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MMG LIMITED

五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

FOURTH QUARTER PRODUCTION REPORT FOR THE THREE MONTHS ENDED 31 DECEMBER 2022

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (Listing Rules) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (Board) of MMG Limited (Company or MMG) is pleased to provide the Fourth Quarter Production Report for the three months ended 31 December 2022.

The report is annexed to this announcement.

By order of the Board

MMG Limited

LI Liangang

Interim CEO and Executive Director

Hong Kong, 31 January 2023

As at the date of this announcement, the Board comprises seven directors, of which one is an executive director, namely Mr Li Liangang; three are non-executive directors, namely Mr Jiao Jian (Chairman), 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.

2022 FOURTH QUARTER PRODUCTION REPORT

LAS BAMBAS					
	4Q22	4Q22 vs 4Q21	4Q22 vs 3Q22	FULL YEAR22	FULL YEAR22 vs FULL YEAR21
Copper (tonnes)	73,093	12%	-9%	254,836	-12%
Molybdenum (tonnes)	1,217	32%	23%	3,532	-29%

KINSEVERE					
	4Q22	4Q22 vs 4Q21	4Q22 vs 3Q22	FULL YEAR22	FULL YEAR22 vs FULL YEAR21
Copper Cathode (tonnes)	12,406	11%	-15%	49,070	2%

DUGALD RIVER					
	4Q22	4Q22 vs 4Q21	4Q22 vs 3Q22	FULL YEAR22	FULL YEAR22 vs FULL YEAR21
Contained metal in concentrate					
Zinc (tonnes)	44,579	4%	-9%	173,395	-4%
Lead (tonnes)	5,974	21%	-7%	20,869	2%

ROSEBERY					
	4Q22	4Q22 vs 4Q21	4Q22 vs 3Q22	FULL YEAR22	FULL YEAR22 vs FULL YEAR21
Contained metal in concentrate					
Zinc (tonnes)	15,815	-15%	35%	51,156	-26%
Lead (tonnes)	4,667	-26%	14%	18,077	-28%
Copper (tonnes)	380	-10%	29%	1,147	-27%

KEY POINTS

- Total Recordable Injury Frequency (TRIF) for the fourth quarter of 2022 is 0.67 per million hours worked and 1.25 for the full year 2022.
- All full year 2022 results for production and costs met or exceeded the latest guidance at each MMG operation.
- Total copper production (copper cathode plus copper in concentrate) of 305,053 tonnes for the full year 2022 was 10% lower than 2021 mainly due to the impact of community protests at Las Bambas. Total zinc production of 224,551 tonnes in the full year 2022 was 10% below 2021 mainly due to COVID-19 impacts on workforce availability in early 2022 impacting production at both Dugald River and Rosebery, coupled with lower ore grades.
- Las Bambas' annual production in 2022 was 254,836 tonnes of copper, slightly above the latest guidance of 250,000 tonnes but 12% lower than 2021 following continued community protests which caused an operational shut of more than 50 days.
- Las Bambas' third ball mill was successfully commissioned during the fourth quarter. Supported by the third ball mill, the mine achieved the highest quarter milling throughput since 2020, which was also the second highest quarter throughput in the mine's history.
- From early December 2022, Peru has experienced widespread social unrest following the impeachment of Pedro Castillo, the previous President of Peru. The widespread protests have caused disruptions along the Southern Road Corridor, affecting the broader mining industry. Las Bambas has mobilized its site security team and the property remains secure. The Company's first priority is the health, safety and security of all employees, contractors and the broader community. Following these transport disruptions, Las Bambas has been forced to commence a progressive slow-down of its operation due to a shortage of critical supplies.
- The Company has made progress in dialogue processes and the implementation of agreements during the fourth quarter across the six communities involved in the 2022 site protests, as well as with other communities in its area of influence. Unfortunately, all dialogue tables have been forced to pause due to security concerns amid nationwide protests. We look forward to progressing these discussions once the social unrest dissipates.
- Kinsevere produced 49,070 tonnes of copper cathode in 2022, representing a 2% increase on 2021 results due to higher feed grade after the resumption of mining activity and increased supply of higher-grade 3rd party ores.
- Following a favourable preliminary ruling by the International Chamber of Commerce (ICC) and engagement with Gécamines and local authorities, the armed forces and third parties that occupied Kinsevere's Sokoroshe II and Nambulwa leases have left the sites. MMG has continued its works at Nambulwa and has conducted its first field visit to Sokoroshe II in December 2022 with the aim of resuming works in January 2023. The arbitration process is ongoing and MMG also continues to work with Gécamines in relation to the extension of the life of the Kinsevere mine and the development of further satellite permits.
- Construction of the Kinsevere Expansion Project (KEP), including the transition to the mining and processing of sulphide ores and the commencement of cobalt production, is progressing. All civil work for the cobalt plant has been completed, long-lead time equipment is being shipped to the site and the installation of equipment has commenced. Detailed engineering for the concentrator and roaster plant is in progress. Earthworks of the new tailing dam have started.
- Dugald River produced 173,395 tonnes of zinc in 2022, 4% below 2021 primarily due to COVID-19 impacts on workforce availability early in the year, alongside lower grade offset by record high recovery. On a zinc equivalent basis, production exceeded 200,000 tonnes for the third consecutive year. In the fourth quarter, Dugald River achieved the highest mining rates in the past two years.
- Rosebery produced 51,516 tonnes of zinc in 2022, 26% below 2021 levels due to longer-term grade declines, COVID-19 impact on workforce availability early in the year and resequencing of mining activities in the second and third quarter. The fourth quarter represented the strongest quarter of zinc production for the year.

2023 Outlook

- Las Bambas copper production for 2023 is expected to be in the range of 265,000 and 305,000 tonnes. This represents an improvement on 2022 but is subject to the swift resolution to the wide-spread political protests that

Peru is currently experiencing and a resumption of stability in concentrate transport logistics. Subject to a resolution of this social unrest, followed by reaching a comprehensive agreement with the Huancurie community, development of the Chalcobamba deposit is targeted to commence in the second half of 2023.

