TRANSCRIPTION

Company: MMG Limited

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INTRODUCTION

Moderator:

Good day, everyone, and welcome to MMG's 2026 Second Quarter Production Report Briefing. All participants are currently in listen-only mode. For Zoom participants who wish to listen to the English simultaneous interpretation, please click "Interpretation" in the toolbar at the bottom of the Zoom window and select the "English" channel. Before we begin, please allow me to read the disclaimer for today's briefing.

The content of this meeting is intended solely for participating investors and analysts. The audio recording and transcript are provided for reference only. MMG has not authorized any third-party organization to distribute materials relating to this meeting. The Company and its affiliates accept no liability for any loss arising from the reproduction, redistribution, or use of any part or all of the meeting content. Investment involves risk, and investors should exercise caution and make their own assessment before making any investment decision. I will now hand over to MMG's Chief of Staff Godfrey Guo Yu.

Guo Yu Godfrey (MMG, Chief of Staff):

Good day, investors and analysts. Welcome to MMG's 2026 Second Quarter Production Report Briefing.

We are joined today by members of the Company's Executive Committee, including Mr. Zhao Jing, Chief Executive Officer and Executive Director; Mr. Qian Song, Chief Financial Officer and Executive Director; Mr. Troy Hey, Executive General Manager, Corporate Relations; Mr. Wang Nan, Chief Operating Officer; Ms. Guan Xiangjun, Interim Executive General Manager, Commercial and Development; Mr. Xia Weiquan, President, Africa Operations; and Mr. Chen Xuesong, President of Las Bambas.

Today's briefing will consist of two parts. First, Mr. Zhao Jing, our Chief Executive Officer, will provide an overview of our second quarter operations. After the presentation, the management team will take questions from investors and analysts. The operator will explain the Q&A process after the presentation.

With that, I will hand over to Mr. Zhao.

QUARTERLY REPORT OVERVIEW

ZHAO Jing Ivo (MMG, CEO):

Thank you, Godfrey. Good day, everyone. I am pleased to provide an update on MMG's operating performance for the second quarter of 2026.

Before discussing our operating results, I would like to begin with safety, which remains our highest priority.

Safety remains the foundation of our operations and a responsibility on which we will not compromise. In the second quarter, the Company recorded a Total Recordable Injury Frequency of 2.19 per million hours worked and a Significant Event with Energy Exchange Frequency of 0.82 per million hours worked, both higher than in the previous quarter. We are treating this seriously. Across all sites, we are strengthening proactive reporting, reinforcing critical risk controls, and increasing focus on contractor management and frontline supervision. We remain committed to improving safety performance and ensuring every employee returns home safely.

Turning to operating performance.

In the second quarter, the Company made steady progress in stabilizing production, improving efficiency, optimizing costs, advancing key projects, and strengthening capital management.

MMG's total copper production reached approximately 138,000 tonnes, while zinc production totaled around 56,000 tonnes, both remaining broadly in line with the same period last year. By-product output increased strongly, with silver production up 13% year-on-year to 2.826 million ounces, molybdenum up 35% to 955 tonnes, and gold production reaching 28,000 ounces. Stable core production, together with stronger by-product performance, demonstrates the resilience of our asset base and the benefits of a diversified production mix.

Against this stable production backdrop, our sites continued to improve costs, while key growth projects progressed in an orderly manner. I will now review the performance of our core assets.

Copper Business

Starting with Las Bambas.

Las Bambas continues to reinforce its position as a large-scale, low-cost copper operation and remains a key contributor to MMG's cash flow and earnings.

In the second quarter, Las Bambas produced 109,000 tonnes of copper in concentrate, 8% higher quarter-on-quarter but 5% lower year-on-year. Ore grade and recovery remained healthy, supporting a solid production base.

