comments:

Gerard Coffey, CEO of **Ngaanyatjarra Council Group** said: "After a long period of consultation and discussion we are pleased to see OZ Minerals move forward with this project that has been looked at and not pursued by other mining companies in the past. We look forward to working with OZ Minerals in both the spirit and the letter of the agreements we have reached. Our aim is to improve the lives of our people by creating jobs and from ongoing income for the community while protecting our land and the things that are important to us. While we have increased our knowledge of what the mine will involve, this next construction phase will also be important for setting up how we will both work constructively together over the next decades."

The **processing plant** will be delivered by **GR Engineering Services**. Managing Director, Geoff Jones, said: "GR Engineering has a longstanding relationship with OZ Minerals on this world-class project. We welcomed the opportunity to partner with OZ Minerals in bringing the Project to an advanced pre-execution phase and we are committed to progressing its safe and successful delivery for OZ Minerals.

LOESCHE GmbH is a key technology partner and provider of the **vertical roller mills** that support high energy efficiency and low operating costs at West Musgrave. The vertical roller mills will deliver a paradigm shift in minerals processing with unique operational flexibility and high energy efficiency.

Dr. Thomas Loesche, Managing Shareholder and owner of **LOESCHE** said: "As a mining engineer with a degree in mineral processing, it has always been a vision of mine to develop dry-comminution technologies that enable better sorting efficiencies, reduced power and consumables. We are very pleased to be involved in such an important project. OZ Minerals is breaking new ground and proving that sustainability does not stand in the way of project development, but rather makes such projects possible."

Mr Cole continued: "The West Musgrave Project also offers province potential with near mine and regional exploration opportunities in a highly under explored region. We also have a study underway into downstream nickel processing via Mixed Hydroxide Precipitate (MHP) to further process the concentrate, increase product grade, reduce volume for transport and add further value to the project.

"West Musgrave signals a major advancement of our growth strategy, delivering high-quality, modern minerals and introducing nickel into our product portfolio. It demonstrates the effectiveness of our culture of innovation and collaboration to create significant value for all stakeholders.

"We thank all involved including the study team, supply partners, Western Australian and Federal government and the Ngaanyatjarra people for their ongoing contribution to the realisation of this exciting Project."

Funding arrangements

OZ Minerals has entered into credit-approved commitment letters with key relationship banks to provide a new $1.2 billion, 18-month syndicated term loan facility to support development of West Musgrave. Formal agreements are expected to be finalised by October.

The syndicated debt facility allows the Company to maximise stakeholder value by commencing development of the Project while optimising the final funding mix, which may come from a range of sources. These could include existing debt facilities, long-term infrastructure leases[8], and the potential to sell a minority interest in the Project to a strategic partner as part of a strategic alliance.

The potential for a strategic alliance follows significant in-bound expressions of interest from parties with a strategic interest in modern minerals over the last ~6 months. With partnering forming a key element of the Company's broader operating strategy, OZ Minerals is currently engaged with a number of parties to assess its approach to this option.

[8] Funding arrangements for the Project include long-term infrastructure leases for the Renewable Power Plant, the Living Hub and Mining fleet. See further detail on page 18

These multiple sources of funding support the Company's capacity to fully fund development of the Project in-line with the study outcomes and proposed project development schedule, with peak funding not occurring until 2024. OZ Minerals intends to maintain its gearing metrics throughout the development of the Project in line with our stated capital management framework.

Key developments since the Pre-Feasibility Study Update in December 2020

Value uplift opportunities have been embedded in the design, project delivery and operations in the period since completion of the Pre-Feasibility Study Update (PFSU) in December 2020[9]. They include:

- Processing capacity uplift from 12 Mtpa to 13.5 Mtpa through mine planning and plant optimisation
- Validation of vertical roller mills through pilot plant testing
- Renewable energy (solar, wind and battery) with diesel backup to be delivered under a Power Purchase Agreement (PPA), with final vendor selection and confirmation of indicative pricing currently being advanced into definitive agreements
- Future ways of working enabled with Autonomous Haulage System and remote operations from day one
- Living Hub modern accommodation and lifestyle facilities to be delivered, owned and operated by a third-party provider.

Next steps

The Project team will immediately progress:

- Award of contracts with major partners
- Increase capacity of the camp to ~250 beds by early 2023
- Mobilisation of equipment to commence earthworks
- Finalisation of the PPA and Living Hub agreements
- Increase owner team resources in line with plan including operational readiness personnel.

Key Project Metrics Compared to Pre-Feasibility Study Update

Key Financial and Production Metrics[10]	Unit	PFSU[11,12]	FS[13,14,15]
Processing capacity	Mtpa	12	12 → 13.5
Life of Operation	Years	~26	~24
Mineral Resource	Mt	390	390
	%	0.34% Cu and 0.31% Ni	0.33% Cu and 0.30% Ni
Ore Reserve	Mt	253	270
	%	0.35% Cu and 0.32% Ni	0.34% Cu and 0.31% Ni
Copper recovery/Nickel recovery	%WA	~77%/~69%	~77%/~69%

[9] Refer to the Pre-Feasibility Study Update announced to the ASX on 9 December 2020
[10] These production targets must be read in conjunction with the Production Targets Cautionary Statement on page 6
[11] All project values in real terms as at 1 January 2021
[12] Assumes a third-party power purchase agreement and contract mining for Y1–5
[13] All project values in real terms as at 1 January 2022 unless stated otherwise
[14] Assumes a third-party power purchase agreement, a lease agreement for the mining fleet and a lease of the Living Hub
[15] Ranges based on Project base case and CRU copper long term upside price case

Key Financial and Production Metrics[10]	Unit	PFSU[11,12]	FS[13,14,15]
Average Ni Production	ktpa	~26	~35 (Yr1–Yr5) ~27 (Yr6–LOM)
Average Cu Production	ktpa	~32	~41 (Yr1–Yr5) ~33 (Yr6–LOM)
Operating Cost (including mining costs)	A$/t ore	~32	~34
C1 cost payable Cu (net of full by-product credits)	US$/lb	~ (0.90)	(1.20) – (1.10)
C1 cost payable Ni (net of full by-product credits)	US$/lb	~1.40	(1.10) – 0.50
Pre-production capital (excluding study)	A$m (real) A$m (nominal)	~1,100 n/a	~1,600 ~1,700
Average net cash flow (post tax)	A$mpa (real) A$mpa (nominal)	~220 n/a	280 – 340 420 – 520
Post Tax NPV	A$m	~1,000	1,500 – 2,200[16]
Post Tax IRR	% (real) % (nominal)	~20 n/a	15 – 19[16] 18 - 22[16]
Undiscounted Project payback from decision to mine	Years	~6	6.5 – 7.5

[16] Project valuation date of 1 January 2023

Cautionary Statements

Production Targets Cautionary Statement for Feasibility Study

The Production Target and forecast financial information derived from the Production Target referred to in this ASX release is based on 86% Probable Ore Reserve, 3% Indicated Mineral Resource and 11% Inferred Mineral Resource. The modifying factors used in the estimation of the Ore Reserve were also applied to the Indicated Resource and Inferred Resource.

There is a low level of geological confidence associated with Inferred Mineral Resource and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resource or that the Production Target itself will be realised.

The material assumptions used in the estimation of the Production Target and associated forecast financial information are set out in the West Musgrave Project Nebo-Babel Deposits 2022 Mineral Resource and Ore Reserve Statement and Explanatory Notes as at 23 September 2022 in Table 1.

The Mineral Resource and Ore Reserve estimates underpinning the Production Target were prepared by Competent Persons in accordance with the JORC Code 2012.

Forward Looking Cautionary Statement

This ASX Release has been prepared by OZ Minerals Limited (OZ Minerals) and consists of written materials concerning OZ Minerals. By reading this material, you agree to be bound by the following conditions.

No representation or warranty, express or implied, is made as to the fairness, accuracy, or completeness of the information, contained in this material or of the views, opinions and conclusions contained in this material. To the maximum extent permitted by law, OZ Minerals and its related bodies corporate and affiliates, and its respective directors, officers, employees, agents and advisers disclaim any liability (including, without limitation any liability arising from fault or negligence) for any loss or damage arising from any use of this material or its contents, including any error or omission there from, or otherwise arising in connection with it.

Some statements in this material are forward-looking statements. Such statements include, but are not limited to, statements with regard to capacity, future production and grades, projections for sales growth, estimated revenues and reserves, targets for cost savings, the construction cost of new projects, projected capital expenditures, the timing of new projects, future cash flow and debt levels, the outlook for minerals and metals prices, the outlook for economic recovery and trends in the trading environment and may be (but are not necessarily) identified by the use of phrases such as "will", "would", "could", "expect", "anticipate", "believe" and "envisage". By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be outside OZ Minerals' control. Actual results and developments may differ materially from those expressed or implied in such statements because of a number of factors, including levels of demand and market prices, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, operational problems, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or regulation.

Given these risks and uncertainties, undue reliance should not be placed on forward-looking statements which speak only as at the date of this ASX Release. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, OZ Minerals does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements contained in this material, whether as a result of any change in OZ Minerals' expectations in relation to them, or any change in events, conditions or circumstances on which any such statement is based.

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

All figures are expressed in Australian dollars unless stated otherwise.

West Musgrave Mineral Resources and Ore Reserves

The information on the West Musgrave Mineral Resource and Ore Reserve estimates in this document are extracted from the document entitled "West Musgrave Project Nebo-Babel Deposits 2022 Mineral Resource and Ore Reserve Statement and Explanatory Notes as at 23 September 2022" that was also released to the ASX today. The West Musgrave Mineral Resource and Ore Reserve estimates in this document should be read in conjunction with that release.

This announcement is authorised for market release by OZ Minerals' Board.

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West Musgrave Copper and Nickel Project

Feasibility Study Executive Summary

23 September 2022

OZ Minerals and the West Musgrave Project team acknowledge and respect the Ngaanyatjarra people and recognise them as the traditional owners and occupants of the land upon which the West Musgrave Project is located. Their spiritual, social, cultural and economic practices come from their traditional lands and waters, where they maintain their cultural and heritage beliefs, languages and laws which are of ongoing importance, and they have made and continue to make a unique and irreplaceable contribution to Australia.

Cautionary Statement

The Feasibility Study referred to in this announcement has been undertaken to determine the viability of the West Musgrave Project and focuses on the Nebo and Babel deposits.

There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target will be realised.

The Ore Reserve and Mineral Resource estimates underpinning the production targets were prepared by a Competent Person in accordance with the JORC Code 2012.

The production target and forecast financial information derived from the production target set out in this release (supported by the Feasibility Study) are based on the material assumptions outlined below in the Executive Summary. While OZ Minerals considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the study will be achieved.

Given the uncertainties involved, investors should not make any investment decisions based solely on the results of this study.

These materials include forward looking statements. For further information on forward looking statements, please refer to page 6 of this announcement.