- Las Bambas C1 costs in 2023 are expected to be in the range of US\$1.70 – US\$1.90/lb representing an increase on 2022 due to cost inflation on consumables, higher levels of concentrate transported, lower capitalised mining and increased development and maintenance activities deferred from 2022.
- Kinsevere copper cathode production for 2023 is expected to be in the range of 40,000 and 48,000 tonnes. This represents the declining oxide ore tonnes with the transition from the mining of oxide ores to the mining of sulphide ores. C1 costs in 2023 are expected to be in the range of US\$2.50 – US\$2.80/lb, largely unchanged from 2022.
- Dugald River zinc production for 2023 is expected to be in the range of 170,000 and 185,000 tonnes of zinc in zinc concentrate. C1 costs in 2023 are expected to be in the range of US\$0.90 – US\$1.05/lb. Cost escalation includes increased mining costs and gas prices. A transition to an owner miner model for production activities and the commencement of solar power supply in early 2023 will partially mitigate this cost escalation.
- Rosebery zinc production for 2023 is expected to be in the range of 55,000 and 65,000 tonnes of zinc in zinc concentrate. C1 costs in 2023 are expected to be in the range of US\$0.35 – US\$0.50/lb. Despite the higher zinc production, C1 costs are expected to increase due to cost escalation experienced across the mining industry, lower by-product credits and increased treatment charges.

COMMODITY PRICES, MARKETING AND SALES

COMMODITY PRICES, MARKETING AND SALES						
	QUARTER-AVERAGE			QUARTER CLOSE		
	Q4 2022	Q3 2022	Q2 2022	Q4 2022	Q3 2022	Q2 2022
Metal Price						
Copper (US\$/lb)	3.63	3.51	4.31	3.80	3.47	3.74
Gold (US\$/oz)	1,728	1,730	1,872	1,812	1,672	1,815
Lead (US\$/lb)	0.95	0.90	1.00	1.06	0.86	0.87
Molybdenum (US\$/lb)	21.50	16.12	18.37	31.85	18.23	17.08
Silver (US\$/oz)	21.17	19.23	22.60	23.95	19.02	20.42
Zinc (US\$/lb)	1.36	1.48	1.78	1.37	1.35	1.47

Sources: zinc, lead, and copper: LME^{*1} cash settlement price; Molybdenum: Platts; gold and silver: LBMA.

Copper prices and copper concentrate market

LME copper price averaged at US\$8,001/t in the last quarter of 2022, 3.3% higher than the third quarter. During the quarter, LME copper price rebounded with high volatility. China's swift relaxation of COVID controls and subsequent reopening in December spurred 3-month prices back above US\$8,600/t. However, the rally soon petered out as a result of a slowdown in China's economic activity following the spike in COVID infections, as well as the US Fed's hawkish comments which resulted in another rise in interest rates. Cash Settlement Price closed at US\$8,387/t at the end of December, 9.68% higher than the previous quarter.

In the copper concentrate market, copper spot TC/RC averaged at US\$84.7 per tonne/8.47 cents per pound for the fourth quarter of 2022, continuing to be higher than the 2022 benchmark of US\$65 per tonne/6.5 cents. The 2023 copper concentrate TC/RC benchmark is reported to have settled at US\$88 per tonne/8.8 cents per pound between Freeport McMoRan and major Chinese smelters. Antofagasta PLC was reported to have followed this settlement. China's major copper smelters (CSPT) have set a floor at US\$93 per tonne/9.3 cents per pound for copper TC/RCs for the first quarter of 2023, level to the fourth quarter of 2022.

Zinc and lead prices and concentrate market

LME zinc price, like most other LME metals, declined during the fourth quarter, averaging US\$3,000/t, 8% lower than the third quarter. However, fundamentally, the zinc metal market was still in a supply deficit with several large zinc smelters in Europe remaining in care and maintenance due to high energy prices. This has seen LME zinc stocks drop to a multi-decade low of 36,350t, compared with 199,325t at the beginning of 2022. However, the constrained economic activity in China due to a spike in COVID infections, coupled with weaker economic activity in western countries, restricted a further increase in zinc price at the end of December.

Zinc concentrate spot treatment charges moved higher during the fourth quarter, trading well above the 2022 annual benchmark contract level. Zinc smelter closures in Europe resulted in substantial levels of concentrates being diverted from Europe and offered in the Asian spot market.

LME Lead average price in the fourth quarter was 5.5% higher than the previous quarter. The weather extremes experienced in China and Europe led to an increase in lead-acid battery replacements, increasing lead metal demand. However, a reduction of lead smelter production in the western countries saw LME metal stocks move lower throughout 2022, closing the year at only 24,350 tonnes, well down from 54,375 tonnes at the start of 2022.

Lead concentrate spot treatment charges moved lower during the fourth quarter, trading well below 2022 annual benchmark contract levels. Lead concentrate supply in the Chinese domestic market remained tight, which forced smelters to bid aggressively for the imported concentrate.

¹ LME (London Metal Exchange) data is used in this report under licence from LME; LME has no involvement and accepts no responsibility to any third party in connection with the data; and onward distribution of the data by third parties is not permitted.

Precious and other metals market

Precious metals have increased since November, driven by global economic uncertainty and a weaker US dollar. Silver has closed the gap to the gold price in the last quarter of 2022, with the average silver price 31.3% higher than the third quarter, while the average gold price was flat.

Molybdenum price averaged US\$21.50/lb in the last quarter of 2022, 33% higher than the third quarter. A tight market has emerged supported by investments in oil and gas projects, with a surge in Chinese imports and underperformance of molybdenum supply as a by-product in copper mines.