Notably, Las Bambas has now sustained stable operations for more than three consecutive years. During the second quarter, logistics and concentrate transportation were relatively smooth, with no major disruptions. First-half payable copper sales reached 213,000 tonnes, up 12% year-on-year, underscoring the operation's reliability and the effective execution of our logistics system.

On community relations, the Company continued constructive engagement with local governments and communities, supporting regional development and strengthening the basis for long-term cooperation. These efforts continue to foster a supportive environment for sustained mine operations.

Following a solid first-half performance, Las Bambas is well positioned to reach the upper end of its full-year production guidance of 400,000 tonnes of copper.

Cost performance was also strong. First-half C1 costs were US$0.55 per pound, placing Las Bambas in the first quintile of the global cost curve based on publicly available industry data. Reflecting this performance, the Company has lowered full-year C1 cost guidance to US$0.85 to US$1.05 per pound.

Overall, the most significant changes at Las Bambas in recent years are not only reflected in its production and cost performance but also in the continuous improvement in operational quality and asset resilience. After years of effort, the mine has achieved over three consecutive years of stable operations, with stronger community relations, a more mature logistics system, and significantly enhanced operational certainty.

As a high-quality core asset and a strong source of cash flow for the company, Las Bambas not only provides solid support for current performance but also lays a strong foundation for advancing the company's growth strategy, optimizing capital allocation, and enhancing shareholder returns. It is a key pillar in ensuring the company's fundamental stability, navigating through cycles, and achieving long-term value creation.

Turning to Kinsevere, copper production in the second quarter was close to 17,000 tonnes, representing 24% year-on-year growth and demonstrating strong operating momentum.

The sulphide processing project continued to ramp up, with its benefits becoming increasingly visible. In the second quarter, ore processed by the sulphide concentrator increased 12% year-on-year, providing a stable source of new copper concentrate feed for the roasting and acid plant system.

Looking to the second half, continued mining and pushback activities at the Central and Mashi pits are expected to further improve head grades, supporting capacity ramp-up and stronger site performance.

Overall, the Kinsevere expansion is gradually entering the value realization phase. We expect it to support this year's production growth and cost improvement targets, while contributing meaningful incremental copper output for the Company.

Next, Khoemacau.

Khoemacau is a key driver of MMG's medium- to long-term production growth.

In the second quarter, Khoemacau produced 11,000 tonnes of copper in concentrate, broadly in line with the same period last year and 7% higher quarter-on-quarter. Ore processed was lower due to earlier delays in development mining and equipment supply. As new equipment is progressively commissioned and development work continues, ore availability is expected to improve in the second half.

Mining has also advanced into the higher-grade Zone 5 area. During the quarter, head grade remained above 1.6% and concentrator recovery stayed above 88%, providing solid support for production.

Cost performance continued to improve. First-half actual C1 costs were US$1.25 per pound. Reflecting this performance, the Company has lowered full-year cost guidance to US$1.70 to US$2.00 per pound, while maintaining production guidance at 48,000 to 53,000 tonnes.

Expansion work is progressing as planned. First copper concentrate from Phase 2 is expected in the first half of 2028. Once completed, annual production capacity is expected to rise from approximately 50,000 tonnes today to 130,000 tonnes, while life-of-mine average C1 costs are expected to fall below US$1.60 per pound. In parallel, the Company has started the pre-feasibility study for Phase 3, which targets annual production of 200,000 tonnes and would further expand the asset's long-term growth potential.

In summary, each of our three copper mines plays a distinct and vital role: Las Bambas provides stable cash flow, Kinsevere is starting to unlock the value of its expansion, and Khoemacau offers substantial future growth potential. Together, these core copper assets are driving sustained growth in production, positioning MMG to steadily advance toward its strategic goal of becoming one of the world's top ten copper producers.

Zinc Business

Turning now to Dugald River.

In the second quarter, Dugald River produced 46,000 tonnes of zinc in concentrate, up 6% year-on-year, with concentrator recovery consistently above 90%. Mining and processing activities were broadly in line with plan, and operations remained stable.