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West Musgrave Project

Introduction

- The West Musgrave Project (WMP) is a significant greenfield copper and nickel project located in the remote, highly prospective West Musgrave Mineral Province of central Western Australia.
- The Nebo and Babel deposits were discovered in 2000. Since then, the deposits have been extensively drilled and studied progressively by WMC Resources, BHP Billiton, Cassini Resources Limited (Cassini), and a Joint Venture between Cassini and OZ Minerals.
- In 2020, OZ Minerals became the 100 per cent owner of the WMP following the acquisition, by Scheme of Arrangement, of Cassini's 30 per cent of the WMP. The acquisition was based on a desire for development scope and funding flexibility. A Pre-Feasibility Study Update (PFSU) was released to the ASX in December 2020, with a Net Present Value (NPV) of ~$1 billion based on open-pit mining with a processing throughput of 12 Mtpa and a life of mine of 26 years.
- Upon publishing the PFSU, OZ Minerals decided to progress the WMP to Feasibility Study (FS) to further consolidate the findings of the PFSU and ensure execution readiness.
- The FS includes scope and schedule optimisation, which has resulted in an increase over the first five years of operations to a steady state throughput of 13.5 Mtpa by aligning feed grade with process capacity.
- The updated mine profile generates a Net Present Value (NPV) of ~$1.5 to ~$2.2 billion[2] over a 24-year operating life with an IRR of 18 to 22[3]%.
- The FS confirms the WMP creates value for all stakeholders, producing minerals critical for global electrification and decarbonisation, with more than 80 per cent of the site's power requirements generated from renewable sources, namely wind and solar. The traditional owners of the land, the Ngaanyatjarra people, have contributed to the evolution of the WMP as they have gained greater understanding of its impact and presence on their land. The WMP will create economic activity through direct and indirect jobs, taxes, royalties and additional export activity.
- An Executive Summary of the FS consolidates the findings in the following pages. Key project changes from the PFSU include:
    - Optimised mine plan to align feed grade with processing capacity, enabling an increase in the annual throughput capacity over the first five years of operation to 13.5 Mtpa at steady state
    - ~20% and ~10% increase in nickel and copper production in the first five years, respectively
    - Commitment and pathway to net zero Scope 1 emissions by 2038
    - Mining operation to be owner-operator, featuring an Autonomous Haulage System (AHS) from day one, with mining fleet procured under a lease agreement
    - Hybrid renewable power solution, delivered via a Power Purchase Agreement (PPA), that features ~80% renewable energy sources
    - Modern accommodation and lifestyle facilities via a 'Living Hub'.

Project Overview

The WMP is a significant greenfield copper and nickel project located in the remote Ngaanyatjarra Aboriginal Lands of central Western Australia. The proposed project represents the first major mining project in the Ngaanyatjarra Lands and within the highly prospective West Musgrave Mineral Province.

The WMP is located in the West Musgrave Ranges of Western Australia, approximately 1,300 km north-east of Perth and 1,400 km north-west of Adelaide, near the intersection of the borders of Western Australia, South Australia and Northern Territory. The nearest towns include the Indigenous Communities of Jameson (Mantamaru) 26 km north, Blackstone (Papulankutja) 50 km east, and Warburton (Milyirrtjarra) 110 km west of the project (Figure 1).

The Nebo and Babel deposits were discovered by WMC Resources in 2000 and acquired by BHP Billiton in 2005. In 2014, Cassini acquired the WMP and undertook an extensive drilling and study program, completing a Scoping Study in 2015. In 2016, OZ Minerals entered into a Joint Venture Agreement with Cassini. A further Scoping Study was completed by the Joint Venture in late 2017 and a Pre-Feasibility Study in 2020, a summary of which was released to the ASX on 12 February 2020. With OZ Minerals' acquisition of Cassini on 5 October 2020 OZ Minerals became the 100 per cent owner of the WMP. A PFSU was released to the ASX on 9 December 2020.

A summary of the key technical features of the WMP open pit mine is provided in Table 1. The FS is an update to the WMP provided in the PFSU released to the ASX on 9 December 2020, whilst retaining key components of the PFSU.

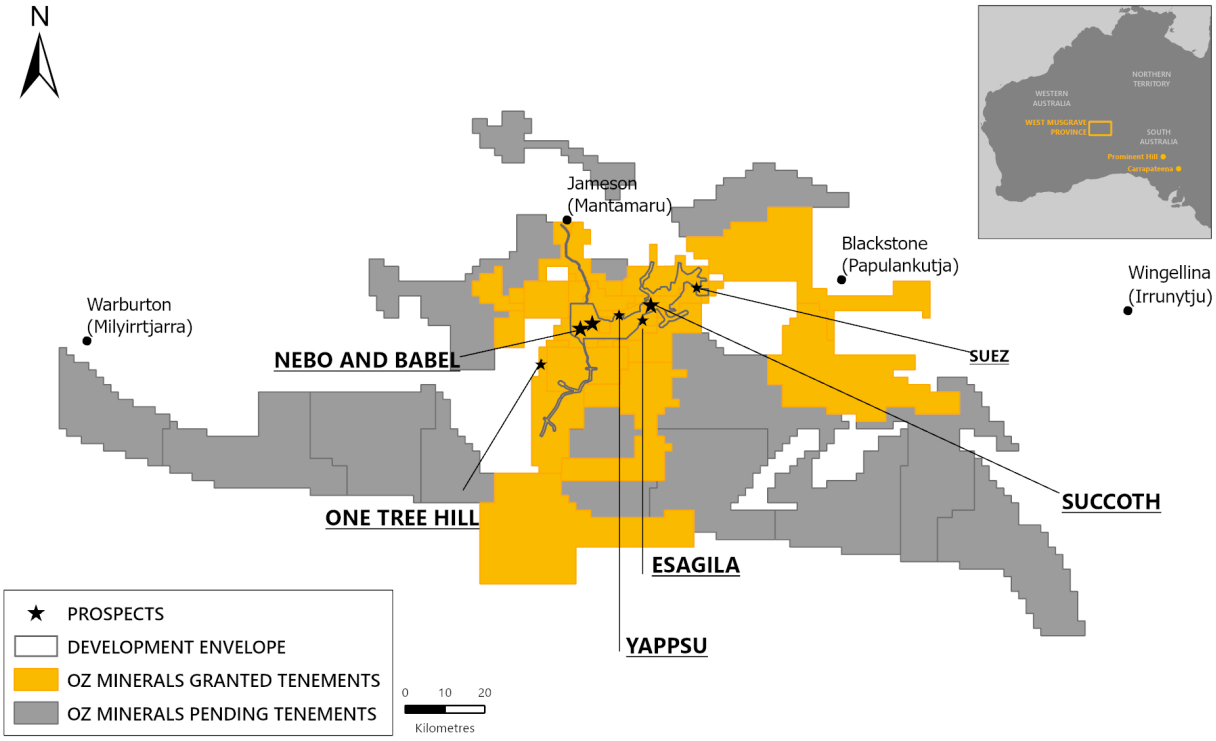


Figure 1: West Musgrave Project Location

Table 1: WMP FS and PFSU Features Comparison

Component	WMP PFSU	WMP FS
Mining		
Mineral Resource	310 Mt Indicated and 82 Mt Inferred at a combined grade of 0.31% Ni and 0.34% Cu	91 Mt Measured, 240 Mt Indicated and 59 Mt Inferred at a combined grade of 0.30% Ni and 0.33% Cu
Pits	Nebo and Babel to a maximum depth of ~520 m	Nebo and Babel to a maximum depth of ~520 m
Ore Reserve	253 Mt (100% Probable) @ 0.32% Ni and 0.35% Cu	270 Mt (100% Probable) @ 0.31% Ni and 0.34% Cu
Mining Rate	~32 Mtpa (pre-strip and stockpiling), ~50 Mtpa (Yr1–Yr5), ~20 to 65 Mtpa (Yr6–LOM)	~25 Mtpa (pre-strip and stockpiling), ~75 Mtpa (Yr1–LOM)
Strip Ratio	~3.4 LOM average	~2.8 LOM average
Life of Mine	~26 Years	~21 Years
Mining Profile	~0.5-year pre-strip and stockpiling, ~26 years from first production	~0.5-year pre-strip and stockpiling, ~20 years from first production, AHS solution from day one
Operations	Contractor Mining Yr1–Yr5, Owner operator Yr6–LOM	Owner operator from day one
Processing		
Flowsheet	12 Mtpa, crushing, vertical roller mill, flotation producing separate nickel and copper concentrates	12 Mtpa ramping up to 13.5 Mtpa within the first 5 years, crushing, vertical roller mill, flotation producing separate nickel and copper concentrates
Operation Life	~26 years from first production	~24 years from first production
Nickel Grade	~0.39% (Yr1–Yr5) ~0.31% (Yr6–LOM)	~0.38% (Yr1–Yr5) ~0.29% (Yr5–LOM)
Copper Grade	~0.42% (Yr1–Yr5) ~0.34% (Yr6–LOM)	~0.40% (Yr1–Yr5) ~0.32% (Yr6–LOM)
Recoveries	~69% Ni and ~77% Cu LOM	~69% Ni and ~77% Cu LOM
Concentrate Grades	~12–13% Ni in Ni Concentrate, ~29–30% Cu in Cu Concentrate	~10–13% Ni in Ni Concentrate, ~27–30% Cu in Cu Concentrate

Component	WMP PFSU	WMP FS
Nickel Production[17]	~29,000 tpa (Yr1–Yr5) ~25,000 tpa (Yr6–LOM)	~35,000 tpa (Yr1–Yr5) ~27,000 tpa (Yr6–LOM)
Copper Production[17]	~37,000 tpa (Yr1–Yr5) ~31,000 tpa (Yr6–LOM)	~41,000 tpa (Yr1–Yr5) ~33,000 tpa (Yr6–LOM)
Infrastructure		
Roads	Upgrade of existing ~30 km road from site to Jameson (Mantamaru)	Upgrade of existing ~30 km road from site to Jameson (Mantamaru)
Tailings Storage Facility	Two cells with water recycled back to process Upstream raises with downstream buttressing with mine waste rock	Two cells with water recycled back to process Upstream raises with downstream buttressing with mine waste rock New 'oval' geometry due to site limitations. Inclusion of external groundwater interception trench to mitigate groundwater mounding threat and meet EPA Part V conditioning
Village and Aerodrome	450 permanent ensuite rooms for operations village and aerodrome located at site	350 permanent ensuite rooms for the Living Hub (operations village), 650 construction phase rooms and an aerodrome located at site in the vicinity of the Living Hub
Water	7.5 GL/a Northern Borefield ~15 km from site	Up to 7.5 GL/a total abstraction from Nebo Borefield (advance dewatering) and Northern Borefield ~15 km from site
Power	50 MW PPA, hybrid renewables (wind, solar, battery, plus diesel or gas)	50 MW PPA, hybrid renewables (wind, solar, Battery Energy Storage System (BESS) and diesel thermal generation)
Logistics	Containerised road transport to Leonora, rail to Esperance for bulk shipping to customers	Containerised road transport to Leonora, rail to Esperance for bulk shipping to customers
Customers	Nickel and copper smelters in Australia, Asia and Europe Potential to expand customer base to include battery manufacturers subject to results of future study into production of nickel-cobalt mixed hydroxide precipitate	Nickel and copper smelters in Australia, Asia and Europe Potential to expand customer base to include battery manufacturers subject to results of future studies

[17] These production targets must be read in conjunction with the Cautionary Statement on page 9

Project Timing

All critical path activities have been identified during the FS. Key contracting partners have been selected through market engagement and critical path, long-lead procurement is underway.

Partnering with suppliers under the OZWay creates incentives for delivery on time and on budget, with commercial strategies aligned to allocating risk to the partner best able to manage each risk, thereby mitigating threats (labour shortages, escalation, schedule, others) and unlocking shared value from opportunities. Robust operational readiness plans will ensure safe commissioning, ramp-up and production aligned with the FS mining plan. An indicative project timeline is shown in Figure 2, with first concentrate in H2 2025.