PROVISIONAL PRICING

The following table provides a summary of the metal that was sold but remains provisionally priced at the end of December 2022 and the month that final average pricing is expected to occur at the time of final invoicing.

	Jan-23	Feb-23	Mar-23	Apr-23	Grand Total
Copper (tonnes)	36,780	32,162	3,534	7,181	79,657
Gold (ounces)	2,549	1,759	1,278		5,586
Lead (tonnes)		3,214	2,799		6,013
Molybdenum (tonnes)	357	86			443
Silver (ounces)	347,964	245,712	106,186		699,863
Zinc (tonnes)	10,896	8,960	8,427		28,284

OPERATIONS

LAS BAMBAS

LAS BAMBAS					
	4Q22	4Q22 vs 4Q21	4Q22 vs 3Q22	FULL YEAR22	FULL YEAR22 vs FULL YEAR21
Copper (tonnes)	73,093	12%	-9%	254,836	-12%
Molybdenum (tonnes)	1,217	32%	23%	3,532	-29%

Fourth quarter performance and 2022 performance

Las Bambas produced 73,093 tonnes of copper in the fourth quarter of 2022, which was 12% higher than the prior corresponding period of 2021 but 9% lower than the third quarter.

The third ball mill was successfully commissioned during the fourth quarter and has supported an increase in mill throughput, achieving 13.5 million tonnes in the fourth quarter, the highest quarter since 2020 and the second highest quarter in the mine's history.

Mining operation in the fourth quarter was impacted by community protests, which restricted inbound and outbound logistics and people movement, forcing a reduction in mining rates. Milled ore grades decreased to 0.64% from 0.75% in the third quarter due to lower grades of rehandled ores and average recovery reduced to 83.7% from 85.6%.

Overall, Las Bambas 2022 copper production of 254,836 tonnes was slightly above the latest guidance of 250,000 tonnes, supported by the newly commissioned third ball mill. However, it was 12% lower than 2021 following increased community protests including an operational shut of more than 50 days in the second quarter.

Full-year C1 costs of US\$1.53/lb were below our guidance range of US\$1.60-1.65/lb. This was mainly a function of higher Molybdenum prices, decreased mining activities and lower concentrate logistics spending.

Community and transport logistics update

During the fourth quarter of 2022, Las Bambas continued to experience intermittent roadblocks affecting inbound and outbound transportation. From early December 2022, Peru has experienced widespread social unrest following the impeachment of Pedro Castillo, the previous President of Peru. The widespread protests have caused disruptions along the Southern Road Corridor, affecting the broader mining industry. Las Bambas has mobilized its site security team and the property remains secure. The Company's first priority is the health, safety and security of all employees, contractors and the broader community members.

Following these transport disruptions, Las Bambas has been forced to commence a progressive slow-down of its operation due to a shortage of critical supplies. If the situation remains unchanged, the mine will be unable to continue copper production from 1 February 2023 (Peru time) with the operation starting a period of care and maintenance.

The Company has made progress in dialogue processes and the implementation of agreements during the fourth quarter across the six communities that participated in the mid-year protests, as well as with other communities located along the Heavy Haul Road logistics corridor. Discussions with the Huanquire community have resumed in January 2023 and ongoing dialogue forums to discuss implementation of agreements with the Fuerabamba community have been established. Unfortunately, all dialogue tables have been forced to pause due to security concerns amid nation-wide protests. We look forward to progressing these discussions once the social unrest dissipates.

Due to the logistics shutdown, inventory levels on site increased to around 85,000 tonnes of copper metal (contained in concentrate) as at 31 December 2022.

2023 Outlook

Las Bambas copper production for 2023 is expected to be in the range of 265,000 and 305,000 tonnes. This represents an improvement on 2022 but is subject to the swift resolution to the wide-spread political protests that Peru is currently experiencing and a resumption of stability in concentrate transport logistics. Subject to a resolution of this social unrest,

followed by reaching a comprehensive agreement with the Huancurie community, development of the Chalcobamba deposit is targeted to commence in the second half of 2023.

Las Bambas C1 costs in 2023 are expected to be in the range of US\$1.70 – US\$1.90/lb representing an increase on 2022 due to cost inflation on consumables, higher levels of concentrate transported, lower capitalised mining and increased development and maintenance activities deferred from 2022.

KINSEVERE

KINSEVERE					
	4Q22	4Q22 vs 4Q21	4Q22 vs 3Q22	FULL YEAR22	FULL YEAR22 vs FULL YEAR21
Copper Cathode (tonnes)	12,406	11%	-15%	49,070	2%

Fourth quarter performance and 2022 performance

Kinsevere produced 12,406 tonnes of copper cathode in the fourth quarter of 2022. This was an increase of 11% from the prior corresponding quarter in 2021 and a reduction of 15% on the third quarter. The lower production relative to the last quarter was largely due to an 18% lower milled throughput caused by poor power availability from the national grid.

In the fourth quarter, a higher grade of mined oxide ore and an increased supply of higher-grade third-party ores enabled the average feed grade to increase to 2.52% compared to 2.44% in the third quarter. Benefiting from higher feed grades and strong processing plant performance, the average recovery rate in the December quarter reached 97.6%, the highest level in 2022.

Kinsevere full-year 2022 production of 49,070 tonnes was close to the higher end of the latest guidance of 45,000-50,000 tonnes, representing a 2% increase on 2021 results. Full-year C1 costs of US\$2.55/lb were at the lower end of the guidance (US\$2.50-2.80/lb), reflecting stronger second-half production and cost control focus in an environment of rising industry costs.

Kinsevere expansion project update

Construction of the Kinsevere Expansion Project (KEP), including the transition to the mining and processing of sulphide ores and the commencement of cobalt production, is progressing. All civil work for the cobalt plant has been completed, long-lead time equipment is being shipped to site and the installation of equipment has commenced. Detailed engineering for the concentrator and roaster plant is in progress. Earthworks of the new tailing dam have started.