As the impact of first-quarter weather events on logistics gradually eased, concentrate transportation and shipments normalized in the second quarter. Previously accumulated inventory was released effectively, and quarterly sales exceeded production.

Higher grades and improved recovery also drove strong by-product performance, with lead and silver production increasing 53% and 63% year-on-year, respectively, further strengthening the mine's earnings contribution.

For the full year, Dugald River remains on track to produce 170,000 to 180,000 tonnes of zinc in concentrate. On costs, stronger silver prices, higher lead and silver output, and lower zinc treatment charges supported a first-half actual C1 cost of US$0.60 per pound of zinc, well below the full-year guidance range of US$0.80 to US$0.95 per pound. The Company will continue to monitor silver prices and adjust full-year cost guidance as appropriate.

Turning to Rosebery.

Rosebery continues to benefit from its polymetallic resource base.

Second-quarter zinc-equivalent production reached 34,000 tonnes, up 7% quarter-on-quarter. Zinc output was lower year-on-year due to mine sequencing, but the site continued to optimize product mix and by-product value through its zinc-equivalent production strategy. Higher precious metal grades also supported strong by-product performance, with silver and gold production increasing 36% and 9% year-on-year, respectively.

Higher precious metal output and stronger prices supported first-half actual C1 costs of negative US$2.23 per pound of zinc. Reflecting this performance, the Company has lowered full-year cost guidance from negative US$0.60 to negative US$0.10 per pound to negative US$1.50 to negative US$1.00 per pound.

With continued contribution from precious metals, Rosebery remains on track to achieve full-year zinc-equivalent production of 125,000 to 140,000 tonnes.

Overall, Dugald River continues to deliver stable operations and cost advantages, while Rosebery is realizing further value from its polymetallic exposure. Together, the two zinc mines provide resilient cash flow and support the Company's profitability and cost competitiveness.

Recent Corporate Development

I would now like to briefly discuss the company's recent corporate developments.

During the second quarter, the company achieved a significant milestone in the capital markets. In June 2026, with strong investor support, we completed a new share placement and issued zero-coupon convertible bonds at premium, raising approximately US$1.6 billion in net proceeds. Despite the challenging market environment, the transaction was well oversubscribed, reflecting investor confidence in the company's strong fundamentals and promising growth outlook.

The proceeds from this transaction will primarily be used to repay higher-cost debt and support expansion at our core mines whilst also building up our financial capacity for future growth initiatives. The capital raise allowed us to reduce our interest expense, increase cashflows and provide us with greater flexibility in how we execute our organic growth expansion. As a result, the company's financial resilience has been significantly strengthened, laying a more solid foundation for future growth.

However, funding is only the enabler to a clear and actionable growth strategy. Looking ahead, our priorities are centered on three key areas: operational improvement, project delivery, and resource growth.

MMG will account for the majority of Minmetals' announced 1 million tonnes of annual copper production by 2030. This production target will be driven by three key factors: ongoing optimization of existing operations, capacity expansions from projects currently under construction, and the development of untapped resource potential in regions like Botswana. Each of these drivers is supported by well-defined projects, ensuring that our growth is firmly rooted in execution rather than mere ambition.

We are also focused on positioning the company for long-term success. The value of a mining company is driven not only by its current production but also by the resources it secures for the future. As such, we will continue to intensify exploration efforts and actively assess external M&A opportunities to support sustained, long-term growth.

In summary, our goal is to maximize the value of our existing assets while laying a solid foundation for future expansion.

Thank you. This concludes my presentation. Next, we will address any questions you may have and engage in further discussion. I will hand back to the operator to begin the Q&A session.

<QUESTIONS AND ANSWERS>

Moderator:

If you would like to ask a question, participants joining by telephone should press * followed by 1 on their keypad. Participants joining via Zoom or the Comein portal should click the "Raise Hand" button at the bottom of the screen to request to speak. When asking a question, please update your display name to show your institution and name. Thank you.

