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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult an exchange participant or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional advisor.

If you have sold or transferred all your shares or CDIs in MMG Limited, you should at once hand this circular and the accompanying form of proxy or CDI Voting Instruction Form (as the case may be) to the purchaser or transferee or to the bank, exchange participant or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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MMG LIMITED

五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(HKEX STOCK CODE: 1208)

(ASX STOCK CODE: MMG)

PROPOSALS FOR
(1) RE-ELECTION OF DIRECTORS; AND
(2) GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES;
AND
NOTICE OF ANNUAL GENERAL MEETING

A notice convening the AGM of MMG Limited to be held at Studio 1, 7/F, W Hong Kong Hotel, 1 Austin Road West, Kowloon, Hong Kong on Thursday, 23 May 2019 at 10:30 a.m. is set out on pages AGM-1 to AGM-5 of this circular.

In respect of the Shares registered with the share registrar of the Company in Hong Kong, you are requested to complete the form of proxy whether or not you are able to attend the AGM in accordance with the instructions printed thereon and return it to the share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event no later than 10:30 a.m. (Hong Kong Time) on Tuesday, 21 May 2019. Completion and return of the enclosed form of proxy will not preclude you from attending and voting in person at such meeting or any adjournment meeting should you so wish.

In respect of the CDIs registered with the share registrar of the Company in Australia, you are requested to complete the CDI Voting Instruction Form in accordance with the instructions printed thereon and return it to the share registrar of the Company in Australia, Computershare Investor Services Pty Limited, by mail at GPO Box 242 Melbourne, Victoria 3001, Australia or by fax at 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia) by 10:30 a.m. (Australian Eastern Standard Time) on Monday, 20 May 2019.

18 April 2019

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context otherwise requires:

“A\$”	Australian dollar(s), the lawful currency of Australia;
“AGM”	the annual general meeting of the Company to be held at Studio 1, 7/F, W Hong Kong Hotel, 1 Austin Road West, Kowloon, Hong Kong on Thursday, 23 May 2019 at 10:30 a.m., a notice of which is set out on pages AGM-1 to AGM-5 of this circular;
“Articles of Association”	the articles of association of the Company;
“Board”	the board of Directors;
“CDI(s)”	CHESS Depository Interests issued over Shares in the ratio of 1 CDI for each 10 Shares;
“CEO”	chief executive officer;
“close associate(s)”	has the meaning ascribed to it under the Listing Rules;
“CMC”	中國五礦集團有限公司 (China Minmetals Corporation), a state-owned enterprise incorporated under the laws of the PRC and the ultimate controlling shareholder of the Company as at the Latest Practicable Date;
“CMN”	五礦有色金屬股份有限公司 (China Minmetals Non-ferrous Metals Company Limited), a joint stock limited company incorporated under the laws of the PRC and an indirect non-wholly owned subsidiary of CMC. CMN is the controlling shareholder of the Company, holding indirectly approximately 72.62% of the total number of Shares in issue as at the Latest Practicable Date;
“CMNH”	五礦有色金屬控股有限公司 (China Minmetals Non-ferrous Metals Holding Company Limited), a joint stock limited company incorporated under the laws of the PRC and an indirect non-wholly owned subsidiary of CMC;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
“Company”	MMG Limited, a company incorporated in Hong Kong with limited liability, the securities of which are listed and traded on the Main Board of the Hong Kong Stock Exchange operated by the Hong Kong Stock Exchange and the Australian Securities Exchange;

DEFINITIONS

“controlling shareholder”	has the meaning ascribed to it under the Listing Rules;
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Issue Mandate”	the general and unconditional mandate to the Directors to exercise the powers of the Company to allot, issue and deal with (or grant rights to subscribe for or convert any securities into) Shares proposed under ordinary resolution numbered 5 in the notice of the AGM set out on pages AGM-1 to AGM-3 of this circular;
“Latest Practicable Date”	8 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time;
“Minmetals HK”	China Minmetals H.K. (Holdings) Limited, a company incorporated in Hong Kong and an indirectly owned subsidiary of CMC. Minmetals HK is the immediate controlling shareholder of the Company holding approximately 72.62% of the total number of Shares in issue as at the Latest Practicable Date;
“PRC”	the People’s Republic of China (for the purpose of this circular, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan unless the context requires otherwise);
“Repurchase Mandate”	the general and unconditional mandate to the Directors authorising the repurchase of Shares by the Company proposed under ordinary resolution numbered 6 in the notice of the AGM set out on page AGM-3 of this circular;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time;