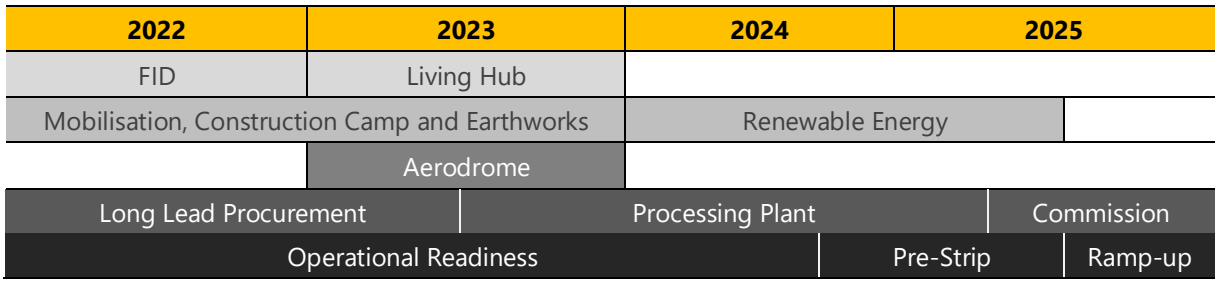


Figure 2: Indicative Project Timeline

Stakeholder Value Creation Metrics

The FS has been shaped within the OZWay framework and specifically, considering the creation of value for OZ Minerals' six stakeholder groups; shareholders, government, workforce, suppliers, community and customers. A value creation assessment was carried out in a quantitative and qualitative manner to fully consider the value and impact the WMP will have on stakeholders, as summarised in Table 2.

Table 2: Stakeholder Value Creation Metrics

		Comments
SHAREHOLDER	Share price and total shareholder return	Long-life, low-cost asset producing in-demand minerals in Tier 1 jurisdiction. Potential to unlock further value through Mixed Hydroxide Precipitate (MHP)
	Reserve growth	Potential Reserve growth of the Musgrave Province through the Succoth deposit and other exploration targets.
	All-In Sustaining Costs (AISC)	Adoption of AHS and other technology enables further AISC reduction from PFSU.
	Governance	Stakeholder Team in place for Tier 1 project governance.
GOVERNMENT	Employment by jurisdiction	Execution resourcing strategy to engage the Australian workforce.
	Taxes and royalties	Long-life mine contributes to federal and state income.
	Capital investment	WMP capital expenditure contributes to local, state and national economies.
	Emissions and energy	Commitment to net zero carbon emissions by 2038, with a roadmap which forms part of the WMP plan.
	Local content spend	Execution procurement strategy to prioritise land-connected, and local suppliers, where feasible, with some opportunities identified.
	Engagement	Ongoing and proactive engagement with Government of Western Australia's Environmental Protection Authority (EPA), Department of Water and Environmental Regulation (DWER), Department of Mines, Industry Regulation and Safety (DMIRS), Department of Jobs, Tourism, Science and Innovation (JTSI) and Australian Government's Department of Climate Change, Energy, the Environment and Water (DCCEEW).
WORKFORCE	Diversity and inclusion	The execution resourcing strategy incorporates OZ Minerals and WMP diversity and inclusion targets. Adoption of AHS and other technologies enable remote operations to maximise opportunities for flexible working and diverse participation.
	Safety performance	Safety by design approach for WMP to identify potential hazards and eliminate or minimise the risk of harm. Adoption of AHS and other technology enables remote operations to improve safety outcomes.
	Workforce engagement	Employee Value Proposition supported by our Modern Mine Operating Philosophy, approach to sustainability, technology, future of work and our wellbeing program.

Comments		
SUPPLIER	Net promoter score	The WMP continues to receive excellent responses with respect to supplier engagement.
	On-time payment	The WMP continues to achieve the on-time payment target.
	Supplier value by jurisdiction	Execution procurement strategy prioritises WA, SA and NT businesses given the proximity of the WMP to the tri-state border, with opportunities identified for local community procurement.
COMMUNITY	Working with stakeholders	External representation on the Stakeholder governance team. Ongoing engagement with the local community through existing programs and development of a Land Access Agreement.
	Cultural heritage	Engagement with the Ngaanyatjarra people throughout the study phase. A cultural heritage management plan is in place to protect social surroundings from harm.
	Social contribution	WMP enables ongoing social contribution to the local community over life of mine (LOM).
	Partnering	A Mining Agreement focussed on partnerships, and four social roadmaps that build each other's capability and knowledge to ensure enduring consent and maximise opportunities for Ngaanyatjarra people to economically participate in the project.
	Human rights	The WMP continues to trial a supplier risk assessment questionnaire and associated assessment matrix for major construction package tenders to systematically gather information from suppliers on the measures they are taking to manage modern slavery risks in their operations and supply chain.
	Water	The WMP is designed to minimise water use. Mining of the Nebo pit is deferred to take advantage of water from the Nebo dewatering program so that borefield abstraction is minimised. In addition, the plan highlights a roadmap to achieve up to 60% water reduction over LOM.
	Waste	A comprehensive geochemical work program is in place to minimise mineral handling challenges and reduce legacy acid mine drainage. The plan highlights the opportunity to carefully manage mineralised waste by looking at waste as a future resource.
	Land and biodiversity	Key environmental values have been identified and largely excluded from the Development Envelope. These spatial constraints will form part of the Land Access and Disturbance Permitting process.
CUSTOMERS	Modern Minerals Electrification	Broadening of OZ Minerals' base of clients by delivering high-quality, modern minerals, with the WMP introducing nickel to our products portfolio. Nickel supports global decarbonisation ambitions. Potential for downstream nickel opportunities linked to electrification and decarbonisation, including MHP.

Capital Costs

The capital estimate was compiled by OZ Minerals using inputs from a range of contracting partners. Engineering has been completed on packages to an FS level of definition. All major equipment and bulk materials have been quoted directly for the WMP; minor equipment costing and labour rates have been sourced from current industry rates. The capital estimate has an accuracy of circa +/- 10% to +/- 15%. and a total contingency of ~$190 million has been included in the estimate. Contingency was determined through probabilistic risk assessment and represents a ~P50 estimate.

A summary of the capital cost by project component for the PFSU and the FS is provided in Table 3.

Table 3: Capital Cost

Capital Cost Estimate	PFSU (A$m real)[18]	FS (A$m real)[19]
Mining	~90	~60
Processing plant	~340	~600
Infrastructure	~335	~250
Project execution	~140	~220
Owners costs	~80	~280
Contingency	~115	~190
Total	~1,100	~1,600

The macroeconomic and geopolitical environment has been highly volatile, resulting in inflation and cost pressure as well as a very competitive labour market in Australia. The inflationary environment, along with scope change and design definition, contributed to a WMP capital estimate increase from ~$1,100m (PFSU) to ~$1,600m (FS) and ~$1,700m (FS A$ nominal). A detailed breakdown of the increased capital (see Figure 3) is as follows:

- ~$190 million increase related to improved design definition and study maturity
- ~$60 million increase related to improved definition and early onboarding of the operations readiness team
- ~$30 million increase related to increasing processing capacity to 13.5 Mtpa
- ~$110 million increase to Owner's costs due to increased definition of project headcount and a longer construction duration
- ~$130 million increase related to equipment, materials and labour cost escalation
- ~$100 million reduction related to changing the commercial strategy for the Living Hub
- ~$80 million increase in project contingency.

[18] Assumes a third-party power purchase agreement and contract mining for Yr1–Yr5
[19] Assumes a third-party power purchase agreement, a mining fleet lease agreement and a lease of the Living Hub

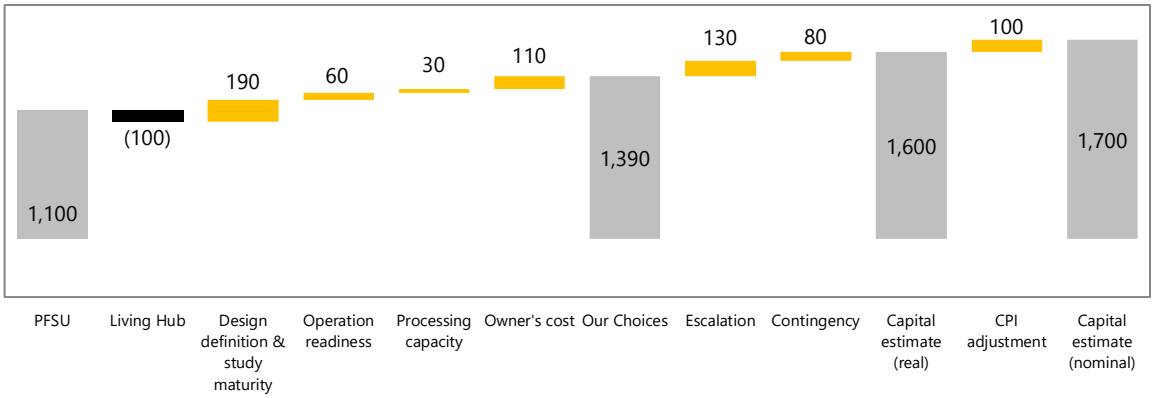


Figure 3: Key Drivers for the Capital Increase Compared to PFSU

Post-production growth capital of ~$100 million is assumed in Year 1 to Year 4 and is related to processing plant optimisation and ongoing establishment of life of mine infrastructure such as the tailings storage facility and Northern Borefield. Life of mine capital expenditure includes processing plant and supporting site infrastructure sustaining capital of ~$230 million, mining fleet growth capital of ~$250 million, and ~$30 million provisioned for transfer of ownership of the hybrid renewable power plant.

Power will be purchased under a PPA arrangement, inclusive of a ~$510 million capital cost component. Other major leased assets include the initial mining fleet and the operation's Living Hub (removing an estimated $270 million and $100 million in direct capital investment respectively).

The financial analysis includes ~$150 million for closure costs and ~$8 million per annum corporate charge for central services.

Operating Costs

A summary of the average operating cost for the Life of Operations is provided in Table 4. The mining cost has decreased as a result of cost savings associated with the change from a contractor mining model to an owner-operator model. The General and Administrative (G&A) costs have been increased due to increased definition of costs, the commercial packaging of the Living Hub and inclusion of a carbon cost.

Table 4: Average Operating Cost

Operating Cost Estimate	PFSU (A$/t Ore)	FS (A$/t Ore)
Mining	~11.40	~10.30
Processing Plant	~13.30	~13.60
G&A	~1.50	~3.00
Concentrate Logistics	~6.00	~6.70

Operating Cost Estimate	PFSU (A$/t Ore)	FS (A$/t Ore)
Total	~32.20	~33.60

Financial Evaluation

A summary of the key financial metrics and sensitivities is provided in Table 5 and Table 6, all in real terms. A comparison of the key financial metrics for the FS relative to the PFSU is provided in Table 7.