This next phase of Kinsevere development will extend Kinsevere's mine life for at least 13 years and, once fully ramped up, will result in total annual production of approximately 80,000 tonnes of copper cathode and between 4,000-6,000 tonnes of cobalt in cobalt hydroxide. The first cobalt production is expected in 2023 and the first copper from the sulphide plant in 2024.

2023 Outlook

Kinsevere copper cathode production for 2023 is expected to be in the range of 40,000 and 48,000 tonnes. This represents the declining oxide ore tonnes with the transition from the mining of oxide ores to the mining sulphide ores.

C1 costs in 2023 are expected to be in the range of US\$2.50 – US\$2.80/lb, largely unchanged from the prior year representing cost pressures from consumable prices, transport costs and power prices, partly offset by an increase in by-product credits from the commencement of cobalt production. From 2024 onwards, higher copper production and cobalt by-product credits are expected to lower the mine's C1 costs considerably when at a steady state of operation, placing Kinsevere in the bottom half of the global cost curve.

Sokoroshe II and Nambulwa update

During the fourth quarter, MMG filed arbitration proceedings against government-owned mining company La Générale des Carrières et des Mines S.A. (Gécamines) before the International Chamber of Commerce (ICC), and also continued to engage directly with Gécamines, to resolve the issues regarding access to the Company's tenements. Following a

favourable preliminary ruling by the ICC, and engagement with Gécamines and local authorities, the armed forces and third parties present on the Sokoroshe II and Nambulwa leases have left the sites. The Company has continued its works at Nambulwa, and has conducted its first field visit to Sokoroshe II in December 2022 with the aim of resuming works in January 2023. These developments follow the occupation of the Sokoroshe II lease on 1 July 2022, and the Nambulwa lease on 16 September 2022 by armed forces and third parties who had signed research contracts with Gécamines, despite MMG holding valid and registered leases for both sites. Both Nambulwa and Sokoroshe II are critical to the future success of KEP. The arbitration process is ongoing and MMG also continues to work with Gécamines in relation to the extension of the life of the Kinsevere mine and the development of further satellite permits.

DUGALD RIVER

DUGALD RIVER					
	4Q22	4Q22 vs 4Q21	4Q22 vs 3Q22	FULL YEAR22	FULL YEAR22 vs FULL YEAR21
Contained metal in concentrate					
Zinc (tonnes)	44,579	4%	-9%	173,395	-4%
Lead (tonnes)	5,974	21%	-7%	20,869	2%

Fourth quarter performance and 2022 performance

Dugald River produced 44,579 tonnes of zinc in zinc concentrate during the fourth quarter of 2022. This is an increase of 4% on the corresponding period in 2021 and a reduction of 9% on the third quarter. The lower production relative to the last quarter was due to a 3% lower mill throughput from a planned shutdown in October and a lower ore grade due to the mining sequence.

The mine achieved 521,874 tonnes of mined ore in the December quarter, 4% higher than the prior quarter and the strongest quarter in the past two years. The improved mining performance was driven by better workforce availability and improved equipment utilisation.

Full-year zinc production of 173,395 tonnes of zinc in zinc concentrate was in line with prior guidance but 4% below the prior year. The reduction is primarily due to COVID-19 impacts on workforce availability early in the year, alongside lower ore feed grade compared to 2021 (10.5% vs. 10.8%). This was partly offset by record high annual zinc recovery rates of 89.3% compared to 87.9% in 2021. On a zinc equivalent basis, production exceeded 200,000 tonnes for the third consecutive year.

The 2022 full-year C1 costs were US\$0.84/lb, lower than our revised guidance of US\$0.85 – US\$0.95/lb. Lower costs were a reflection of the strong production and cost control focus in an environment of rising industry costs.

2023 Outlook

Dugald River zinc production for 2023 is expected to be in the range of 170,000 and 185,000 tonnes of zinc in zinc concentrate.

C1 costs in 2023 are expected to be in the range of US\$0.90 – US\$1.05/lb. Cost escalation includes increased mining costs in the current highly competitive market and a soaring domestic gas price. Dugald River is transitioning to an owner miner model for production activities, which will partially mitigate cost escalation. Redpath has been awarded a contract for development to ensure a dedicated focus on these activities. Dugald River has also entered into a long-term solar offtake agreement with energy provider, APA Group. The solar agreement will supply the Dugald River mine with renewable energy to reduce its carbon footprint and provide immediate energy cost savings once operational in early 2023.

ROSEBERY

ROSEBERY					
	4Q22	4Q22 vs 4Q21	4Q22 vs 3Q22	FULL YEAR22	FULL YEAR22 vs FULL YEAR21
Contained metal in concentrate					
Zinc (tonnes)	15,815	-15%	35%	51,156	-26%
Lead (tonnes)	4,667	-26%	14%	18,077	-28%
Copper (tonnes)	380	-10%	29%	1,147	-27%

Fourth quarter performance and 2022 performance

Rosebery produced 15,815 tonnes of zinc in zinc concentrate and 4,667 tonnes of lead in lead concentrate during the fourth quarter of 2022, the strongest quarter of zinc production for the year. This was a 35% and 14% improvement on the third quarter of 2022 respectively, reflecting higher ore grades due to mine sequence and a larger contribution from remnant stopes.

At approximately 12.40 pm on Tuesday 27 December 2022, a bushfire was reported in the vicinity of the Rosebery mine with all Rosebery people safely evacuated from site. The Rosebery Emergency Response Team, other employees and contractors worked side by side with the Tasmanian Fire Service and local emergency services assisting in the firefighting efforts as well as providing equipment and water trucks to douse flames.

The fire caused damage to the power infrastructure supplying the operation with works to replace and repair damaged cables continuing until 2 January 2023. Operations were progressively restored during this time and reached full mining capacity on 6th January 2023. The Company is thankful for the strong support received by the Tasmanian Government, local council, emergency services, nearby mining companies and our employees in enabling operations to resume as soon as possible.