DEFINITIONS

“Shareholder(s)”	the holder(s) of Shares;
“Share(s)”	the fully paid share(s) of the Company;
“subsidiary”	has the meaning ascribed to it under the Companies Ordinance;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers; and
“%”	percentage.

LETTER FROM THE BOARD



MMG LIMITED

五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(HKEX STOCK CODE: 1208)

(ASX STOCK CODE: MMG)

Chairman:

GUO Wenqing *(Non-executive Director)*

Executive Directors:

GAO Xiaoyu

XU Jiqing

Non-executive Directors:

JIAO Jian

ZHANG Shuqiang

Independent Non-executive Directors:

Peter CASSIDY

LEUNG Cheuk Yan

Jennifer SEABROOK

PEI Ker Wei

Registered Office:

Unit 8506A

Level 85

International Commerce Centre

1 Austin Road West

Kowloon

Hong Kong

18 April 2019

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
(1) RE-ELECTION OF DIRECTORS; AND
(2) GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES;
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information relating to the resolutions to be proposed at the AGM, which include among other things, (i) re-election of Directors; and (ii) grant of general mandates to issue and to repurchase Shares.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

The Board currently comprises nine Directors, of which two are Executive Directors, namely Mr Gao Xiaoyu and Mr Xu Jiqing; three are Non-executive Directors, namely Mr Guo Wenqing (Chairman), Mr Jiao Jian and Mr Zhang Shuqiang; and four are Independent Non-executive Directors, namely Dr Peter Cassidy, Mr Leung Cheuk Yan, Ms Jennifer Seabrook and Professor Pei Ker Wei.

Pursuant to Article 98 of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (save and except those Directors in respect of whom the provision of Article 77 applies) or, if their number is not three or a multiple of three, then the number nearest but greater than one-third, shall retire from office by rotation. The Directors to retire each year shall be those who have been longest in office since their last re-election but as between persons who became Directors on the same day, those to retire shall (unless otherwise agreed between themselves) be determined by lot. In addition, pursuant to code provision A.4.2 of Appendix 14 to the Listing Rules, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. Accordingly, Mr Xu Jiqing, Mr Zhang Shuqiang and Dr Peter Cassidy will retire from office by rotation pursuant to Article 98 of the Articles of Association and, being eligible, offer themselves for re-election at the AGM.

Code provision A.4.3 of Appendix 14 to the Listing Rules also provides that the further appointment of an independent non-executive director should be subject to a separate resolution to be approved by Shareholders if such independent non-executive director has been serving the company for more than nine years. Dr Cassidy was appointed as an Independent Non-executive Director in December 2010 and, if he is re-elected at the AGM, he will continue to serve the Company for more than nine years. A separate resolution for his re-election will therefore be proposed for approval by Shareholders at the AGM pursuant to code provision A.4.3 of Appendix 14 to the Listing Rules.

The Company has received from Dr Cassidy the confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. During the tenure of Dr Cassidy as an Independent Non-executive Director, he has participated in Board meetings and served on various committees of the Board to give impartial advice and exercise independent judgement on the affairs of the Company but he has not engaged in any executive management of the Company and its subsidiaries. The Governance and Nomination Committee has conducted assessment of his independence, and is of the view that he complies with the independence criteria as set out in Rule 3.13 of the Listing Rules. Dr Cassidy has more than 45 years' experience in the mining industry and also possesses diverse experience and expertise in different sectors. The Company values Dr Cassidy's continued service by bringing different perspectives and insights in the boardroom. The Board, having considered his comprehensive knowledge, professional skills and experience as well as his thorough and deepened understanding of the Company and the Company's relevant industry, is of the view that Dr Cassidy's continued tenure will bring valuable contribution to the future sustainable development of the Company which is in the best interests of the Company and of the Shareholders. In particular, the Board considers that Dr Cassidy remains independent and committed in spite of the length of his service.