Table 5: Key Financial Metrics

Metric	Unit	PFSU	FS
Nickel Price	US$/lb	7.60	7.83 (Consensus[20])
Copper Price	US$/lb	2.91	3.44 (Consensus[21]) – 4.35 (CRU[22])
Exchange Rate	A$:US$	0.70	0.70 (spot)
Discount Rate	real % pa	8.5%	6.5%
Net Present Value	A$m	~1,000[23]	~1,500 – 2,200[24]
Internal Rate of Return	real % nominal %	~20[23] n/a	~15 – 19[24] ~18 – 22[24]

Table 6: Financial Sensitivities

Incremental NPV (Base Case $1.5b*)	-10%	+10%
Nickel Price	(480)	390
Copper Price	(280)	280
Exchange Rate	730	(600)
Capital Cost	130	(130)
Operating Cost	330	(330)

* Assumes a third-party power purchase agreement, a mining fleet lease agreement and a lease of the Living Hub

Table 7: Summary of Key WMP Metrics

Key Financial and Production Metrics[25]	Unit	PFSU	FS
Processing capacity	Mtpa	12	12 → 13.5
Life of Operation	Years	~26	~24
Mineral Resource	Mt	390	390
	%	0.34% Cu and 0.31% Ni	0.33% Cu and 0.30% Ni

[20] Consensus Economics August long term nickel price
[21] Consensus Economics August long term copper price
[22] CRU long term High Case copper price
[23] Valuation date of 1 January 2021
[24] Valuation date of 1 January 2023
[25] Refer to footnotes 10 to 16

Key Financial and Production Metrics[25]	Unit	PFSU	FS
Ore Reserve	Mt	253	270
	%	0.35% Cu and 0.32% Ni	0.34% Cu and 0.31% Ni
Copper recovery/Nickel recovery	%WA	~77%/~69%	~77%/~69%
Average Ni Production	ktpa	~26	~28
Average Cu Production	ktpa	~32	~35
Operating Cost (including mining costs)	A$/t ore	~32	~34
C1 cost payable Cu (net of full by-product credits)	US$/lb	~ (0.90)	(1.20) – (1.10)
C1 cost payable Ni (net of full by-product credits)	US$/lb	~1.40	(1.10) – 0.50
Pre-production capital (excluding study)	A$m, real A$m, nominal	~1,100 n/a	~1,600 ~1,700
Average net cash flow (post tax)	A$Mpa real A$Mpa nominal	~220 n/a	280 – 340 420 – 520
Post Tax NPV	A$m	~1,000	1,500 – 2,200
Post Tax IRR	% (real) % (nominal)	~20 n/a	15 – 19 18 – 22
Undiscounted Project payback from decision to mine	Years	~6	6.5 – 7.5

Project Funding

OZ Minerals has entered into credit-approved commitment letters with key relationship banks to provide a new $1.2 billion, 18-month syndicated term loan facility to support development of the WMP. Formal agreements are expected to be finalised by October.

The syndicated debt facility allows the Company to maximise stakeholder value by commencing development of the Project while optimising the final funding mix, which may come from a range of sources. These could include existing debt facilities, long-term infrastructure leases, and the potential to sell a minority interest in the Project to a strategic partner as part of a strategic alliance.

The potential for a strategic alliance follows significant in-bound expressions of interest from parties with a strategic interest in modern minerals over the last ~6 months, with project partnering forming a key element of the Company's broader operating strategy. OZ Minerals is currently engaged with a number of parties to assess its approach to this option.

These multiple sources of funding support the Company's capacity to fully fund development of the Project in-line with the study outcomes and proposed project development schedule, with peak funding not occurring until 2024. OZ Minerals intends to maintain its gearing metrics throughout the development of the Project in line with our stated capital management framework.

Material Risks

The WMP FS was completed using a risk-based approach that considers both threats and opportunities. Material risks have been identified and control plans developed according to the OZ Minerals' Risk Management Specification.

The work completed over the course of the WMP FS progressively de-risked the WMP, either by increasing the likelihood and/or benefit of grasping an opportunity, or by reducing the likelihood and/or severity of the impact of a potential threat. Throughout the execution of the WMP, enabling opportunities and mitigating threats to unlock further value will continue to be the focus of the WMP team.

Material risks detailed in Table 8 have been escalated in accordance with the OZ Minerals' Risk Management Process Standard and are subject to ongoing management by the WMP team and monitored by the OZ Minerals Board.

In addition to project-level risks, the WMP team also recognises the opportunities and threats presented by the macroeconomic environment:

- Opportunity – Global copper and nickel supply-demand gaps continue to grow beyond 2025, and the WMP is well positioned to contribute to meeting the supply-demand gap.
- Threat – WMP may experience capital pressure due to an inflated macroenvironment.
- Opportunity – WMP execution may benefit from a deflating market.
- Threat – WMP faces a competitive labour market, particularly in Western Australia.

Table 8: Material Risks (Opportunities and Threats)

Material Risk Theme	WMP Risks: Opportunity and threat focused
People and Culture	• Future of Work • Diversity and Inclusion • Distributed work • Organising around the work, not functions
ESG and Sustainability	• Carbon Emission Reduction • Mining Agreement • Waste Management • Work with Site Limitations • Community Engagement • Government Approvals • Unauthorised Disturbance of Land • Supplier Engagement • Water Balance and Reduction
Technical Foundations	• Mining Production Profile Hill of Value • Independent peer reviews • Engineering Subject Matter Experts support • Stakeholder Team
Project Schedule	• Construction and Operation Schedule • Mining Agreement and Government Approvals
Cost	• Cost Confidence (CAPEX/OPEX) • Macro Conditions • Delay Project to a Low-Cost Period
Operational Resilience	• Operational Readiness • Off-grid self-sustaining operation • Owner Operator Transition • Low-cost operations
Technology	• Operations Tech • Data Science • Haul Fleet Automation • Stage 2 Automation • Remote and distributed operations
Health, Safety and Wellbeing	• Health, Safety and Wellbeing for Projects and Operations
Life of Province	• Orebody Knowledge/MROR • Province Exploration • Optionality
Product Optimisation	• Nickel Market • Mixed Hydroxide Precipitate • Battery Chain Partnership

West Musgrave Project Mineral Resources and Ore Reserves

Associated with the FS is an update to the Mineral Resources and Ore Reserves (MROR) Statement, which is summarised below. For the full MROR Estimate, refer to the updated West Musgrave Project Nebo-Babel Deposits Mineral Resources and Ore Reserves Statement and Explanatory Notes as at 23 September 2022, released with this FS Executive Summary.

West Musgrave Project Mineral Resources

A detailed explanation of the Nebo-Babel geology can be found in the MROR Statements.[26]

The WMP September 2022 Mineral Resources (Table 9) for the combined Nebo-Babel deposits has been estimated at 390 million tonnes of nickel and copper mineralisation grading 0.30% nickel and 0.33% copper.

This Mineral Resource estimate update supersedes the previously reported Mineral Resource estimated for the West Musgrave's Nebo-Babel deposits released to the ASX on 9 December 2020 as part of the PFSU. The updated Mineral Resource has been reported at a Net Smelter Return (NSR) cut-off of A$13/t. The A$13/t value represents the FS mill limited break-even cut-off inclusive of processing and ore rehandle costs per total tonne mined. The NSR value for each block in the resource model is calculated and evaluated against the applied cut-off. The Mineral Resource estimate was further constrained within optimised pit shells which utilised a NSR cut-off of A$21/t. Both the Mineral Resource and optimised pit shell NSR cut-off values account for potential higher future revenue values and reasonable prospects for eventual economic extraction by multiplying assumed metal prices by 1.2. The Mineral Resource estimates have been reported in accordance with the 2012 edition of the JORC Code.

[26] See OZ Minerals announcement titled 'West Musgrave Project Nebo-Babel Deposits 2022 Mineral Resource and Ore Reserve Statement and Explanatory Notes as at 23 September 2022', released on 23 September 2022 and available at: www.ozminerals.com/operations/resources-reserves/

Table 9: Nebo-Babel Mineral Resource as at 23 September 2022

Category	Deposit	Tonnes	Ni	Cu	Au	Ag	Co	Pd	Pt	Ni metal	Cu metal
		(Mt)	(%)	(%)	ppm	ppm	ppm	ppm	ppm	(kt)	(kt)
Measured	Babel	91	0.31	0.36	0.06	1.1	120	0.09	0.08	280	320
	Nebo	-	-	-	-	-	-	-	-	-	-
	Sub-total	**91**	**0.31**	**0.36**	**0.06**	**1.1**	**120**	**0.09**	**0.08**	**280**	**320**
Indicated	Babel	190	0.28	0.31	0.05	0.92	110	0.09	0.08	550	610
	Nebo	49	0.34	0.32	0.04	0.78	130	0.08	0.06	170	160
	Sub-total	**240**	**0.29**	**0.31**	**0.05**	**0.89**	**120**	**0.09**	**0.07**	**710**	**770**
Inferred	Babel	58	0.32	0.35	0.06	0.35	120	0.10	0.08	190	210
	Nebo	1.1	0.35	0.38	0.05	0.60	140	0.08	0.07	3.9	4.3
	Sub-total	**59**	**0.32**	**0.35**	**0.06**	**0.35**	**120**	**0.10**	**0.08**	**190**	**210**
Mea + Ind + Inf	Babel	340	0.30	0.33	0.06	0.86	110	0.09	0.08	1000	1100
	Nebo	50	0.34	0.32	0.04	0.78	130	0.08	0.06	170	160
Total		**390**	**0.30**	**0.33**	**0.06**	**0.85**	**120**	**0.09**	**0.08**	**1,200**	**1,300**

Table is subject to rounding errors. Data is reported to significant figures to reflect appropriate precision in the estimate and this may cause some apparent discrepancies in totals.

The updated West Musgrave Mineral Resource estimate for the combined Nebo-Babel deposits incorporates drilling undertaken in 2021 and changes to the NSR cut-off grade, OZ Minerals' LOM Corporate Economic Assumptions and pit design. NSR is calculated on a block-by-block basis and includes metal prices, metal recoveries, royalties, concentrate payability, concentrate transport and penalties.

Overall, Mineral Resource tonnes, grade and metal have remained stable. A decrease in the size of the optimised reporting pit shell, as a result of site limitations, has been offset by favourable changes in the NSR cut-off value and changes in interpretation as a result of drilling. The lower reporting NSR cut-off grade is driven by favourable changes in the processing and ore rehandle cost. A decrease in the processing cost is supported by an increase in processing plant throughput from 12 Mtpa to 13.5 Mtpa and a decrease in the power cost. A reduction in the ore rehandling cost is supported by updates to headcount, remuneration, fuel price and equipment and consumable pricing.

The previous Mineral Resource utilised an NSR cut-off of A$20/t based on the PFSU. The updated Mineral Resource utilises an NSR cut-off of A$13/t based on the concurrent FS study. The A$13/t NSR cut-off approximates to a 0.13% nickel cut-off however it was determined to use an NSR cut-off to better reflect the variable metal recoveries of material types and the multi-metal revenue inputs.

Further details of the NSR calculation can be found in the MROR Statements.[27]

[27] See footnote 26 above

West Musgrave Project Ore Reserve

The updated WMP Ore Reserve estimate supersedes the December 2020 estimates released to the ASX on 9 December 2020. The Ore Reserve estimates have been reported in accordance with the 2012 edition of the JORC Code.

The Ore Reserve estimate for WMP as at 23 September 2022 is summarised in Table 10 and reported between the final open pit design and the original topography.

Ore tonnes, contained nickel metal and contained copper metal, increased by 17 million tonnes, 20 thousand tonnes and 30 thousand tonnes respectively. The update to the Ore Reserve estimate is driven by favourable changes in the processing cost based on increased processing plant throughput and update power cost assumptions, updated mineral resource, metal payability, mining modifying factors and offset by economic assumptions, logistic costs. The combined effect of metal payability, logistic costs and economic assumptions was represented in an NSR.