We will now invite Mr. Jack Shang from Citi to ask a question.

Jack SHANG (Citi, Analyst):

Thank you, management. First of all, congratulations on the very strong operating results for the first half.I have four questions, which I will go through one by one.

My first question is about Las Bambas. Production in the first half exceeded expectations. Do you think production in the second half can be maintained at the first-half level? More broadly, is there any possibility that the full-year production guidance could be revised upward? Besides, according to our understanding, the operation achieved a relatively low C1 cost, largely due to by-product contributions and prices. Apart from these factors, were there any other operational factors that helped Las Bambas maintain its costs at a low level? Precious metal prices declined somewhat during the first half, and the decrease was relatively apparent. Against this backdrop, were there any additional operating factors supporting the low cost performance? Thank you.

ZHAO Jing Ivo (MMG, CEO):

Thank you for your questions. We will ask Mr Chen to respond.

CHEN Xuesong (MMG, President of Las Bambas):

Thank you Jack. Regarding production, output is determined by factors including the mining sequence, ore grades and the characteristics of the ore. These factors can result in some production volatility. We therefore need to continue optimising our ore processing and mining activities, as well as the coordination and synergies among different items of equipment, in order to maintain the current production level. As Mr Zhao mentioned earlier, we expect second-half production to remain within our full-year guidance range. Nevertheless, we will make every effort to achieve the upper end of the guidance range.

Regarding cost control, your observation is very detailed. Although Precious metal prices were volatile, our cost performance remained strong. The main reason was that, in our day-to-day operations, we strengthened production cost controls and achieved good results. Looking ahead, we expect cost control to remain stable. Diesel prices may have some impact, although we do not expect the impact to be significant. We have negotiated a new pricing mechanism with our diesel suppliers, with the objective of sharing both risks and benefits and ensuring that pricing more accurately reflects changes in the market. As Mr Zhao mentioned earlier, reflecting these factors and our first-half performance, we have lowered the full-year C1 cost guidance.

Jack SHANG (Citi, Analyst):

Thank you. My second question is about Kinsevere. We noted that its C1 cost increased quarter on quarter in the second quarter. What were the main reasons for the increase? Was it related to the higher cost of sulfuric acid? What cost trend should we expect at Kinsevere in the second half? In addition, what is the expected cost impact from power and sulfuric acid?

ZHAO Jing Ivo (MMG, CEO):

Thank you. We will ask Mr Xia to respond.

XIA Weiquan (President of Africa Operations):

Thank you for your question. Kinsevere's C1 cost for the first half was US$2.96 per pound. The C1 cost increased in the second quarter compared with the first quarter, mainly due to higher sulfuric acid and diesel costs. However, for the full year, we expect the C1 cost to remain within the guidance range of US$2.5 to US$2.9 per pound. In the second half, as the operation continues to ramp up and production increases, we expect the unit cost to decline.

Sulfuric acid and diesel prices will have some impact on costs, but we do not expect the overall impact to be significant. In the second quarter, approximately 90% of Kinsevere's electricity requirements were supplied by grid power, with only around 10% supplied through diesel generation. Therefore, the use of diesel-generated power does not have a material impact on our overall costs.

At the same time, as the roaster and acid plant continue to ramp up, daily production volumes will increase, the current production capacity of sulfuric acid is approximately 170 tons per day. Once the facilities are fully ramped up, internally produced sulfuric acid will be able to meet approximately

80% of Kinsevere's requirements, with only the remaining 20% needing to be purchased from the market. Overall, we do not expect sulfuric acid and diesel costs to have a significant impact on Kinsevere's total costs. Thank you.

Jack SHANG (Citi, Analyst):

Thank you. My third question is for Troy. Troy, could you give us an update on Peruvian the presidential election and its potential impact on operations at Las Bambas? Thank you.