LETTER FROM THE BOARD

The biographical and other details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular. A separate resolution will be proposed for each of the retiring directors for re-election as Director at the AGM.

3. GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

At the annual general meeting of the Company held on 24 May 2018, ordinary resolutions were passed to grant general mandates to the Directors, inter alia, (i) to allot, issue and deal with Shares (and to make or grant offers, agreements and options which would or might require the exercise of such power); and (ii) to repurchase Shares. Such mandates will lapse at the conclusion of the AGM.

As at the Latest Practicable Date, a total of 8,051,998,184 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of AGM, the Company would be allowed under the Issue Mandate to issue a maximum of 1,610,399,636 Shares representing 20% of the total number of issued Shares at the date of the AGM, provided that certain issues or grants are not included in determining whether that maximum permitted number of Shares has been reached, as set out under the terms of the Issue Mandate.

Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors and on the basis that no Shares will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 805,199,818 Shares representing 10% of the total number of issued Shares at the date of the AGM.

The Issue Mandate and the Repurchase Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the expiration of the period within which the next annual general meeting of the Company is required by Hong Kong Law or the Articles of Association to be held; or (c) the passing of ordinary resolution(s) by Shareholders in general meeting revoking or varying the authority given to the Directors.

It will be proposed at the AGM to grant to the Directors the Issue Mandate and the Repurchase Mandate, as well as to extend the Issue Mandate by adding to it the number of Shares repurchased by the Company pursuant to the Repurchase Mandate.

An explanatory statement, as required by the Listing Rules to be given to Shareholders in connection with the Repurchase Mandate, is set out in Appendix II to this circular.

4. AGM

A notice convening the AGM to be held at Studio 1, 7/F, W Hong Kong Hotel, 1 Austin Road West, Kowloon, Hong Kong on Thursday, 23 May 2019 at 10:30 a.m. is set out on pages AGM-1 to AGM-5 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the Chairman, in good faith, decides to allow a resolution which

LETTER FROM THE BOARD

relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions will be put to vote by way of poll at the AGM. An announcement on the results of the voting by poll will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

5. ACTION TO BE TAKEN

In respect of the Shares registered with the share registrar of the Company in Hong Kong, you are requested to complete the form of proxy whether or not you are able to attend the AGM in accordance with the instructions printed thereon and return it to the share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event no later than 10:30 a.m. (Hong Kong Time) on Tuesday, 21 May 2019. Completion and return of the enclosed form of proxy will not preclude you from attending and voting in person at such meeting or any adjournment meeting should you so wish.

In respect of the CDIs registered with the share registrar of the Company in Australia, you are requested to complete the CDI Voting Instruction Form in accordance with the instructions printed thereon and return it to the share registrar of the Company in Australia, Computershare Investor Services Pty Limited, by mail at GPO Box 242 Melbourne, Victoria 3001, Australia or by fax at 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia) by 10:30 a.m. (Australian Eastern Standard Time) on Monday, 20 May 2019.

6. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 20 May 2019 to Thursday, 23 May 2019, inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the AGM,

- (a) in respect of the Shares registered with the share registrar of the Company in Hong Kong, all completed transfer forms accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. (Hong Kong Time) on Friday, 17 May 2019; or
- (b) in respect of the CDIs registered with the share registrar of the Company in Australia, all completed CDI transfer forms accompanied by the sellers identification requirements, must be lodged with Computershare Investor Services Pty Limited at Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067, Australia not later than 5:00 p.m. (Australian Eastern Standard Time) on Friday, 17 May 2019.

The record date for determining Shareholders' eligibility to attend and vote at the AGM will be on Friday, 17 May 2019.