In addition to the Ore Reserves, which are entirely based on Measured and Indicated Resources, the mine plan includes an additional 47 Mt at 0.31% Ni and 0.36% Cu derived from Indicated and Inferred Resources which are mined predominantly towards the end of the current mine plan. Production targets and forecast financial information set out in the FS are based on 86% Probable Ore Reserve, 3% Measured/Indicated Mineral Resource and 11% Inferred Mineral Resource. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the Production Target itself will be realised. The quantity of Inferred material within the mine plan is minimal, will be mined at the back end of the mine life and is not considered material to the project.

Table 10: Nebo-Babel Ore Reserve as at 23 September 2022[28]

Deposit	Classification	Ore (Mt)	Ni (%)	Cu (%)	Au (ppm)	Ag (ppm)	Co (ppm)	Pd (ppm)	Pt (ppm)	Ni Metal (kt)	Cu Metal (kt)
Nebo	Probable	36	0.37	0.35	0.04	0.8	140	0.08	0.10	132	125
Babel	Probable	236	0.30	0.34	0.06	1	110	0.09	0.10	705	791
Total[2]	**Probable**	**270**	**0.31**	**0.34**	**0.06**	**1**	**120**	**0.09**	**0.10**	**840**	**920**

Table is subject to rounding errors. Data is reported to significant figures to reflect appropriate precision in the estimate, and this may cause some apparent discrepancies in totals.

[28] See footnote 26 above

Mining

The deposits are near-surface and easily accessible by open pit mining with a pre-concentrate mining and initial ore stockpile for processing plant commissioning, some of which will be free dig. Processing rates have been thoroughly examined and an optimised rate of 12 Mtpa ramping up to 13.5 Mtpa has been selected. Stockpile strategies and in-pit dumping of waste have all been optimised to minimise operating cost and maximise mill feed grade. Figure 5 shows the updated open pit designs for Nebo and Babel, with the PFSU pit extent shown as a dotted line for comparison.

Mining continues to be conventional drill, blast, load and haul (Figure 4) with an owner-operator workforce implementing an autonomous fleet from day one.

Babel will be mined for the first two years to access higher grade, near-surface mineralisation, with Nebo to begin mining from year two.

A site layout was developed including waste dumps, haul and access roads, run of mine (ROM) ore pads and processing plant (Figure 6).

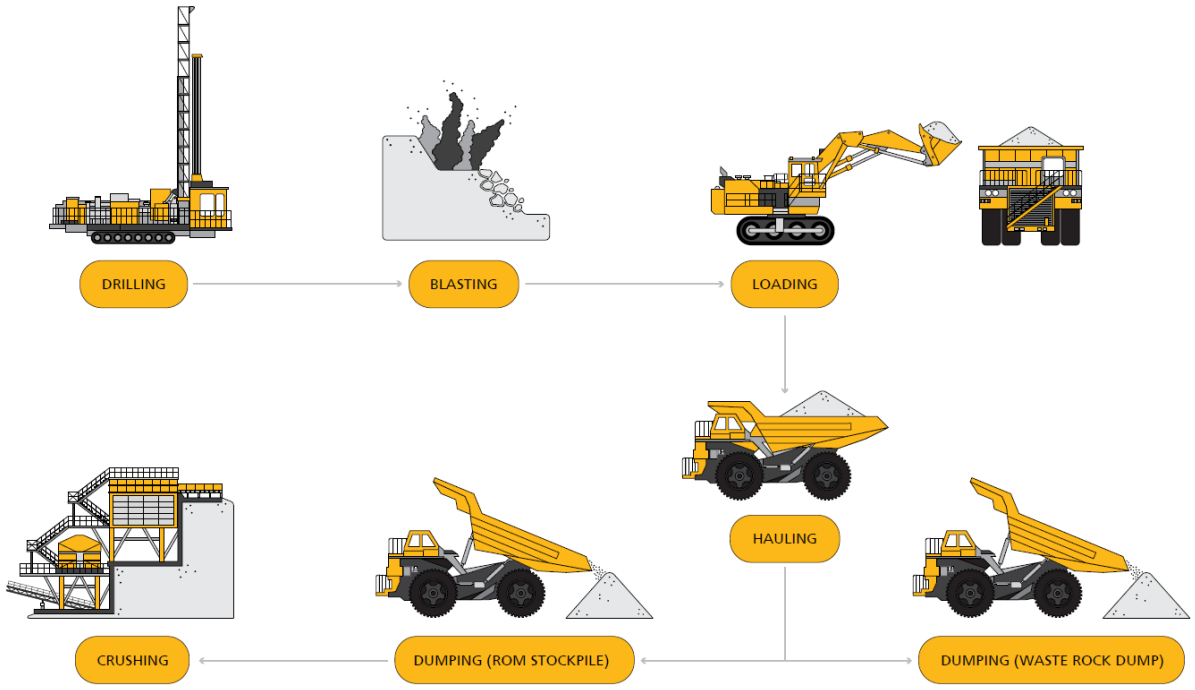


Figure 4: Conventional Mining Flow Chart

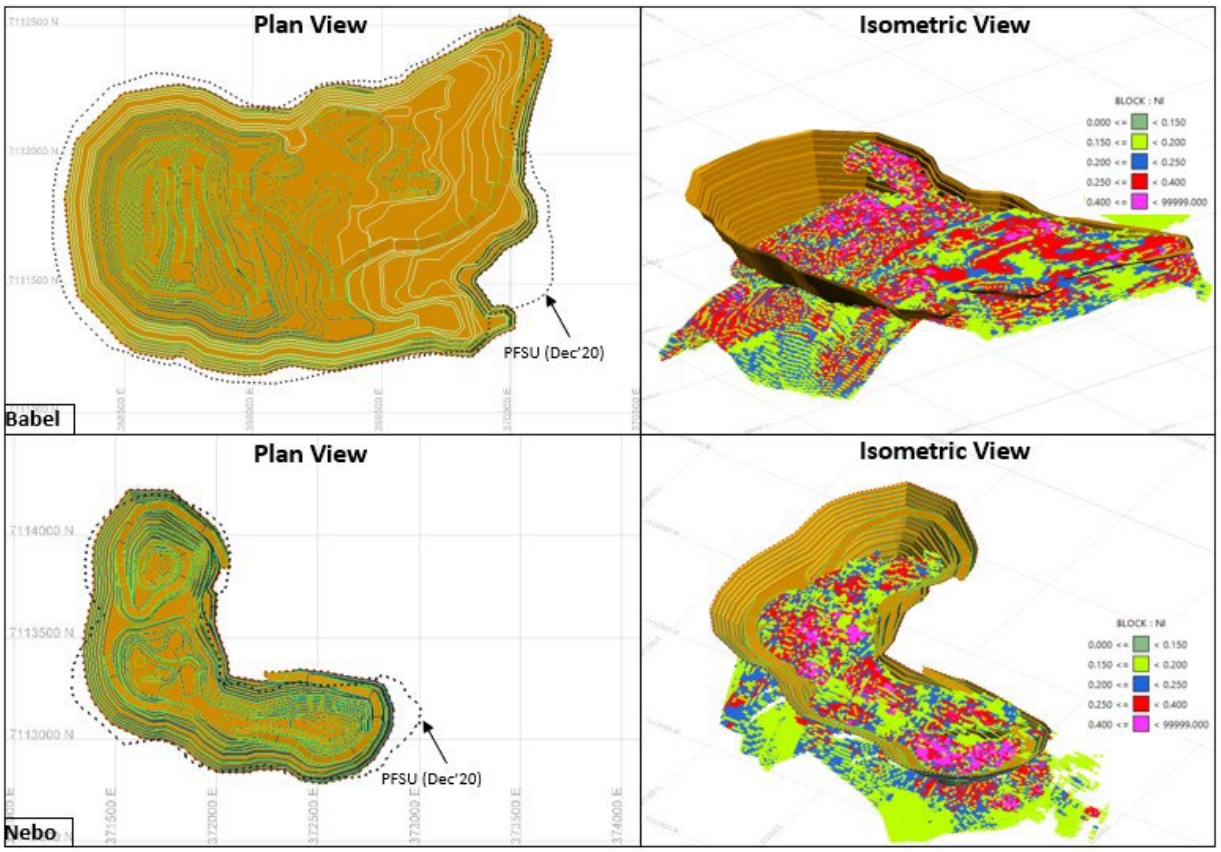


Figure 5: Pit Design for Both Deposits Showing Minerals Resources Grades >0.15%Ni

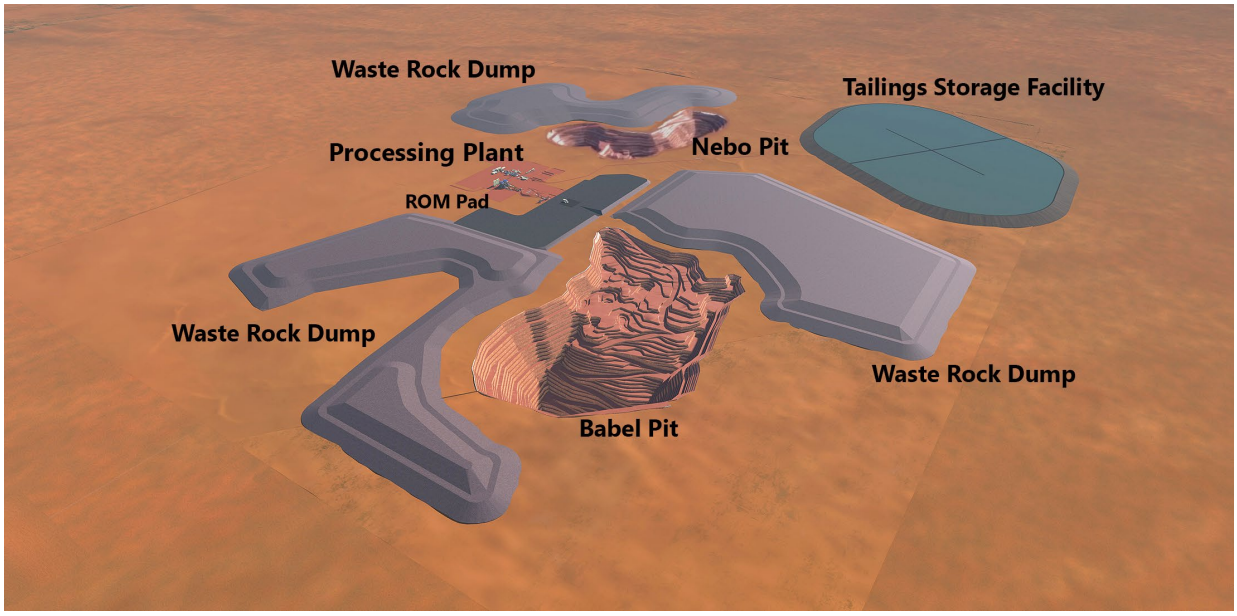


Figure 6: Mining Layout

Production Profile

Mine planning has been optimised to align feed grade with process capacity enabling an increase to annualised throughput rate of 13.5 Mtpa over the first five years of operation. Minor process and equipment refinements have been adopted to support these debottlenecking measures. Opportunities remain to expand processing capacity around 2030 to align with projected grades and potential mining rates. Production target and material classification is illustrated in Figure 7 below.

