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MMG LIMITED
五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

**ANNOUNCEMENT RELATING TO
RULE 13.18 OF THE LISTING RULES**

This announcement is made pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (Listing Rules).

The board of directors (Board) is pleased to announce that a credit facility agreement (Facility Agreement) has been entered into between Minera Las Bambas S.A. (MLB) (a subsidiary of the Company) and each of (i) China Development Bank, (ii) Bank of China Limited, Sydney Branch, (iii) Industrial and Commercial Bank of China Ltd., Macau Branch and (iv) The Export-Import Bank of China (together, the Lenders) pursuant to which a credit facility in the amount of US\$800,000,000 (Facility) with a term of three years has been granted to MLB for the purpose of satisfying operational funding requirements. The Facility will be available for draw down during the term, with repaid sums available for re-draw.

The Facility is guaranteed by the indirect shareholders of MLB, including China Minmetals Corporation 中國五礦集團有限公司 (CMC), the ultimate controlling shareholder of the Company, in accordance with the proportion of their beneficial shareholding in MLB.

Pursuant to the terms of the Facility, upon the occurrence of the following events, the Lenders may, by not less than 20 days' notice to MLB, declare all outstanding loans under the Facility Agreement immediately due and payable:

- (a) CMC ceases to beneficially hold more than 50% of the issued share capital of the Company; or
- (b) CMC ceases to have the power, directly or indirectly, to:
 - (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of the Company; or
 - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of the Company; or
 - (iii) give directions with respect to the operating and financial policies of the Company with which the directors or other equivalent officers of the Company are obliged to comply.

The same control requirements are imposed on the Company in relation to its interest in and control of MLB, failing which the Lenders may also declare all outstanding loans under the Facility Agreement immediately due and payable.

Further to the announcement released on 4 September 2020 regarding an US\$85,000,000 loan facility, the Facility is, again, a further demonstration of the strong ongoing support shown to the Company by its banking partners. Noting recent rallies in commodity prices, the Company does not expect to immediately rely on this new funding arrangement, however considers it to be a prudent addition to the Company's stand-by liquidity sources in the current environment.

By order of the Board
MMG Limited
Gao Xiaoyu
CEO and Executive Director

Hong Kong, 19 October 2020

As at the date of this announcement, the Board consists of eight directors, of which one is an executive director, namely Mr Gao Xiaoyu; four are non-executive directors, namely Mr Guo Wenqing (Chairman), Mr Jiao Jian, Mr Zhang Shuqiang and Mr Xu Jiqing; and three are independent non-executive directors, namely Dr Peter William Cassidy, Mr Leung Cheuk Yan and Mr Chan Ka Keung, Peter.