LETTER FROM THE BOARD

7. RECOMMENDATION

The Board is of the opinion that the proposals for the re-election of the retiring Directors, the grant of the Issue Mandate and the Repurchase Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Board recommends the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully
For and on behalf of the Board
MMG Limited
Gao Xiaoyu
CEO and Executive Director

The biographical and other details of the retiring Directors proposed to be re-elected at the AGM are set out as follows:

MR XU JIQING

Mr Xu, aged 51, was appointed as an Executive Director and Executive General Manager - Strategic Planning of the Company in May 2013. His present role title is Executive General Manager - Marketing and Risk. Prior to that, Mr Xu served as a Non-executive Director of the Company from May 2009 until May 2013 and a member of the Company's Audit Committee from July 2009 until May 2013. He is a director of a number of subsidiaries of the Company. Mr Xu was also appointed as a director of CMN in February 2016.

Mr Xu holds a Bachelor's degree in Accounting from the University of International Business and Economics in the PRC, and a Master of Business Administration degree from Saint Mary's University in Canada. He is a qualified senior accountant in the PRC, a fellowship member of the Certified General Accountants Association of Canada and a chartered professional accountant member of the Chartered Professional Accountants of British Columbia, Canada. Mr Xu has extensive experience in accounting and corporate financial management.

Mr Xu joined CMC and its subsidiaries in 1991. He was appointed as the Manager of Finance at Minmetals Development Co. Ltd. in 1997, and was promoted to Vice General Manager in 1999 and General Manager in 2000. Mr Xu was also the General Manager of Finance at China National Nonferrous Metals Industry Trading Group Corporation from July 2001 to April 2002, and the General Manager of Finance at CMN from April 2002 to December 2007. He was the Chief Financial Officer (CFO) of CMN from December 2005 to November 2007 and the Vice-President and CFO of CMN from December 2007 until May 2013. Mr Xu was the Vice-President and CFO of CMNH from January 2011 until May 2013. He was the director of Album Enterprises Limited and Top Create Resources Limited from December 2005 to October 2013 and from February 2012 to October 2013 respectively. Mr Xu was the director of Copper Partners Investment Co., Ltd. and Hunan Nonferrous Metals Holding Group Co., Ltd. (HNG) from March 2009 to December 2013 and from July 2010 to October 2013 respectively. He was also the director of CMNH and Jiangxi Tungsten Industry Group Co., Ltd. from December 2009 to December 2014 and from April 2010 to August 2014 respectively.

Mr Xu has not held any other directorships in any listed public companies in the three years prior to the Latest Practicable Date. Save as disclosed above, he does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr Xu has an interest in 8,301,795 underlying Shares (within the meaning of Part XV of the SFO) comprising 6,119,962 share options and 2,181,833 performance awards which in aggregate representing approximately 0.10% of the total number of Shares in issue.

Mr Xu has entered into a contract of employment with the Company for an unspecified term as an Executive Director and Executive General Manager - Strategic Planning commencing on 20 May 2013 until either the Company or he terminates such contract by giving the other not less than three months' prior written notice. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Mr Xu is entitled to a total fixed remuneration of A\$863,940 per annum. Subject to certain company and individual performance criteria, he is also entitled to a short-term incentive payment of up to a maximum of

120% of his total fixed remuneration and a long-term equity-based performance incentive of up to a maximum of 80% of his total fixed remuneration. The emolument of an Executive Director is determined by reference to the duties and responsibilities of such director towards the Company, the remuneration policy of the Company, the benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there are no other matters in relation to the re-election of Mr Xu which need to be brought to the attention of the Shareholders and there is no information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

MR ZHANG SHUQIANG

Mr Zhang, aged 52, was appointed as a Non-executive Director of the Company in February 2017. He is a member of the Company's Audit Committee and Remuneration Committee.

Mr Zhang has been the General Manager of the Finance Department of CMC since January 2016, a director of CMNH and CMN since February 2016, and a director of Minmetals HK since August 2016. He was appointed as a director of Minmetals Capital Company Limited and Minmetals Innovative Investment Co., Limited in April 2017 and July 2017 respectively. Mr Zhang was also appointed as the Chairman of Minmetals Finance Co., Ltd. in September 2018. He was the Vice Chairman and a director of Xiamen Tungsten Co. Ltd (a company listed on the Shanghai Stock Exchange) from January 2014 to December 2014. Mr Zhang was also a director of HNG from August 2013 to January 2017 and a director of China Tungsten and Hightech Materials Co., Ltd. (a company listed on the Shenzhen Stock Exchange) from June 2016 to November 2018.