Full-year zinc production of 51,516 tonnes was in line with the revised guidance, but 26% below 2021 levels. The reduction from the prior year is mainly a reflection of COVID-19 impact on workforce availability early in the year, declining ore grades and resequencing of mining activities in the second and third quarters.

Precious metal production for the year totalled 11,087 ounces of gold and 5,624 ounces of silver, both a decrease compared to 2021 due to mining sequence change and decreasing grades.

Full-year C1 costs of US\$0.26/lb were at the lower end of revised guidance of US\$0.25 – US\$0.35/lb but higher than 2021 as a result of the lower production rates and lower by-product prices.

2023 Outlook

Rosebery zinc production for 2023 is expected to be in the range of 55,000 and 65,000 of zinc in zinc concentrate. This is an improvement on 2022 due to higher manning levels and associated ore mined tonnes and higher ore grade.

C1 costs in 2023 are expected to be in the range of US\$0.35 – US\$0.50/lb, an increase on 2022 due to the cost escalation experienced across mining industry, lower anticipated by-product credits and increased treatment charges, which will be partly offset by higher production.

To support a mine life extension, Rosebery is embarking on an accelerated exploration program over the next two years. The site continues to engage with the Minister and the Department of Climate Change, Energy, the Environment and Water (DCCEEW) and provide all required information and documentation while awaiting the Minister's decision on the proposed preliminary works at South Marionoak. Concurrently the mine is continuing to investigate potential options for safe and viable short-term capacity increases at existing tailings storage facilities. A sustainable tailings storage solution that supports the Rosebery mine life extension remains a key priority for our operation and we will continue to proactively explore all feasible options.

GEOSCIENCE AND DISCOVERY

LAS BAMBAS

Drilling continued during the fourth quarter of 2022 on skarn and porphyry copper mineralisation located at the Ferrobamba Deeps, Ferrobamba East and Ferrobamba South targets. All core has been logged and is in the process of being assayed.

Ferrobamba Deeps

During the quarter, 6,269 meters of drilling were completed on 14 drill holes at the Ferrobamba Deeps target. This drilling tests the depth extension of the higher-grade mineralisation currently being mined by the open pit. The targeted mineralisation could either serve to deepen the existing open pit or provide future ore for underground mining operations. A Proof of Concept Study will be completed in Q1, 2023. Drill assays are pending.

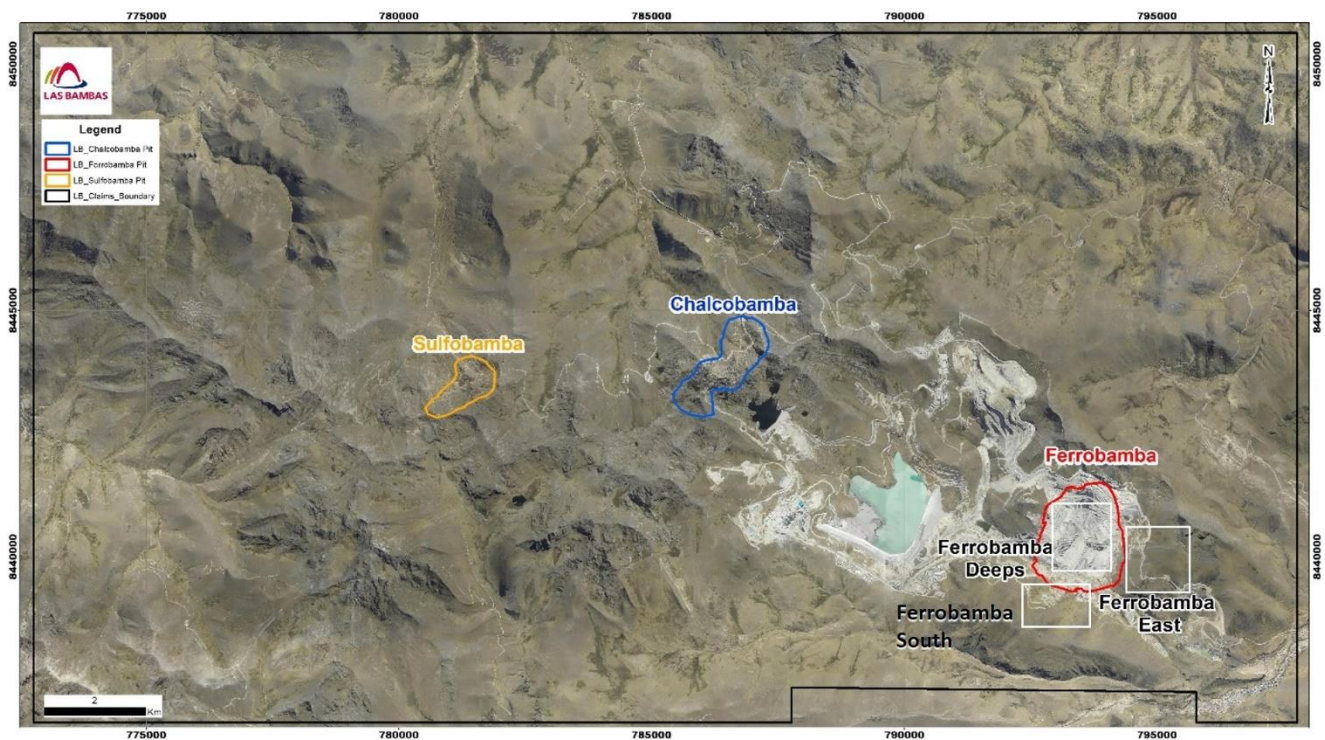


Figure 1. Outline of Las Bambas Mining Concessions highlighting the location of Reserves and Resources as well as the Ferrobamba Deeps and Ferrobamba East, exploration targets.

