

MEDIA RELEASE:

Rosebery zinc production down, copper up in first half of 2014

18 July 2014

MMG Limited (MMG) (1208.HK) yesterday released its second quarter production results reporting good results, particularly in copper.

However, MMG's Rosebery mine on Tasmania's west coast reported lower production of zinc and lead concentrate - 12% and 7% lower respectively than the first half 2013 - due to geotechnical restrictions in certain areas of the intended mine plan.

The mine produced 13,781 tonnes of zinc during the second quarter and 35,017 tonnes in the first half 2014, with year-to-date production 12% lower than the same period last year.

While zinc production was down, first half copper production at Rosebery increased 57% on the first half 2013.

MMG Rosebery General Manager Aaron Brannigan said Rosebery's first half zinc production was lower than the same period last year, but the current mine plan has now been re-sequenced to target higher grade zones of zinc and lead.

"Rosebery's second quarter of 2014 had been challenging and production was down, however, I'm confident the revised mine plan for the second half of the year will regain some of those loses, although annual guidance will be reviewed as a result," he said.

The LME cash price for zinc was US\$1.00/lb at the end of the second quarter 2014, 11% higher compared to the end of March.

The zinc equivalent C1 cost for the first half 2014 was US\$0.37/lb. Guidance has been reviewed following the geotechnical restrictions to the mine plan. MMG expects to produce 80,000–85,000 tonnes of zinc in zinc concentrate at a C1 cost of US\$0.25–US\$0.30/lb and 22,000–24,000 tonnes of lead in lead concentrate in 2014.

- Ends -

Media Enquiries

Edward (Ted) Woodruff
Senior Advisor – Stakeholder Relations
Mobile: +61 0407 434 329
Email: edward.woodruff@mmg.com