Mr Zhang graduated from Zhejiang Metallurgical Economy College in the PRC, majoring in Financial Accounting. He also obtained a Master's degree in Economics from Wuhan University of Technology in the PRC.

Mr Zhang started his career at China National Nonferrous Metals Import and Export Corporation, working as the Financial Accountant since 1987. From 1997 to 2000, he served as the Deputy Chief of the Finance Division of China National Nonferrous Metals Industry Trading Group Corporation. From 2000 to 2002, Mr Zhang served as the Assistant General Manager of the Finance Department of China National Nonferrous Metals Industry Trading Corporation. He also served as the Assistant General Manager (from April 2002 to March 2003) and the Deputy General Manager (from March 2003 to October 2005) of the Finance Department of CMN. From October 2005 to May 2013, Mr Zhang was the Deputy General Manager of the Finance Department of CMC. From May 2013 to December 2015, he served as the Vice President and the Chief Financial Officer of CMN and CMNH. From December 2015 to January 2016, Mr Zhang was the acting Deputy General Manager of the Finance Department of CMC. From December 2016 to August 2018, he was a director of Minmetals Development Co., Ltd.

Save as disclosed above, Mr Zhang does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, he does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr Zhang has entered into an appointment agreement with the Company as a Non-executive Director for a term of three years commencing on 15 February 2017. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. Mr Zhang is entitled to a director's fee of A\$188,000 per annum for his appointment as a Non-executive Director of the Company and an additional fee of A\$7,500 per annum for each standing board committee which he serves as a member (but does not otherwise chair). Mr Zhang is currently a member of the Audit Committee and Remuneration Committee of the Company. The emolument of a Non-executive Director is determined by reference to the duties and responsibilities of such director towards the Company, the remuneration policy of the Company, the benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there are no other matters in relation to the re-election of Mr Zhang which need to be brought to the attention of the Shareholders and there is no information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

DR PETER CASSIDY

Dr Cassidy, aged 73, was appointed as an Independent Non-executive Director of the Company in December 2010. He is the Chairman of the Company's Remuneration Committee. Dr Cassidy is also a member of the Company's Governance and Nomination Committee and Risk Management Committee. He was a member of the Audit Committee of the Company from February 2011 to August 2016.

Dr Cassidy is a metallurgical engineer with more than 45 years' experience in the resource and energy sectors, including more than 25 years as a director of major public companies. He was an independent non-executive director of Oxiana Limited (2002 to 2007); Zinifex Limited (2004 to 2008); Sino Gold Mining Limited (2002 to 2009); Lihir Gold Limited (2003 to 2010); OZ Minerals Limited (2008 to 2009); Energy Developments Limited (2003 to 2009); and Kerry Gold Mines Limited (2010 to 2018).

Dr Cassidy was also non-executive Chairman of Allegiance Mining NL (April to July 2008) and a director of Eldorado Gold Corporation (2009 to 2010). He was CEO of Goldfields Limited from 1995 until its merger with Delta Gold Limited in 2002 to form Aurion Gold Limited where he remained a director until 2003. Prior to 1995, Dr Cassidy was executive director - Operations of RGC Limited. He was also a member of the Board of Advice of the Monash University Division of Mining and Resources Engineering.

Dr Cassidy has most recently been involved in the development and operation of major mining and processing projects in Australia, the PRC, Laos, Papua New Guinea and the Cote d'Ivoire.

Dr Cassidy has not held any other directorships in any listed public companies in the three years prior to the Latest Practicable Date. He does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Dr Cassidy does not have any interest in the Shares within the meaning of Part XV of the SFO.