Troy HEY (MMG, Executive General Manager – Corporate Relations):

Thank you for the question, Jack. The new president, Keiko Fujimori, will take office on 28 July, which is Peru's Independence Day. We look forward to working with the new government.

As has been the case over the past several years, and particularly during the past three years, Las Bambas has performed very successfully in terms of both operations and stability, despite a difficult political environment.

With the formation of the new government, we expect a much more stable period ahead. We will continue to work closely with both local communities and the government. We are currently engaged in active negotiations with a number of communities. Apart from the usual day-to-day challenges, logistics have generally been operating very well.

We believe the operating environment is likely to be more stable than it has been in previous years, although management will continue to face a number of challenges. Importantly, over the past decade or so—which has been one of the more difficult periods in terms of political instability—we have continued to operate very effectively.

We therefore look to the future with great confidence. We will build relationships with the new ministers once the cabinet is announced, and we look forward to continuing operations for many years to come. Las Bambas remains a very stable operation. Thank you.

Jack SHANG (Citi, Analyst):

Thank you. My final question relates to the progress of the acquisition of the Brazilian nickel assets. Could you please provide an update? Thank you.

ZHAO Jing Ivo (MMG, CEO):

We will ask Ms Guan to respond.

GUAN Xiangjun Sandra (MMG, Interim Executive General Manager – Commercial and Development):

Thank you, Jack. Good morning. Regarding the acquisition of the Brazilian nickel assets, we are currently in the process of obtaining approval from the European Union. The long-stop date for the transaction has been extended to 31 October.

To date, all documents required by the European Union have been submitted. We hope the European Union will commence its review of the transaction as soon as possible, and we remain hopeful that the transaction can be completed within the year.

Moderator:

Lawrence from BOCI, please go ahead. Thank you.

Lawrence Lau (BOCI, Analyst):

Good morning, Mr Zhao. I have one question. Looking at Las Bambas, precious metals by-product production in the second quarter was significantly lower than in the first quarter. What was the reason for the decrease? Looking ahead, including for the remainder of this year and in subsequent years, what production trend should we expect for precious metals by-products from Las Bambas?

ZHAO Jing Ivo (MMG, CEO):

Thank you for your question, Lawrence. Let me address your question regarding the quarter-on-quarter decline in precious metals production. The decrease was mainly attributable to the mining sequence and the composition of the ore processed.

During the second quarter, ore was sourced from both the Ferrobamba and Chalcobamba pits. The volume of higher-grade Ferrobamba ore processed was lower than in the first quarter. As Ferrobamba ore has a higher precious metals grade, the overall precious metals production decreased compared with the previous quarter.

Precious metals are by-products rather than the operation’s principal products. Their production is therefore determined by factors including the mining sequence, the composition of the ore processed and ore grades. Changes in these factors can result in periodic fluctuations in by-product production.

The second-quarter movement was within the normal range of operational fluctuations and does not represent a long-term trend.Thank you. I hope that answers your question.

Moderator:

Chris from Balyasny, please go ahead.

Chris SHIU (Balyasny, Analyst):

Good morning, and congratulations on the very strong results. My question relates to the Wallaroo copper target discovery at Dugald River announced in early July. The announcement stated that further drilling and exploration work would be conducted in the third quarter. If the results are positive, what subsequent steps would be required? In addition, how long might it take before the discovery could be brought into production?

ZHAO Jing Ivo (MMG, CEO):

Thank you for your questions. I will ask Mr Wang to respond.

WANG Nan (MMG, Chief Operating Officer):

Thank you for your questions, Chris. The copper discovery at Dugald River is a very positive development for both Dugald River and MMG.

Our next step is to undertake additional drilling and complete a broader assessment of the mineralisation. We will also assess the results against the relevant JORC standards and requirements, with the aim of potentially upgrading the resource estimate. Therefore, the immediate focus will be on further exploration and additional on-site drilling.