KINSEVERE

In the fourth quarter of 2022, with the wet season commencing, reduced levels of exploration activities continued to focus on the development of the satellite copper and cobalt deposits within a roughly 50km radius of the Kinsevere Mine ("RAD50") that may be suitable for economic exploitation and processing at the Kinsevere plant as well as drilling and ground geophysical surveying at the regional project Tshangalele.

During the quarter, exploration activities included resource testing drilling in Mwepu South to determine extension to known copper mineralisation, resource delineation drilling within the copper and cobalt mineralisation at Kimbwe Kafubu, and scout drilling at the Karavia West prospect and the regional project - Tshangalele. Also, during the quarter, ground geophysical surveying was undertaken in the Tshangalele block tenements.

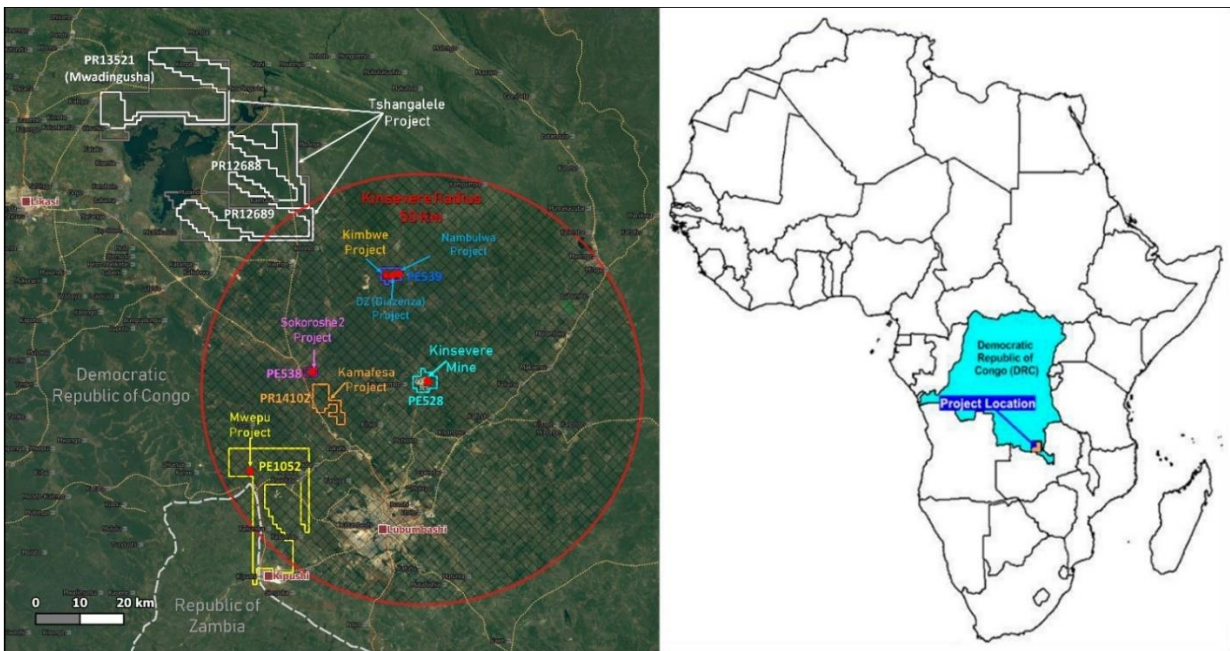


Figure 2: Location map for the 2022 DRC projects.

DUGALD RIVER

In-mine Resource

Underground diamond drill rigs continued their focus on improving confidence in mining panels 4D-6D, 5B-6B and 2E. The three underground rigs drilled 26,623m this quarter. Drilling will continue in these panels over the next quarter.

Near-mine Growth

Surface drilling during this quarter completed a total of 2,875m for the remaining three holes of Target Z Copper (Cu) target and drilling of this program is now complete while geological interpretation is conducted on the results. Drilling in the next 3 months will target the periphery of the known zinc deposit to further geological understanding.

ROSEBERY

The total drilling for the quarter was 18,231m with 44% completed on exploration drilling activities. Exploration drilling at the U and T lenses to the south of the deposit was completed. Follow-up exploration drilling for the Perseus target commenced in the quarter.

Resource delineation drilling was completed in the H, V North and V South lens areas of the mine. Underground drilling platforms including the 52Y EXD and 18U EXD continued to be extended ahead of the 2023 program that will allow high-priority resource conversion to occur.

Surface drilling continued 6km south of Rosebery at the Jupiter prospect testing the host stratigraphy between the historical Jupiter and Hercules mines.

CORPORATE UPDATE

MINERAL RESOURCES AND ORE RESERVES STATEMENT

On 25 October 2022 MMG released its Mineral Resources and Ore Reserves Statement.

The key changes to Mineral Resources and Ore Reserves Statement as at 30 June 2022 are:

- The Group's Mineral Resources (contained metal) have increased for copper (5%), cobalt (11%), molybdenum (2%) and gold (2%). Estimated Mineral Resource decreases (contained metal) have occurred in zinc (3%), lead (10%) and silver (1%).
- The Group's Ore Reserves (contained metal) have decreased for copper (1%), zinc (8%), lead (19%), silver (5%), gold (5%) and molybdenum (13%). Cobalt metal has decreased slightly by 0.2%.

For copper metal, an increase in metal price assumptions have resulted in a net positive variance in Resources. At Las Bambas continuous improvement to the geological model through drilling and orebody knowledge study have also contributed to increased Resources. Otherwise, the main reasons for changes are depletion at all sites. Other drivers have not resulted in material changes to either Mineral Resources or Ore Reserves. Continued depletion at Sulfobamba by illegal mining is the only negative variance. Copper metal Mineral Resources additions have replaced depletion by approximately 150% in 2022, driven primarily by Las Bambas.

For zinc metal, the main reasons for the changes are depletion at the two Australian sites and narrower than expected zones from some Dugald River drilling results combined with changes to modelling practices at the site.