Dr Cassidy has entered into an appointment agreement dated 31 December 2010 with the Company (Dr Cassidy's Appointment Agreement). Subject to earlier termination pursuant to the terms and conditions of Dr Cassidy's Appointment Agreement and retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association, Dr Cassidy's appointment as an Independent Non-executive Director of the Company under such agreement commenced on 31 December 2010 until either the Company or he terminates such appointment agreement by serving on the other not less than one month's prior written notice. Dr Cassidy is entitled to a service fee of A\$188,000 per annum for his appointment as an Independent Non-executive Director of the Company and A\$21,500 per annum as the Chairman of the Remuneration Committee of the Company. In addition, he is entitled to an additional fee of A\$7,500 per annum for each standing board committee which he serves as a member (but does not otherwise chair). Dr Cassidy is currently a member of the Governance and Nomination Committee and Risk Management Committee of the Company. The emolument of an Independent Non-executive Director is determined by reference to the duties and responsibilities of such director towards the Company, the remuneration policy of the Company, the benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there are no other matters in relation to the re-election of Dr Cassidy which need to be brought to the attention of the Shareholders and there is no information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to Shareholders for their consideration of the proposed Repurchase Mandate.

REASONS FOR REPURCHASE MANDATE

While the Directors do not presently intend to repurchase any Shares, they believe that the flexibility afforded by the mandate granted to them if the ordinary resolution no. 6 set out in the notice of AGM is passed would be beneficial to the Company and its Shareholders. Trading conditions on the Hong Kong Stock Exchange have sometimes been volatile in recent years and if there are occasions in the future when Shares are being traded at a discount to their underlying value, the ability of the Company to repurchase Shares can be beneficial to those Shareholders who retain their investment in the Company since this may, depending on the circumstances, result in increases to the fully diluted net assets and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

SHARE CAPITAL

As at the Latest Practicable Date, the total number of issued shares of the Company is 8,051,998,184 Shares.

Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors and on the basis that no Shares will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 805,199,818 Shares representing 10% of the total number of issued Shares at the date of the AGM.

SOURCE OF FUNDS FOR REPURCHASES

In repurchasing Shares, the Company may only apply funds from the Company's available cash flow or working capital facilities, which will be funds legally available for such purpose in accordance with its Articles of Association and the Companies Ordinance. Such funds include but are not limited to the Company's profits available for distribution.

While the Repurchase Mandate, if exercised in full, may have a material adverse impact on the working capital or gearing position of the Company, the Directors expect to exercise such mandate if and to such extent only as they are satisfied that the exercise thereof will not have such a material adverse impact.

DISCLOSURE OF INTERESTS

The Directors have undertaken to the Hong Kong Stock Exchange to exercise the power of the Company to make purchases pursuant to Repurchase Mandate in accordance with the Listing Rules and the Companies Ordinance.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, presently intend to sell any Shares to the Company under the Repurchase Mandate in the event that the latter is granted by the Shareholders.

The Company has not been notified by any core connected persons of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company, in the event that Repurchase Mandate is granted by the Shareholders.

TAKEOVERS CODE

If as a result of a share repurchase by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Minmetals HK has an attributable interest of approximately 72.62% of the total number of Shares in issue. In the event that the Repurchase Mandate is exercised in full, the interests of Minmetals HK in the Company would be increased to approximately 80.69% of the total number of Shares in issue and such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeover Code. Assuming that there is no issue of Shares in the Company between the Latest Practicable Date and the date of repurchase, an exercise of the Repurchase Mandate in whole would result in an insufficient public float of less than 25% of the total number of Shares in issue, assuming Minmetals HK do not participate in such repurchase. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate. The Directors also have no intention to exercise the Repurchase Mandate to an extent that may result in a public shareholding of less than the minimum public float requirement.

MARKET PRICE

The highest and lowest prices at which Shares were traded on the Hong Kong Stock Exchange during each of previous 12 months preceding the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
April	5.96	4.82
May	6.42	5.65
June	6.53	5.02
July	5.59	4.15
August	4.91	3.51
September	4.14	3.31
October	4.20	2.73
November	3.98	2.93
December	4.17	3.18
2019		
January	3.59	2.50
February	4.04	2.81
March	3.92	3.05
April (up to the Latest Practicable Date)	3.75	3.30

SHARES REPURCHASES MADE BY THE COMPANY

No repurchases of Shares (whether on the Hong Kong Stock Exchange or otherwise) have been made by the Company in the six months preceding the Latest Practicable Date.