With respect to when production could commence, once the drilling program has been completed, we will need to undertake geological analysis as well as a comprehensive assessment of the orebody. This process will take some time. Based on the discovery and the information currently available to us regarding Dugald River, we believe this is a very positive development from a strategic perspective. Thank you.

Moderator:

The next question is from CICC. Please go ahead.

HE Manwen (CICC, Analyst):

Good morning. First of all, congratulations on the strong performance in the second quarter. I have two questions. My first question relates to Las Bambas. I would like to ask specifically about the proportion of ore sourced from the two pits during the second quarter and the first half. What was the actual allocation between the two pits? How is the pit mix expected to evolve relative to guidance? In addition, Las Bambas' copper sales volume in the second quarter was lower than its production volume. What was the reason for this difference?

My second question relates to Kinsevere. What is the cost of diesel power generation, and how much has the cost of diesel-generated power increased compared with the level before the Middle East conflict? My final question is about the windfall profit tax. At approximately what copper price would the tax be triggered? Would it be triggered at a copper price of around US$14,000 per tonne?

ZHAO Jing Ivo (MMG, CEO):

Thank you. We will ask Mr Chen to respond to the first question and Mr Xia to respond to the second. We will invite Mr Qian to provide additional comments as appropriate.

CHEN Xuesong (MMG, President of Las Bambas):

Thank you for your questions. Regarding the Ferrobamba and Chalcobamba pits, in the second quarter, Ferrobamba accounted for approximately 56% of the ore mined, while Chalcobamba accounted for approximately 44%.

The mining mix will change in the second half, with a higher proportion of ore expected to be sourced from Chalcobamba. Nevertheless, the overall ratio is expected to remain around [unclear]. Ferrobamba may still account for a slightly higher proportion, but the difference is not expected to be significant.

Regarding copper sales volume, sales were lower than production in the second quarter because some concentrate sales in the first quarter related to material carried over from the previous year following port-related disruptions. In the second quarter, sales volumes were more closely aligned with production volumes. Thank you.

XIA Weiquan (President of Africa Operations):

Regarding your second question on Kinsevere's electricity consumption, as mentioned earlier, approximately 90% of the operation's electricity in the second quarter was supplied by the power grid. Diesel-generated power accounted for approximately 10% of total electricity consumption. In the second quarter, the conflict in the Middle East affected diesel prices. The diesel price approximately doubled, increasing from US$1 per litre to US$2.433 per litre.

Therefore, the cost of diesel-generated electricity approximately doubled. However, as diesel-generated power represents only a relatively small proportion of Kinsevere's overall electricity supply and total cost base, the impact on overall costs was not significant.

QIAN Song (MMG, CFO):

Thank you. Regarding the windfall profit tax, based on our internal calculations and communications, a copper price of approximately US$14,000 per tonne would not trigger the excess profit tax.

Moderator:

The next question is from XU Yonghong. Please go ahead.

Xu Yonghong (Individual Investor):

My question relates to the US$1.6 billion that the company has already raised. Does the company have any plans to undertake further acquisitions during the year? I have heard that the company may be considering an opportunity in Africa. Is there any possibility that such a transaction could be finalised within the year?

ZHAO Jing Ivo (MMG, CEO):

Thank you for your question. As mentioned earlier, we have discussed the US$1.6 billion raised and the principal intended uses of the proceeds.

Please continue to follow our disclosures. If there are any acquisition plans or other matters that are required to be disclosed, we will make the relevant announcements in accordance with the applicable requirements.Thank you.

Moderator:

There are no further questions online. I will now hand the call back to our CEO, Mr Zhao.

CLOSE

ZHAO Jing Ivo (MMG, CEO):

- Thank you all for taking the time to join today's briefing. This concludes the meeting. If you have any further questions, please contact our Investor Relations team. Goodbye.

[END OF TRANSCRIPT]