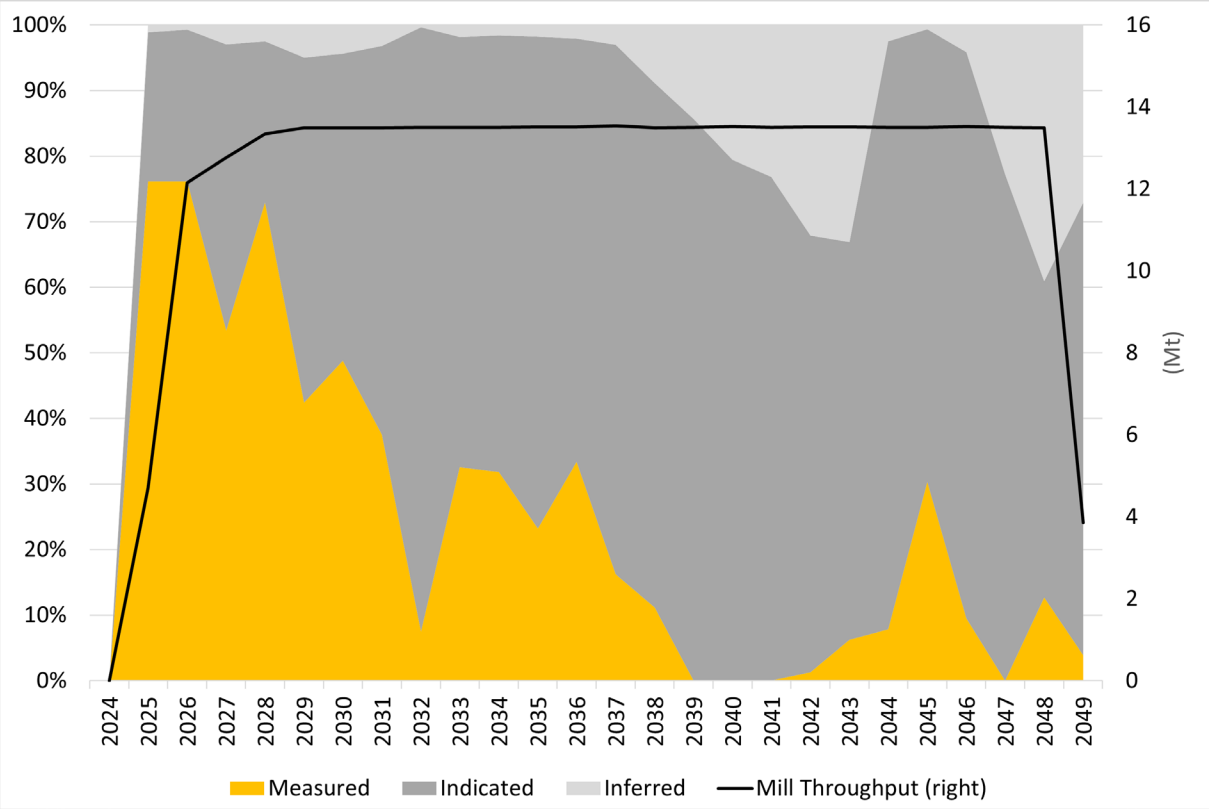


Figure 7: West Musgrave Production Target and Material Classification

Metallurgy and Processing

A technology-focused innovative mineral processing plant will be built on site (see Figure 8). The comminution circuit consists of primary and secondary crushing followed by two vertical roller mills (VRMs) operating in parallel. The VRMs have benefits in reducing power consumption by ~20%, supports higher flotation recovery and can be ramped up and down to give operational flexibility. The application of the VRM technology has been peer-reviewed for the WMP by independent experts and has been de-risked through pilot test work campaigns. The flotation flowsheet (see Figure 9) uses bulk rougher flotation, regrinding, two stages of bulk cleaning, and then copper nickel separation at elevated pH. The flowsheet is supported via locked cycle and pilot test work.

The overall flowsheet remains equivalent to that in the PFSU. The capacity of the processing plant is designed for initial operation at 12 Mtpa throughput and supports an increase to 13.5 Mtpa over the first five years of operation aligned with the feed grade profile.

The nickel concentrate is a high-quality product with a low magnesium oxide (MgO) content and is low in arsenic and other impurities. The copper concentrate is also low in impurities and includes minor by-products of gold and silver.

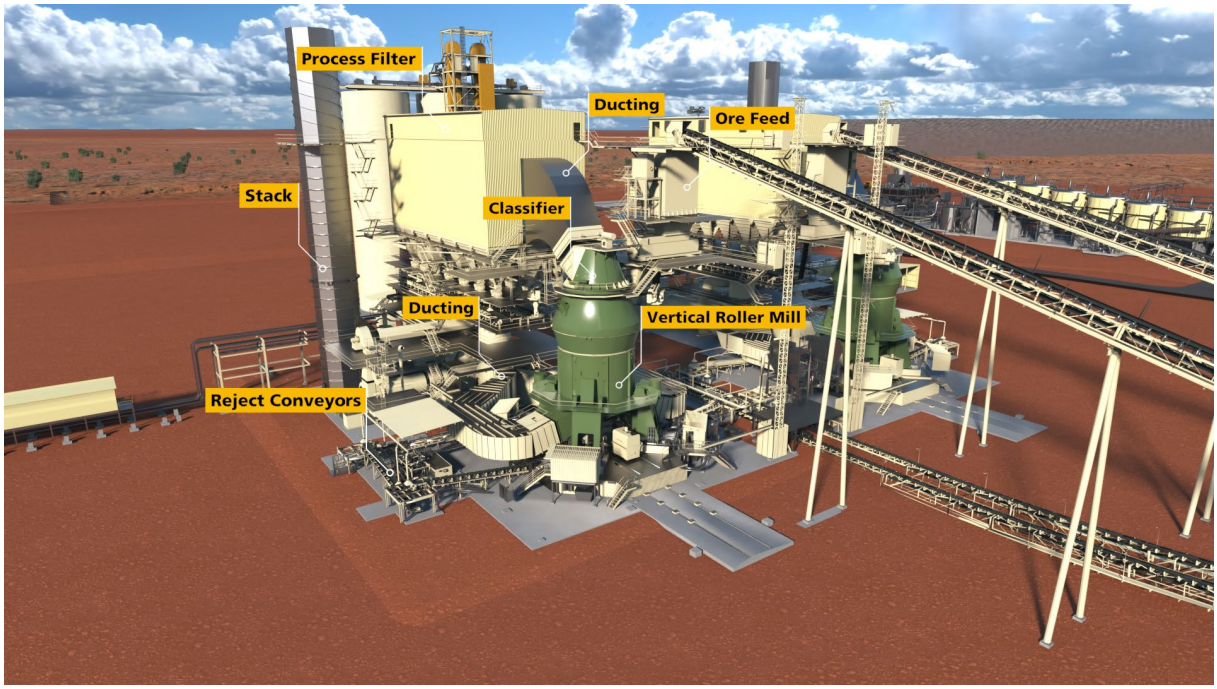


Figure 8: Grinding Circuit 3D Render

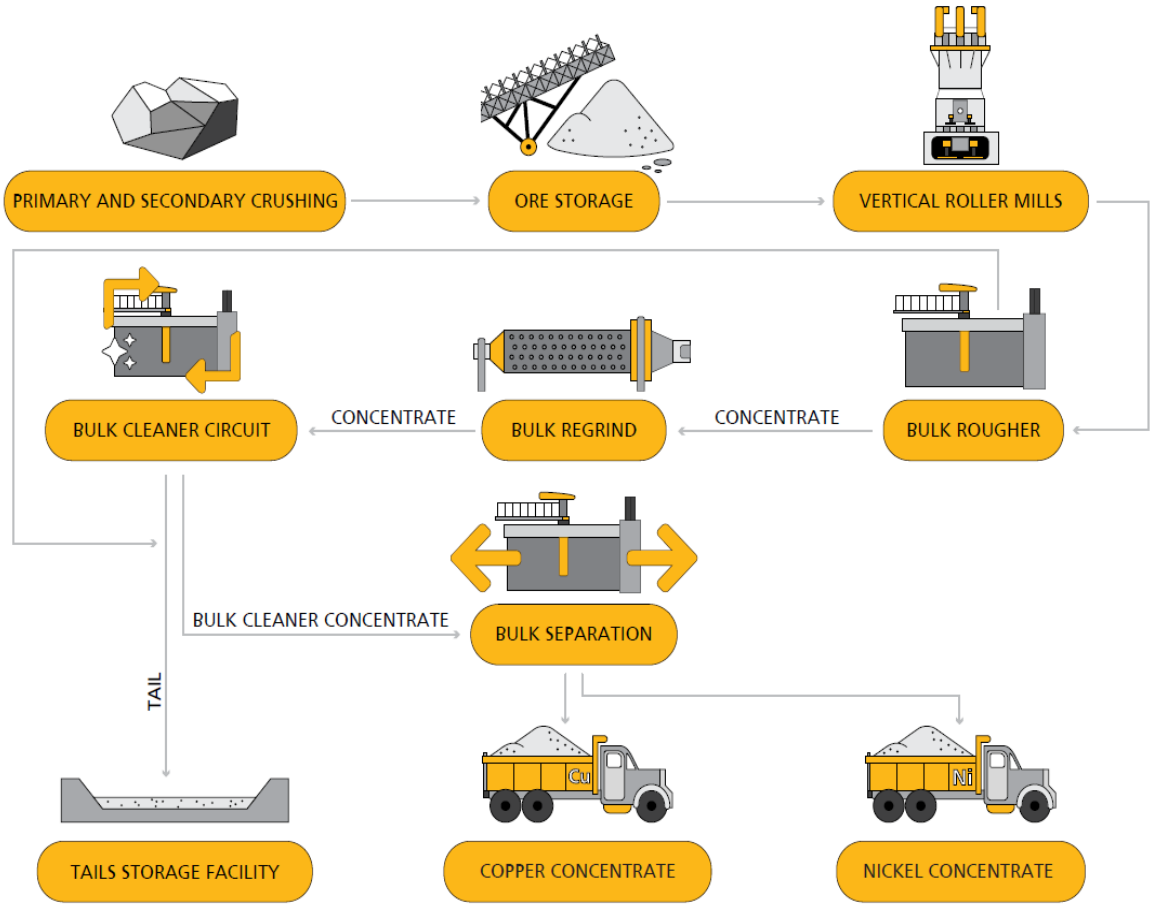


Figure 9: Simplified Processing Flowsheet

Tailings Storage Facility

The design of the tailings storage facility (TSF) remains the same as that presented in the PFSU. The design is a two-cell TSF built as a hybrid system that includes upstream raises with an allowance for downstream buttressing using mine waste rock. The facility will be unlined with underdrainage and groundwater interception trench designed to capture seepage for return to the process plant during operations.

The Nebo pit void will be utilised for tailings disposal at the completion of mining activities within the pit. Utilising the Nebo pit will have an added benefit in minimising long-term groundwater drawdown by avoiding the development of a pit lake.

Supporting Infrastructure

Water Supply

The groundwater drilling and subsequent groundwater modelling completed to date demonstrate a sustainable, high quality water supply from local paleochannels of 7.5 GL/a, sufficient to supply the processing plant. The Nebo pit intersects a paleochannel and as such requires dewatering prior to mining, with this water to be used in early operations. A borefield will be located to the north-east, approximately 15 to 25 km from the operation, and be supplemented by water recovered during pit dewatering.