-ENDS-

CORPORATE DETAILS

MELBOURNE OFFICE

Level 23, 28 Freshwater Place, Southbank
Victoria 3006, Australia
T +61 3 9288 0888

HONG KONG OFFICE

Unit 1208, 12/F, China Minmetals Tower
79 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong
T +852 2216 9688

POSTAL ADDRESS

GPO Box 2982, Melbourne, Victoria, 3001, Australia

MMG LIMITED EXECUTIVE COMMITTEE

LI Liangang, Interim Chief Executive Officer and Executive Director
Ross CARROLL, Chief Financial Officer
Troy HEY, Executive General Manager – Corporate Relations
WEI Jianxian, Executive General Manager – Americas
Nan WANG, Executive General Manager – Australia & Africa

SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong

IMPORTANT DATES

7 March 2023 - Annual Results Announcement

For details please contact Corporate Relations below.

INVESTOR AND MEDIA ENQUIRIES

Jarod ESAM

Head of Business Evaluation and Investor Relations
T +61 3 9288 9124
E InvestorRelations@mmg.com

Andrea ATELL

Head of Corporate Affairs
T +61 3 9288 0758
E CorporateAffairs@mmg.com

Chinese Language:

Sandra GUAN

General Manager Stakeholder Relations
T +61 3 9288 0443
E ChinaRelations@mmg.com

APPENDIX – GUIDANCE

2023 GUIDANCE SUMMARY		
	2023 GUIDANCE	2022 ACTUAL
Las Bambas		
Copper – production	265,000 – 305,000 tonnes	254,836 tonnes
Copper – C1 costs	US\$1.70 – US\$1.90 / lb	US\$1.53 / lb
Kinsevere		
Copper – production	40,000 – 48,000 tonnes	49,070 tonnes
Copper – C1 costs	US\$2.50 – US\$2.80 / lb	US\$2.55 / lb
Dugald River		
Zinc – production	170,000 – 185,000 tonnes	173,395 tonnes
Zinc – C1 costs	US\$0.90 – US\$1.05 / lb	US\$0.84 / lb
Rosebery		
Zinc – production	55,000 – 65,000 tonnes	51,156 tonnes
Zinc – C1 costs	US\$0.35 – US\$0.50 / lb	US\$0.26 / lb

APPENDIX – PRODUCTION RESULTS

LAS BAMBAS								
QUARTER ENDED							FULL YEAR	
		DEC 2021	MAR 2022	JUN 2022	SEP 2022	DEC 2022	2022	2021
Ore mined – copper	tonnes	10,936,374	12,982,625	4,942,629	14,600,756	10,652,973	43,178,984	59,878,802
Ore milled – copper	tonnes	10,882,735	12,513,064	5,525,555	12,485,479	13,519,105	44,043,203	48,476,799
Waste movement	tonnes	26,616,934	32,745,385	13,815,926	41,927,655	27,717,626	116,206,593	135,003,377
COPPER								
Ore mined – grade	%	0.67	0.62	0.72	0.72	0.72	0.69	0.63
Ore milled – grade	%	0.68	0.63	0.66	0.75	0.64	0.67	0.69
Recovery	%	87.2	86.8	84.9	85.6	83.7	85.3	86.9
Production								
Copper concentrate	tonnes	194,342	211,961	101,717	228,523	211,962	754,164	863,056
Grade	%	33.6	32.5	31.5	35.3	34.5	33.8	33.6
Containing	tonnes	65,349	68,967	32,042	80,734	73,093	254,836	290,097
Sales								
Total concentrate sold	tonnes	109,897	127,637	128,812	305,390	108,509	670,349	822,809
Payable metal in product sold	tonnes	36,643	41,329	40,602	101,626	38,361	221,918	272,299
GOLD & SILVER								
Payable metal in product sold – gold	oz	8,615	11,272	10,986	30,301	10,342	62,901	59,673
Payable metal in product sold – silver	oz	476,990	581,212	613,595	1,531,987	566,570	3,293,364	3,581,185
MOLYBDENUM								
Production								
Molybdenum concentrate	tonnes	1,969	1,950	834	2,070	2,574	7,428	10,471
Grade	%	47	48	47	48	47	48	48
Containing	tonnes	924	930	394	991	1,217	3,532	4,985
Sales								
Total product sold	tonnes	2,268	1,246	1,820	1,907	1,696	6,669	10,394
Payable metal in product sold	tonnes	1,093	587	851	913	805	3,156	4,935

KINSEVERE								
QUARTER ENDED							FULL YEAR	
		DEC 2021	MAR 2022	JUN 2022	SEP 2022	DEC 2022	2022	2021
Ore mined – copper	tonnes	0	0	406,571	1,313,967	1,379,736	3,100,273	20,075
Ore milled – copper	tonnes	651,501	593,552	633,645	614,474	507,028	2,348,699	2,448,517
Waste movement	tonnes	0	0	1,567,070	3,113,212	2,407,226	7,087,508	0
COPPER								
Ore mined – grade ²	%	0.00	0.00	1.32	1.31	0.92	1.13	3.81
Ore milled – grade	%	1.66	1.74	2.06	2.44	2.52	2.18	2.00
Recovery	%	96.9	96.2	96.1	96.5	97.6	96.6	96.6
Production								
Contained metal produced – cathode	tonnes	11,223	9,840	12,250	14,574	12,406	49,070	48,017
Sales								
Total product sold – cathode	tonnes	11,104	9,771	12,202	14,519	12,243	48,735	47,325
Payable metal in product sold – cathode	tonnes	11,104	9,771	12,202	14,519	12,243	48,735	47,325

² This represents acid soluble copper grade for both oxide ores and sulphide ores combined.

