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MMG LIMITED
五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

CONTINUING CONNECTED TRANSACTION KHOEMACAU MINE LOGISTICS AGREEMENT

LOGISTICS AGREEMENT

MMG is progressing the development of logistics for the Khoemacau expansion project at the KCM Mine, which includes the Logistics Services.

On 4 June 2026, KCM and Minmetals Shipping entered into a Logistics Agreement, pursuant to which Minmetals Shipping will provide the Logistics Services from time to time during the term of the Logistics Agreement.

Minmetals Shipping is a wholly-owned subsidiary of CMC, the ultimate controlling shareholder of the Company, and is therefore an associate of CMC and a connected person of the Company under the Listing Rules. As a result, the Logistics Agreement constitutes a continuing connected transaction for the Company.

As one or more of the relevant percentage ratios in respect of the Logistics Agreement are not less than 0.1% but all are less than 5%, the Logistics Agreement constitutes a continuing connected transaction which is subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirements, under Chapter 14A of the Listing Rules.

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On 4 June 2026, KCM and Minmetals Shipping entered into a Logistics Agreement, pursuant to which Minmetals Shipping will be one of the three contractors (with the other two contractors

being independent third parties of the Group) which will provide the Logistics Services from time to time during the term of the Logistics Agreement.

The principal terms of the Logistics Agreement are set out below.

- Parties : 1) KCM
2) Minmetals Shipping

- Scope of work : Provision by Minmetals Shipping of international sea and overland shipping, logistics and transportation services for the KCM Mine

- Term : 2 years, commencing on 4 June 2026

- Pricing : Pricing will be expressed in US Dollars determined on an arm's length basis and consistent with prevailing international market practice and rates at the time for similar services which shall be based on the packing list of the goods to be shipped, such as per Freight ton, per container, such rate to be inclusive of all port charges, pilotages, light dues, port agents' fees and all other dues usually paid by the relevant vessel. Freight rates are reasonably transparent and marginal pricing differentials are tendered by suppliers due to the competitive international shipping market.

Other applicable rates will be as negotiated but will include, without limitation, such as agreed laytime and demurrage and despatch rates at a rate of US Dollars per day, that are consistent with the current shipping market for similar services. Such pricing mechanism has been reviewed and considered by the executive committee of the Company and approved by the independent non-executive directors.

In accordance with market practice, the Logistics Services will be provided by multiple contractors instead of a single contractor. In order to determine such selected contractors for the Logistics Services, seven vendors were invited to tender. KCM determined that six vendors met its internal requirements and progressed to the selection process. The selection process adopted a comprehensive evaluation method, with a weighting of 30% given to technical factors, 10% given to commercial factors and a weighting of 60% given to the bidding price.

Following further evaluation, three contractors were chosen to be the selected contractors for the Logistics

Services, being Minmetals Shipping and two independent third parties of the Group, each of which will enter into a separate logistics agreement with KCM, including the Logistics Agreement in the case of Minmetals Shipping. Every two weeks or a single shipment batch, KCM will request these three selected contractors to provide quotations for the Logistics Services required for the upcoming two weeks or a single shipment batch, and the relevant Logistics Services for this two-week period a single shipment batch shall be provided by the contractor which offers the most competitive quotation.

Payment Terms : Payment will be made within 30 days after completion of each shipment batch to be delivered by Minmetals Shipping to the KCM Mine.

The Logistics Agreement has been negotiated on an arm’s length basis and is considered by management to reflect normal commercial terms, with fair and reasonable pricing, and to be in the best interests of shareholders.

The terms of the Logistics Agreement, including the pricing mechanism, have been reviewed and considered by the executive committee of the Company and approved by the independent non-executive directors but excluding the Interested Directors. The Directors (including the independent non-executive Directors but excluding the Interested Directors) consider that the terms agreed with Minmetals Shipping under the Logistics Agreement are at least as favourable to the Company as those of other independent parties taking part in the competitive tender process, and that it is in the best interests of the Company, when compared with alternative suppliers as demonstrated through its competitive tender process, to award the Logistics Agreement to Minmetals Shipping.

ANNUAL CAP

The annual cap under the Logistics Agreement for each of the financial years ending 31 December 2026, 2027 and 2028 are as follows:

For the financial year ending 31 December

2026 (for the seven months from 4 June 2026 up to 31 December 2026)	2027	2028
US\$4,000,000	US\$15,000,000	US\$6,000,000

The annual caps have been determined (i) on the assumption that Minmetals Shipping will offer the most competitive quotation and will be selected amongst the contractors throughout the

entire term (which may or may not be the case); (ii) by reference to the agreed pricing principles as set out in the Logistics Agreement; and (iii) prevailing and projected international market sea freights for similar services in Peru and Australia.

REASONS FOR AND BENEFITS OF LOGISTICS AGREEMENT

The entering into of the Logistics Agreement has the benefit of the Logistics Services necessary for the Khoemacau expansion project, which are on terms that are in the commercial interests of the Group. As an overseas operation platform owned by CMC, Minmetals Shipping is a professional shipping and logistics enterprise and its experience positioned it as a suitable choice for the Khoemacau expansion project.

The terms of the Logistics Agreement have been reviewed and approved by the Directors (including the independent non-executive Directors but excluding the Interested Directors), who are of the view that the terms of the Logistics Agreement and the transactions contemplated thereunder are on normal commercial terms, in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Interested Directors, each holding position(s) at CMC, have abstained from voting on the Board resolution approving the Logistics Agreement in order to avoid any possible conflict of interest.