Power Supply

The WMP operation will be powered via an off-grid hybrid power system, necessitated by the lack of proximal energy transmission infrastructure combined with company and asset decarbonisation aspirations. The system will be comprised of an optimised mix of solar and wind generation, supported by a BESS to provide stability and a series of diesel generators providing back up support.

Modelling has indicated the system will achieve approximately 80% renewable penetration for power generation, operating in 'diesel-off' for extended periods to achieve this. Design work to date indicates an optimal configuration of ~60 MW solar and ~90 MW wind. Once complete, it will be one of the world's largest, off-grid hybrid projects.

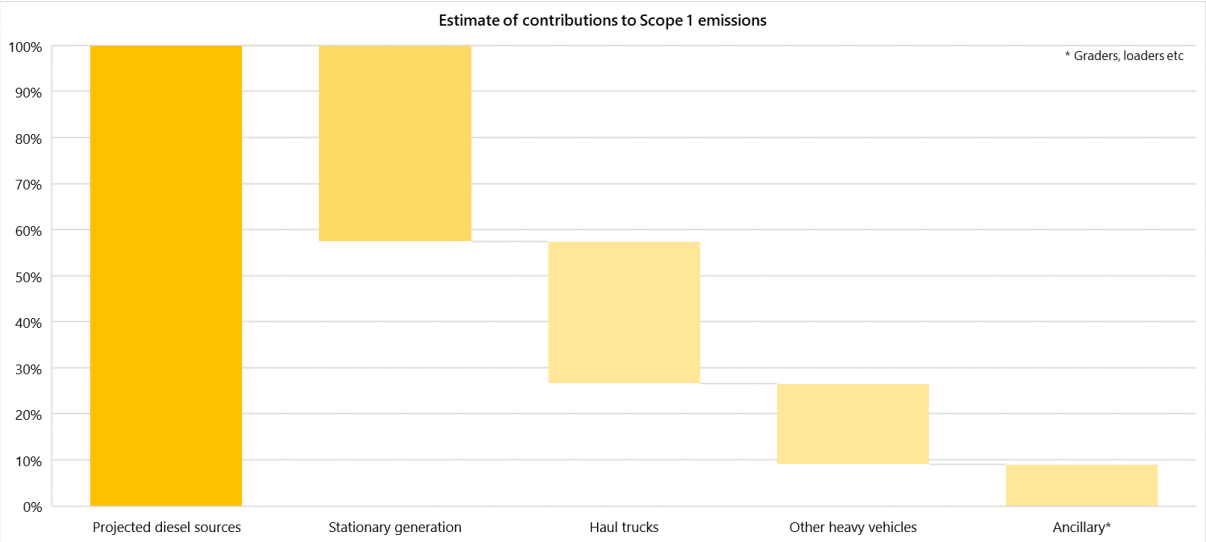
Approximately 50 MW of electricity will be procured under a PPA from an Independent Power Producer and includes provision for expansion and also an option to transfer ownership of the system to OZ Minerals in the future.

Net Zero Scope 1 Emissions by 2038

The circa 80% renewable power penetration gives the WMP an advantage to produce low carbon intensity concentrates. Scope 1 emission estimates (see Figure 10), comprising diesel consumption associated with the mining fleet and hybrid power solution, result in a site emissions intensity of 1.3 t CO_2-e/tonne CuEq produced.[29] WMP is well positioned in the lowest emission intensity quartile among global nickel producers (see Figure 11).

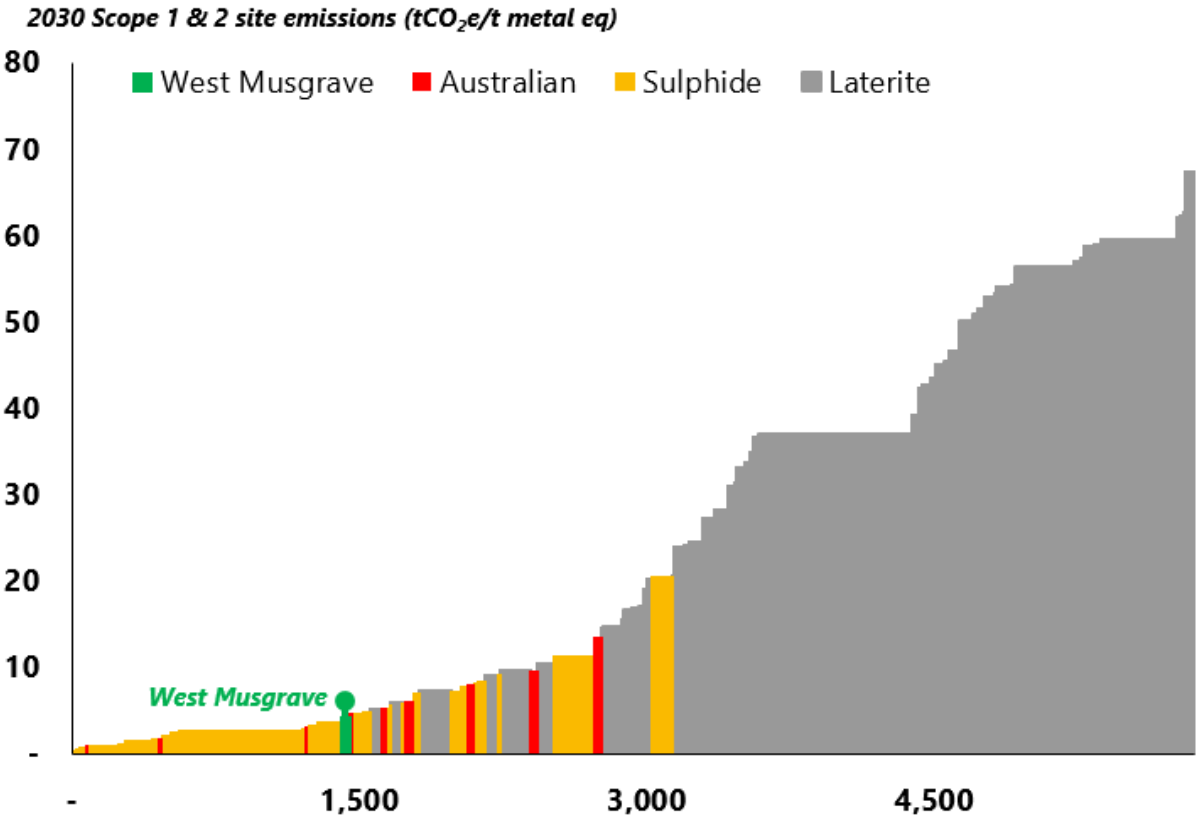
The WMP decarbonisation roadmap to achieve net zero Scope 1 emissions by 2038 includes the potential for mining fleet electrification and increased renewable power penetration. During the life of the operation all economically viable options to achieve net zero Scope 1 emissions ahead of 2038 will be explored. It is expected that significant technology advancements will be made over the next decade and leveraging partnerships will be key to achieving our net zero Scope 1 target. The team will continue to work with our partners on Scope 3 emissions reduction. WMP as currently proposed is not expected to produce any Scope 2 emissions.

[29] Based on estimated scope 1 emissions. West Musgrave is not expected to produce scope 2 emissions



Note: the above chart does not include explosives or ancillaries (light vehicles, forklifts, cranes, heavy rigids) which are estimated to be < 2%.

Figure 10: Scope 1 Emissions Sources



Source: CRU (2022)
Notes: The pathway is aligned with the potential transition to an electric haulage fleet at the first engine change out, together with exploring other initiatives to reduce diesel and the application of offsets.

Figure 11: Emissions Intensity

Logistics Route

The logistics route to market includes road transport along the Great Central Road to a central hub at Leonora, followed by rail transport to Esperance (see Figure 12). 'Super Quad' road trains are proposed to be used to transport concentrate in half-height containers, with empty concentrate trucks returning to the site being utilised for the backhaul of reagents, diesel and other consumables. The capital cost estimate includes an upgrade of the existing 30 km access track from the site to Mantamaru. In addition, the Australian Government and the Government of Western Australia have jointly committed to seal the Great Central Road with a target completion date of 2030. The sealing of the Great Central Road will contribute towards a safer, and more cost-effective logistics operation for the WMP.

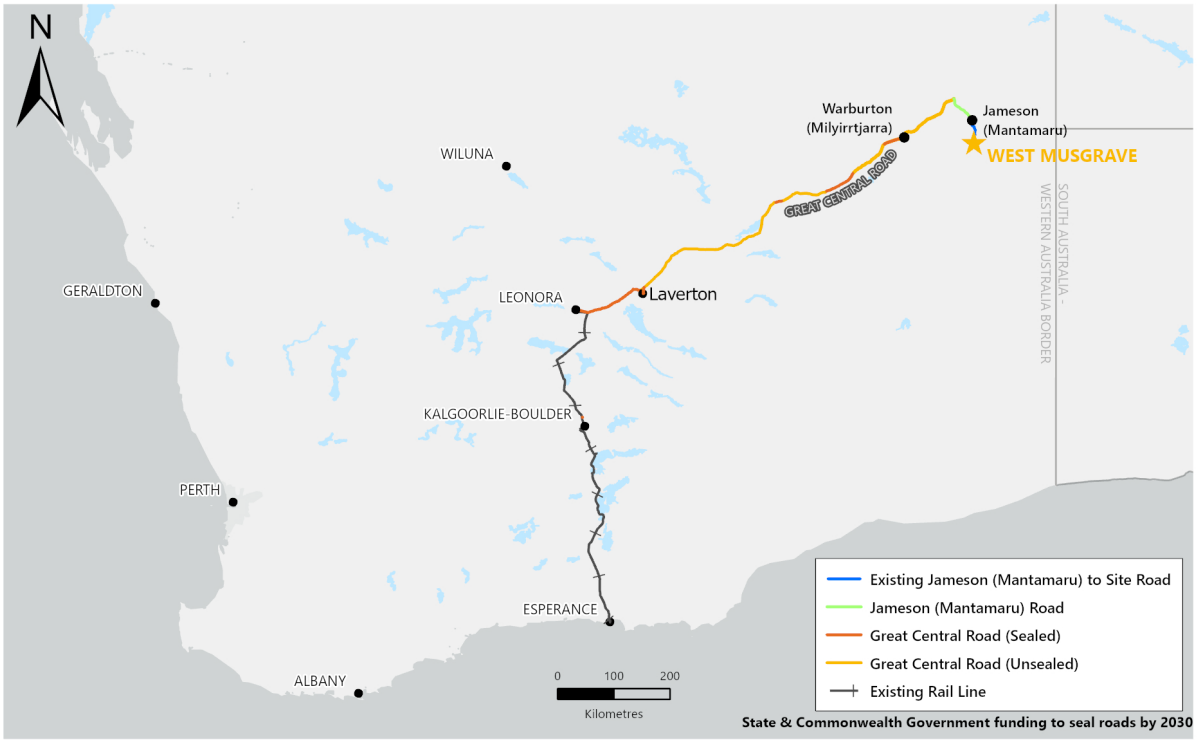


Figure 12: Proposed Concentrate Logistics Route

Remote Operations Centre and Digital

The WMP Operation is to be supported by a Remote Operations Centre (ROC), with hubs in both OZ Minerals' Perth and Adelaide offices. The ROC will support integrated planning and optimisation, as well as operations monitoring, control, and planning across all aspects of the operation.