DUGALD RIVER								
QUARTER ENDED							FULL YEAR	
		DEC 2021	MAR 2022	JUN 2022	SEP 2022	DEC 2022	2022	2021
Ore mined	tonnes	469,544	400,030	451,016	500,411	521,874	1,873,332	1,862,862
Ore milled	tonnes	474,948	410,389	446,076	500,593	487,154	1,844,212	1,891,701
ZINC								
Ore mined – grade	%	10.3	10.5	10.5	10.9	10.2	10.5	11.0
Ore milled – grade	%	10.4	10.5	10.4	10.9	10.3	10.5	10.8
Recovery	%	86.9	88.3	89.6	90.1	88.8	89.3	87.9
Production								
Zinc concentrate	tonnes	85,983	76,126	83,281	98,939	91,343	349,689	359,228
Grade	%	49.9	49.8	50.0	49.8	48.8	49.6	50.2
Containing	tonnes	42,869	37,932	41,655	49,229	44,579	173,395	180,313
Sales								
Total product sold	tonnes	83,595	74,599	92,422	83,567	88,247	338,835	365,786
Payable metal in product sold	tonnes	35,138	31,260	38,546	34,737	36,437	140,980	153,992
LEAD								
Ore mined – grade	%	1.6	1.5	1.7	2.0	2.0	1.8	1.7
Ore milled – grade	%	1.7	1.5	1.7	1.9	2.0	1.8	1.7
Recovery	%	62.4	60.2	60.9	66.1	60.5	62.1	62.7
Production								
Lead concentrate	tonnes	9,609	7,130	8,852	10,676	11,109	37,767	37,155
Grade	%	51.2	52.6	53.6	60.0	53.8	55.3	54.8
Containing	tonnes	4,919	3,750	4,740	6,405	5,974	20,869	20,361
Sales								
Total product sold	tonnes	6,008	10,000	5,133	10,898	10,662	36,693	36,516
Payable metal in product sold	tonnes	2,940	4,850	2,541	5,966	5,759	19,116	18,988
SILVER								
Ore milled – grade	g/t	41.7	53.7	64.3	53.4	63.9	58.9	39.1
Payable metal in product sold	oz	193,171	368,229	202,490	396,412	375,275	1,342,406	1,184,179

ROSEBERY								
QUARTER ENDED							FULL YEAR	
		DEC 2021	MAR 2022	JUN 2022	SEP 2022	DEC 2022	2022	2021
Ore mined	tonnes	263,752	221,633	204,429	242,600	217,455	886,118	1,004,168
Ore milled	tonnes	265,103	211,997	220,039	232,875	231,950	896,861	1,022,487
ZINC								
Ore mined – grade	%	8.7	6.3	6.2	6.3	8.2	6.7	7.9
Ore milled – grade	%	8.1	6.6	6.2	6.1	7.8	6.7	8.0
Recovery	%	86.4	85.1	86.2	82.5	87.9	85.6	85.0
Production								
Zinc concentrate	tonnes	34,368	21,781	21,812	21,756	29,087	94,436	128,721
Grade	%	53.9	54.3	54.2	53.7	54.4	54.2	54.0
Containing	tonnes	18,529	11,831	11,832	11,677	15,815	51,156	69,454
Sales								
Total product sold	tonnes	28,643	24,266	24,937	15,664	29,050	93,917	127,161
Payable metal in product sold	tonnes	13,323	11,285	11,689	7,270	13,467	43,712	58,206
LEAD								
Ore mined – grade	%	3.3	2.8	2.6	2.2	2.5	2.5	3.0
Ore milled – grade	%	2.9	2.7	2.8	2.4	2.8	2.7	3.1
Recovery	%	80.3	80.7	76.1	71.7	72.1	75.1	80.0
Production								
Lead concentrate	tonnes	9,989	7,438	7,116	6,244	7,319	28,117	41,068
Grade	%	62.8	63.1	65.1	65.4	63.8	64.3	61.0
Containing	tonnes	6,269	4,694	4,630	4,086	4,667	18,077	25,053
Sales								
Total product sold	tonnes	9,170	7,523	6,880	6,418	8,188	29,010	43,051
Payable metal in product sold	tonnes	5,333	4,360	4,000	4,045	4,941	17,345	24,820

ROSEBERY (continued)								
		QUARTER ENDED					FULL YEAR	
		DEC 2021	MAR 2022	JUN 2022	SEP 2022	DEC 2022	2022	2021
Ore mined	tonnes	263,752	221,633	204,429	242,600	217,455	886,118	1,004,168
Ore milled	tonnes	265,103	211,997	220,039	232,875	231,950	896,861	1,022,487
OTHER METALS								
Ore milled – gold	g/t	1.5	1.1	1.3	1.1	1.2	1.2	1.5
Ore milled – silver	g/t	110.5	98.3	107.6	92.5	82.8	95.1	113.8
Ore milled – copper	%	0.23	0.19	0.16	0.19	0.25	0.20	0.25
Production								
Precious metals concentrate								
Containing – copper	tonnes	422	251	222	293	380	1,147	1,567
Containing – gold	oz	4,844	2,164	2,691	3,111	3,360	11,325	17,930
Containing – silver	oz	451,125	293,927	299,708	328,793	275,130	1,197,559	1,657,688
Gold doré	oz	5,974	4,444	5,767	3,584	4,196	17,990	24,867
Containing – gold	oz	3,585	2,813	3,621	2,105	2,548	11,087	14,468
Containing – silver	oz	757	1,319	1,847	1,246	1,212	5,624	7,030
Sales								
Precious metals concentrate sold	tonnes	2,087	1,824	1,469	1,852	2,286	7,432	9,921
Gold doré sold	oz	4,982		4,600	4,068	3,600	17,388	23,086
Payable metal in product sold – copper	tonnes	334	278	237	292	359	1,166	1,613
Payable metal in product sold – gold	oz	8,830	7,156	6,024	6,591	6,377	26,148	37,537
Payable metal in product sold – silver	oz	704,346	620,791	507,371	482,472	460,801	2,071,434	2,856,635