INTERNAL CONTROL PROCEDURES

In addition to the descriptions above in respect of the determination of and compliance with the annual caps, to ensure that the transactions contemplated under the Logistics Agreement, and all of the Company's continuing connected transactions, are conducted in accordance with the terms (including the annual caps) of the relevant agreements on normal or better commercial terms and are in the interests of the shareholders of the Company as a whole, the Company has adopted the following internal control procedures:

- The Company's Management Team at the KCM Mine ensures that the pricing of the Logistics Services is determined in accordance with the terms of the Logistics Agreement;
- The Company's Management Team at KCM Mine continuously monitors the annual caps of the Logistics Agreement and any change which may potentially affect an annual cap is reported to senior management and the Board in a timely manner;
- Underground mining is a core component of the Company's business. The Company's senior management has sufficient market knowledge and access to data, which enables them to assess whether the terms of the Logistics Agreement is on normal commercial terms and whether the annual caps are appropriately determined;

- All of the Company's continuing connected transactions, including their annual caps, are annually reviewed and discussed by the independent non-executive Directors of the Company, to confirm that the transactions are in the ordinary and usual course of business of the Company, on normal commercial terms or better, in accordance with the terms of the relevant agreements of the Company, fair and reasonable and in the interests of the shareholders of the Company as a whole; and
- The independent auditor of the Company conducts an annual review of the transactions and provides a written confirmation to the Board before release of the Company's annual report.

LISTING RULES IMPLICATIONS

Minmetals Shipping is a wholly-owned subsidiary of CMC, the ultimate controlling shareholder of the Company and is therefore an associate of CMC and a connected person of the Company under the Listing Rules. As a result, the Logistics Agreement constitutes a continuing connected transaction for the Company.

As one or more of the relevant percentage ratios in respect of the Logistics Agreement are not less than 0.1% but all are less than 5%, the Logistics Agreement constitutes a continuing connected transaction which is subject to the reporting, annual review and announcement requirements but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INFORMATION ABOUT THE GROUP

The Group is engaged in the exploration, development and mining of copper, zinc, gold, silver, cobalt, molybdenum and lead deposits around the world.

INFORMATION ABOUT MINMETALS SHIPPING

Minmetals Shipping is a wholly-owned subsidiary of CMC, the ultimate controlling shareholder of the Company.

Minmetals Shipping's main business is to undertake ocean and coastal shipping for dry bulk cargo, break-bulk cargo and project cargo both for internal and external customers, as well as to provide integrated transport solution, market analysis and related consulting services. The vessel type operated are varied from Handy to Capesize, especially for handy to ultramax. Minmetals Shipping is operating a fleet of more than 20 vessels, including self-owned, bareboat chartering, period chartering, and vessel pool management. The dry bulk cargoes that Minmetals Shipping have transported including coal, coke, iron ore, alumina, copper, chrome ore, manganese ore etc.

The CMC Group is one of the largest state-owned enterprises in the mining sector in China. It is engaged in the exploration, development, mining, processing and sale of a wide range of nonferrous metals including tungsten, rare earth, copper, alumina, lead and zinc.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

associate(s)	has the meaning ascribed to it under the Listing Rules
Board	the board of directors of the Company
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
CMC Group	CMC and its subsidiaries and associates from time to time (excluding the Group)
Company or MMG	MMG Limited, a company incorporated in Hong Kong, the securities of which are listed and traded on the main board of the Stock Exchange
connected person	has the meaning ascribed to it under the Listing Rules
controlling shareholder	has the meaning ascribed to it under the Listing Rules
Director(s)	the director(s) of the Company
Group	the Company and its subsidiaries from time to time
Hong Kong	the Hong Kong Special Administrative Region of the People's Republic of China
Interested Directors	Cao Liang, Zhang Shuqiang, Yue Wenjun, Qian Song and Zhao Jing Ivo
KCM	Khoemacau Copper Mining Proprietary Limited, a company incorporated in Botswana, a subsidiary of MMG and the operator of the KCM mine
KCM Mine	means the Khoemacau copper mine in Botswana
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
Logistics Agreement	the agreement dated 4 June 2026 between KCM and Minmetals Shipping in respect of the Logistics Services for the Khoemacau expansion project

Logistics Services	means international sea and overland shipping, logistics and transportation services for the KCM Mine
Minmetals Shipping	Minmetals Shipping (Singapore) Pte Ltd, a company incorporated under the laws of Singapore. which is a direct wholly-owned subsidiary of CMC
PRC	the People's Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
Stock Exchange	The Stock Exchange of Hong Kong Limited
subsidiary	has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
%	per cent

Unless otherwise specified, conversion of US\$ into HK\$ in this announcement is based on the exchange rate of US\$1.00 = HK\$7.8 for the purpose of illustration only. No representation is made and there is no assurance that US\$ or HK\$ can be purchased or sold at such rate.

By order of the Board
MMG Limited
Zhao Jing Ivo
CEO and Executive Director

Hong Kong, 4 June 2026

As at the date of this announcement, the Board comprises nine directors, of which two are executive directors, namely Mr Zhao Jing Ivo and Mr Qian Song; three are non-executive directors, namely Mr Zhang Shuqiang, Mr Cao Liang (Chairman) and Mr Yue Wenjun; and four are independent non-executive directors, namely Dr Peter William Cassidy, Mr Leung Cheuk Yan, Mr Chan Ka Keung, Peter and Ms Chen Ying.