
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

The Company has applied for, and the Stock Exchange has granted, the following waivers from strict compliance with the requirements of the Listing Rules.

WAIVER IN RELATION TO THE CALL OPTIONS EXERCISABLE BY THE COMPANY

Under the Shareholders' Agreement, shareholders of the JV Company have granted the Call Options, including the Contribution Default Call Option, the Non-participation Call Option and the Transfer Event Call Option, to each other. Where the Call Options are exercisable at the discretion of the Company (through MMG SA as a shareholder of the JV Company), the grant (at no cost) of these options to the Company will, pursuant to Rule 14.75 of the Listing Rules, be exempt from the notification, announcement and shareholders' approval requirements of Chapter 14 of the Listing Rules. The exercise of any of the Call Options by the Company, however, will be subject to the requirements under Chapter 14 and also Chapter 14A of the Listing Rules given that at the time when any of the Call Options is exercised by the Company, each of Elion Holdings and CITIC will have become a substantial shareholder of the JV Company and hence, a connected person of the Company.

The Company considers that the Call Options exercisable by the Company are for the protection of the Group's interest in the JV Company. It is essential for the Company to be able to act promptly upon the occurrence of any event which would result in any of the Call Options becoming exercisable by the Company against the other shareholders of the JV Company, when the other shareholders of the JV Company would be able to do so where any of those options becomes exercisable by them. The Company considers that it should be put on an equal footing with the other shareholders of the Company.

On the basis of the above, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with the relevant requirements under Chapter 14 and 14A of the Listing Rules such that no approval by the Company's shareholders will be required at the time when the Company exercises any of the Call Options, on condition that (a) the Company seeks the prior approval by its shareholders of the exercise of the Call Options by the Company as a major transaction (acquisition) at the EGM and such approval is obtained; and (b) at the time when the Company exercises any of the Call Options, Elion Holdings or CITIC (as the case may be) would not be regarded as a connected person of the Company other than by virtue of its relationship with the JV Company. On the basis that prior approval by the Company's shareholders of the exercise of the Call Options by the Company is obtained, if the exercise of any of the Call Options would otherwise be subject to shareholders' approval based on the class of notifiable transaction it would fall under at the time, the Company will make an announcement at the time of the exercise and to include in such announcement all the information which would be required to be included in the circular to shareholders for such class of notifiable transaction.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

WAIVER IN RELATION TO THE ACCOUNTANTS' REPORT ON THE TARGET GROUP AND THE REPORTING ACCOUNTANTS

Waiver in relation to the accountants' report on the Target Group

The Company is required under Rule 14.69(4)(a)(i) of the Listing Rules to include an accountants' report on the Target Company, the shares of which are being acquired by the Company under the Acquisition, in this circular in accordance with Chapter 4 of the Listing Rules. Rule 4.06 of the Listing Rules provides that the accountants' report on any company being acquired must include, among other things, the results, the consolidated balance sheet, the cash flow statement and a statement of changes in equity of the company being acquired and its subsidiaries for or as at the three financial years of the company immediately preceding the issue of the circular.

According to the Sellers, no audited consolidated financial statements of the Target Company and its subsidiaries have been prepared for any of the three financial years ended 31 December 2011, 2012 and 2013 as it was not required under applicable laws, rules or regulations. As disclosed in this circular, the Target Company has, in addition to its shareholding in the Project Company, also held shareholdings in a number of other subsidiaries, all of which are engaged in business activities or hold investments unrelated to the Las Bambas Project and in preparation for the disposal of the Target Company, the Target Company has completed the divestment of its shareholdings in those unrelated subsidiaries in November 2013. If the Company were to prepare the accountants' report on the Target Company and its subsidiaries for the three financial years ended 31 December 2011, 2012 and 2013 in strict compliance with Rule 4.06 of the Listing Rules, it would have to obtain the accounts and records of the entities which the Target Company had divested during those three financial years. The Company would not be able to obtain access of them as they are not part of or otherwise relevant to the Acquisition.

The Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 4.06 of the Listing Rules such that (a) an accountants' report on the stand-alone audited financial statements of the Target Company and (b) an accountants' report on the stand-alone audited financial statements of the Project Company, in each case for each of the three financial years ended 31 December 2011, 2012 and 2013 will be included in this circular.

Waiver in relation to the reporting accountants

Pursuant to Rule 4.03 of the Listing Rules, an accountants' report on any company being acquired must be prepared by certified public accountants who are qualified under the Professional Accountants Ordinance (Cap. 50, Laws of Hong Kong). Rule 4.03 also provides that in the case of a circular issued by a listed issuer in connection with the acquisition of an overseas company, the Stock Exchange may be prepared to permit the accountants' report to be prepared by a firm of practicing accountants which is not so qualified but which is acceptable to the Stock Exchange. Such firm must normally have an international name and reputation and be a member of a recognised body of accountants.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

The Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 4.03 of the Listing Rules such that Deloitte LLP, which is not registered under the Professional Accountants Ordinance, will prepare the accountants' report on the Target Company and the accountants' report on the Project Company, in each case for the three financial years ended 31 December 2011, 2012 and 2013.

Deloitte LLP is registered under the applicable laws of England and Wales and is a member of the Institute of Chartered Accountants in England and Wales, an internationally recognised professional association for accountants. Deloitte LLP is the member firm of the reputable international accounting practice of Deloitte Touche Tohmatsu.

The financial statements of the Target Company and the Project Company for the year ended 31 December 2013 were audited by the member firm of Deloitte Touche Tohmatsu in Peru. The consolidated financial statements of the Sellers' holding company and its subsidiaries (including the Target Company and the Project Company) for each of the three financial years ended 31 December 2011, 2012 and 2013 were audited by Deloitte LLP. Given that Deloitte LLP has acquired detailed knowledge of the Target Company and the Project Company in the course of auditing the consolidated financial statements of the Sellers' holding company and its subsidiaries, and it has a close working relationship with the auditors of the Target Company and the Project Company in Peru as both of them are member firms of Deloitte Touche Tohmatsu, the Directors consider that it would be more cost and time effective to engage Deloitte LLP rather than a firm of professional accountants who are qualified under the Professional Accountants Ordinance but who are not familiar with the Target Company and the Project Company to prepare the accountants' report on the Target Company and the Project Company for inclusion in this circular.

WAIVER IN RELATION TO THE CMN ANNUAL CAPS

Pursuant to Rule 14A.35(2) of the Listing Rules, an annual cap must be set in respect of the transactions contemplated under the CMN Framework Offtake Agreement and such annual cap must be expressed in terms of monetary value rather than a percentage of the Company's annual revenue.

The monetary value of the sales of copper concentrate contemplated under the CMN Framework Offtake Agreement will be determined based on, among other things, the copper price quoted on the London Metal Exchange and the silver and gold price quoted on the relevant London markets over a certain quotational period. These metal prices change on a daily basis and can vary significantly from month to month. Such variations are outside the control of the Company but will affect the monetary value of the transactions under the CMN Framework Offtake Agreement.

The Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 14A.35(2) of the Listing Rules such that the CMN Annual Caps can be expressed, instead of as a fixed monetary amount, as a fixed quantity of contained copper in the copper concentrate to be sold each year over the duration of the CMN Framework Offtake Agreement, on condition that disclosure is included in this circular to illustrate how the change in assumptions outside the control of the Company will affect the monetary value of the transactions contemplated under the CMN Framework Offtake Agreement. Please refer to the section headed "Letter from the Board — Offtake arrangements — Annual Caps" for further details.