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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)

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) of MMG Limited (Company) announces certain details relating to the revolving facility agreements entered into between Minera Las Bambas S.A. (MLB) (a subsidiary of the Company) and each of (i) Bank of China Limited, Sydney Branch (BOC Sydney) and (ii) Industrial and Commercial Bank of China Ltd., Luxembourg Branch (ICBC Luxembourg) for an aggregate amount of US\$350,000,000.

REVOLVING FACILITY AGREEMENTS WITH BOC SYDNEY AND ICBC LUXEMBOURG

The Board is pleased to announce that MLB (as borrower) has today entered into revolving facility agreements (each a Facility Agreement and, together, the Facilities), with each of BOC Sydney and ICBC Luxembourg (each as lender) pursuant to which a revolving facility in the amount of US\$175,000,000 with a term of three years has been granted to the Company in accordance with the terms of each Facility Agreement. The Facilities provide, in aggregate, US\$350,000,000 for the purpose of supporting the operational funding requirements of the Las Bambas project. The Facilities replace the US\$350,000,000 working capital facility that BOC granted to the Company from May 2016 to March 2019. The lenders have agreed to a reduction in the cost of the Facilities, which reflects Las Bambas now being an operating asset, compared with the previous pricing being derived when Las Bambas was under construction.

Pursuant to the terms of the Facilities, upon the occurrence of the following events, BOC Sydney and/or ICBC Luxembourg may, by not less than 5 days' notice to MLB, declare all outstanding loans under their respective Facility Agreement immediately due and payable:

- (a) China Minmetals Corporation 中國五礦集團有限公司 (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 BOC Sydney and/or ICBC Luxembourg may also declare all outstanding loans under their respective Facility Agreement immediately due and payable.

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

Hong Kong, 21 August 2019

As at the date of this announcement, the Board consists of 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 William Cassidy, Mr Leung Cheuk Yan, Ms Jennifer Anne Seabrook and Professor Pei Ker Wei.