Accommodation

The WMP will operate as a fly-in-fly-out operation. A modern Living Hub camp and facilities will comprise an aerodrome and 350 permanent ensuite rooms, to be supplemented by additional temporary accommodation for the construction phase.

Extensive workforce engagement contributed to the Living Hub design (see Figure 13) which is focussed on wellness and wellbeing. The facilities include myriad exercise and sporting options such as a pool, basketball court ~2 km running track, gymnasium and playing field. These options are complemented by amenities such as music rooms, a library, golf simulators, yoga/pilates/meditation space, multi-faith prayer rooms, gaming centre and ability to host mobile services to enhance wellbeing.

Figure 13: Proposed Living Hub Design

The Living Hub will be constructed and operated by a third-party and therefore is not included in the capital cost estimate.

Our People

As part of the FS, alternative organisational designs were explored to understand how to best organise ourselves around the work to fulfil the vision of being a modern mine. A modern organisational design based on the proposed operating strategy underpins the project valuation. Capabilities will be built to support new functions such as owner-operator mining and the ROC. Significant work has been undertaken by the study team, with a focus on:

- A diverse workforce and operating culture centered on connectedness and innovation
- A networked, low-hierarchy organisational design, shaped around the work
- Work routines shaped around people self-managing their own time around committed work outcomes.

Initiatives contributing to the above are well-progressed, with the execution strategy for WMP incorporating elements designed to help bring the project's vision for its workforce to life.

Community

The WMP is located entirely within the Ngaanyatjarra Lands of central Western Australia, within a Class A Aboriginal Reserve held by the Ngaanyatjarra Land Council on behalf of the Ngaanyatjarra people for the use and benefits of Aboriginal inhabitants, and within the Yarnangu Ngaanyatjarraku Parna (Aboriginal Corporation) Native Title Determination. The community has been widely consulted since 2017, initially through heritage surveys and subsequently through Steering Committee forums and 'Open Meetings' held either in Mantamaru or on-country. The heritage surveys helped to develop the relationship with the Ngaanyatjarra people and to allow the project team to design the mine to avoid ethnographic and archaeological places of interest.

Whilst COVID-19 restricted some of the activities on country during 2020 and 2021, consultation with the Ngaanyatjarra Council (Aboriginal Corporation) continued remotely to help progress the agreement-making process. The Ngaanyatjarra Steering Committee comprised 34 men and women with the highest cultural authority from the three closest communities. These forums were held to provide project updates and to seek feedback on the design of the WMP as well as the proposed terms within the agreement.

In April 2022, consultation sessions were held in Kalgoorlie, Laverton and Leonora to provide a project update to Ngaanyatjarra people residing in the goldfields and an opportunity for them to engage and clarify any aspects of the project. From April to June extensive time was spent on-country carrying out a series of in-field engagements with the Ngaanyatjarra people to provide a better understanding of the Project, potential impacts and opportunities of the Project. A three-day 'Open Meeting' was held on 21 to 23 June 2022 on-country where community support for the project was received. Continued transparent engagement with the Ngaanyatjarra people has led to the signing of the Ngaanyatjarra – OZ Minerals Mining Agreement on 22 September 2022.

Government Engagement

The dedicated government engagement strategy developed during the FS is ongoing and consistent. The key objectives of this strategy include building OZ Minerals and the WMP profile in Western Australia, working with government stakeholders to realise shared value opportunities for the West Musgrave region and maintaining momentum for the project's regulatory pathway.

OZ Minerals continues to have regular interactions with the key contacts of the Government of Western Australia to grow a positive relationship.

Regulatory Approvals

All required primary regulatory approvals have been obtained:

- *Environmental Protection Act 1986* (WA) Part IV Ministerial Statement received on 24 April 2022
- Mining Lease granted on 4 July 2022
- *Environmental Protection Act 1986* (WA) Part V Works Approval received 22 July 2022
- *Mining Act 1978* (WA) Mining Proposal approved on 11 August 2022.

Plans are in place to attain all secondary approvals in a timely manner.

Life of Province Potential

In addition to the base case WMP scope outlined above, the team is progressing investigation into Life of Province opportunities at the Musgrave Province to further understand optionality within the region. The intent is to understand the scope and value of these opportunities and include the potential construction of a downstream nickel processing plant for MHP, as well as near mine expansion for Succoth and other exploration targets.

Province Extensions

Beyond the planned mining pits of Nebo and Babel, there are additional options in the Musgrave Province as shown in Figure 14. Succoth is a near surface copper deposit that may be suitable for mining using open pit methods. The timing for mining Succoth would either be as part of a site expansion or at the end of mine life. Other known exploration targets include One Tree Hill, Yappsu, and Esagila as well as exploration tenements with potential to contain additional mineralisation (see Figure 1). Satellite deposits are faced with lower economic hurdles given site infrastructure will already be in place to support the Nebo-Babel deposits.

The overall intrusive architecture of the WMP mineralising systems remains elusive, mainly due to the focus of previous exploration being on deposit detection, resource definition and mining studies.

The WMP mineralising architecture, as currently understood, comprises only a snapshot of the overall intrusive system architecture. A significant aim of exploration efforts going forward will be to resolve the intrusive system architecture to enable predictive targeting and discovery of additional sulphide mineralisation.

Within 20 km of WMP there are multiple fertile mineralising systems:

- Nebo, Babel and Yappsu belong to a magmatic Ni-Cu mineralising system with 1:1 Cu-Ni ratio.
- Succoth, Esagila, One Tree Hill belong to a mineralising system with 10:1 Cu-Ni ratio.
- The volumetrically limited 'Start Me Up' shoot at the north-western margin of Babel shows evidence of being an earlier and better endowed intrusion than Babel.
- At the Suez prospect, an historic aircore intersection of 2 m @ 5 g/t Pt has been superficially followed up and demonstrates the potential for discovery of platinum-reef style mineralisation in the region.

The timing, size and potential for further discoveries in the West Musgrave province are all likely to increase as more exploration occurs both with near mine exploration and in the wider West Musgrave Province. Opportunities can be divided into 'near mine' where the opportunities would be likely to feed into the WMP Nebo-Babel processing plant once built, such as Succoth, which has a current Mineral Resource; 'camp' which are opportunities further away but which could also feed the Nebo-Babel processing plant; and regional opportunities which are typically more than 50 km away, which would likely need their own processing plant, but would be enabled by the infrastructure at the WMP. These regional opportunities include magmatic Ni_Cu targets within the Musgrave Province as well as Sediment hosted Cu opportunities in the Officer basin, on the southern margin of the West Musgrave Province.

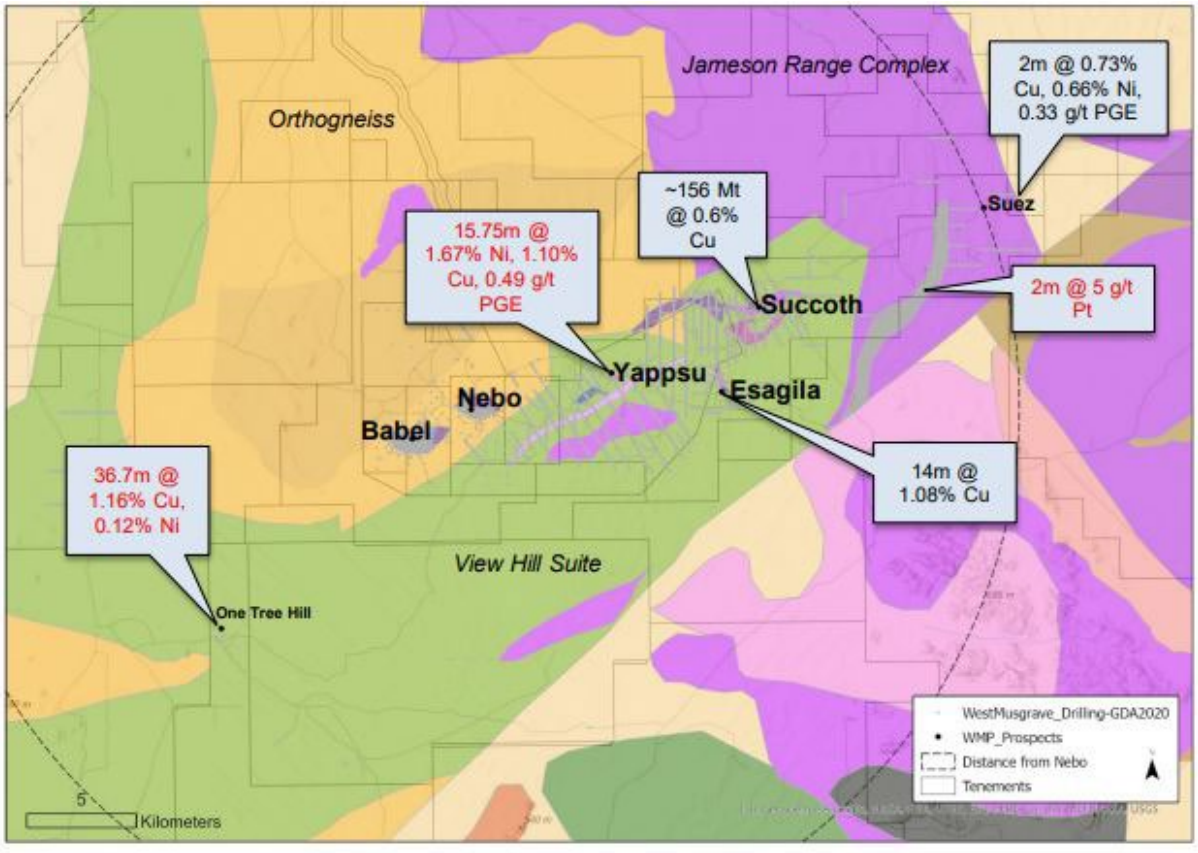


Figure 14: West Musgrave Province

Mixed Hydroxide Precipitate

An opportunity exists to increase WMP value by further processing nickel concentrate to produce MHP via a hydrometallurgical flowsheet, for use in the battery value chain. MHP is an intermediate nickel and cobalt product used as a feedstock for cathode battery materials. As a higher-grade product (relative to nickel concentrate), MHP is expected to attract an incremental gain in payable metal and significantly reduce outbound logistics costs, thereby enhancing project value.

The OZ Minerals Board approved a A$6.5 million Stage 2 study program in September 2021, which includes technical study work as well as a commercial workstream investigating potential partnership opportunities, with a study update forecast for Q4 2022. MHP is additional to base case and can be developed at any time in the future.

Project Execution

The WMP is adopting an owner's integrated team to allow collaboration with key contractors while managing risk, schedule and costs. Implementation of this model follows successful execution of the Carrapateena Project which built the internal capability of OZ Minerals.

Next Steps

The WMP will now progress to project execution. Preparatory work commenced earlier this year on critical path activities. This work will continue alongside the remainder of execution activities approved by the OZ Minerals' Board. Critical execution activities over the coming 12 months include:

- Execution and Operations Readiness teams established in Western Australia and South Australia
- Undertake all works required to support construction schedule, including camp expansion and critical support services
- Complete detailed engineering design and issue for construction drawings
- Attain all necessary secondary approvals
- Complete the procurement of long lead items
- Complete the bulk earthwork platforms for the processing plant.

Key Contributors

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