NOTICE OF AGM



MMG LIMITED

五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(HKEX STOCK CODE: 1208)

(ASX STOCK CODE: MMG)

NOTICE IS HEREBY GIVEN THAT the annual general meeting (Meeting) of MMG Limited (Company) will be held at Studio 1, 7/F, W Hong Kong Hotel, 1 Austin Road West, Kowloon, Hong Kong on Thursday, 23 May 2019 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and of the auditor of the Company for the year ended 31 December 2018;
2. To re-elect, each as a separate resolution, the following retiring directors of the Company:
 - (a) Mr Xu Jiqing;
 - (b) Mr Zhang Shuqiang; and
 - (c) Dr Peter Cassidy.
3. To authorise the board of directors of the Company (Board) to fix the remuneration of all Directors;
4. To appoint Deloitte Touche Tohmatsu as the auditor of the Company and to authorise the Board to fix the remuneration of the auditor;
5. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT

- (a) subject to paragraph (c) below, pursuant to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (Companies Ordinance) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time, the exercise by the Board during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the Company, to grant rights to subscribe for, or convert any security into, shares of the Company and to make or grant offers, agreements and options which would or might require the exercise of such power be and is hereby generally and unconditionally approved;

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- (b) the approval in paragraph (a) shall authorise the Board during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined); or
 - (ii) the grant of options or an issue of shares upon the exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or
 - (iii) the grant of rights of subscription or conversion or the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; or
 - (iv) any script dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the articles of association of the Company from time to time,

shall not exceed 20 per cent of the total number of shares of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and

- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by Hong Kong law or the articles of association of the Company to be held; and
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Board by this resolution; and

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“Rights Issue” means an offer of shares or an offer or issue of options, warrants or other securities giving the right to subscribe for, or of securities convertible into, shares of the Company, open for a period fixed by the Board to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

6. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

“THAT

- (a) subject to paragraph (b) below and pursuant to the Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the exercise by the Board during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase securities of the Company on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the securities of the Company may be listed and is recognised by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the total number of shares of the Company repurchased by the Company pursuant to paragraph (a) above during the Relevant Period shall not exceed 10 per cent of the total number of shares of the Company in issue as at the date of this resolution and the authority pursuant to paragraph (a) above shall be limited accordingly; and
- (c) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by Hong Kong law or the articles of association of the Company to be held; and
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Board by this Resolution.

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7. As special business, to consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:

“**THAT**, conditional on Resolutions no. 5 and no. 6 set out in this notice being passed, power be given to the Board to add the number of shares purchased by the Company pursuant to the general mandate referred to in Resolution no. 6 set out in this notice to the 20 per cent general mandate to allot, issue and deal with new shares of the Company, to grant rights to subscribe for, or convert any security into, shares of the Company and to make or grant offers, agreements and options which would or might require the exercise of such power referred to in Resolution no. 5 set out in this notice.”

8. To transact any other business.

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

Hong Kong, 18 April 2019

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on his/her behalf. A proxy need not be a member of the Company.
2. The register of members of the Company will be closed from Monday, 20 May 2019 to Thursday, 23 May 2019, inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the Meeting to be held on Thursday, 23 May 2019,
 - (a) in respect of the Shares registered with the share registrar of the Company in Hong Kong, all completed transfer forms accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. (Hong Kong Time) on Friday, 17 May 2019; or
 - (b) in respect of the CDIs registered with the share registrar of the Company in Australia, all completed CDI transfer forms accompanied by the sellers identification requirements, must be lodged with Computershare Investor Services Pty Limited at Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067, Australia not later than 5:00 p.m. (Australian Eastern Standard Time) on Friday, 17 May 2019.

The record date for determining Shareholders’ eligibility to attend and vote at the Meeting will be on Friday, 17 May 2019.

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3. (a) To be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority, must be lodged by a member whose name appearing on the register of members keeping at the share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event no later than 10:30 a.m. (Hong Kong Time) on Tuesday, 21 May 2019.
- (b) To be valid, a CDI Voting Instruction Form must be lodged by a member whose name appearing on the record of members keeping at the share registrar of the Company in Australia, Computershare Investor Services Pty Limited, by mail at GPO Box 242 Melbourne, Victoria 3001, Australia or by fax at 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia) by 10:30 a.m. (Australian Eastern Standard Time) on Monday, 20 May 2019.