MMG LIMITED
五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

CONTINUING CONNECTED TRANSACTION
DUGALD RIVER ZINC CONCENTRATE SALES AGREEMENT

DUGALD RIVER ZINC CONCENTRATE SALES AGREEMENT

On 7 September 2026, the Seller entered into the Dugald River Zinc Concentrate Sales Agreement with Minmetals North-Europe in relation to the sale of the Product by the Seller to Minmetals North-Europe during 2027 and 2028.

Minmetals North-Europe 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 Dugald River Zinc Concentrate Sales Agreement constitutes a continuing connected transaction for the Company.

Minmetals North-Europe and the Seller are also parties to an agreement executed and disclosed in February 2025 for the sale of zinc concentrate from Dugald River during 2025-2027 which is also a continuing connected transaction, and which is therefore required to be aggregated with this transaction.

As the relevant percentage ratios in respect of the maximum transaction value on an annual basis relating to the Dugald River Zinc Concentrate Sales Agreement (when aggregated with the 2025 Transaction) are more than 0.1% and less than 5%, it constitutes a continuing connected transaction which is subject to the reporting, annual review and announcement requirements under Rule 14A.76 of the Listing Rules, but exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

DUGALD RIVER ZINC CONCENTRATE SALES AGREEMENT

As part of the ordinary and usual course of business, the Group sells its products to the CMC Group. A large portion of Dugald River zinc concentrate is sold to a range of smelting and trading companies for delivery to smelters in Asia and Australia.

On 7 September 2026, the Seller entered into the Dugald River Zinc Concentrate Sales Agreement with Minmetals North-Europe in relation to the sale of the Product to Minmetals North-Europe during 2027 and 2028. The principal terms of the Dugald River Zinc Concentrate Sales Agreement are set out below.

Parties	:	(1) Seller: MMG Dugald River Pty Ltd (2) Buyer: Minmetals North-Europe
Term	:	From the date of the Dugald River Zinc Concentrate Sales Agreement for sales during 2027 and 2028 until all obligations of the parties are fulfilled
Quantity	:	Approximately 20,000 dry metric tonnes of Product per annum
Pricing	:	The pricing of the Product was determined following an open tender process and after arms' length negotiations and is comparable to the prevailing market rates for zinc concentrates assessed through general market rates for concentrate qualities such as the Product and with reference to terms for the sale of the Product agreed with other traders which are independent third parties. Such pricing mechanism has been reviewed and considered by the executive committee of the Company and approved by the independent non-executive directors of the Company. The pricing includes: • calculated based on agreed amounts of: o zinc contained in the Product at the Special High Grade Settlement Price for zinc as quoted on the London Metal Exchange; and o silver contained in the Product at London Bullion Market Association Silver Price spot quotation, each averaged over the agreed quotational period; • less agreed treatment and refining charges and penalties which will be consistent with those charges prevailing for comparable zinc concentrate contracts and on an arms' length basis.
Delivery Terms	:	Shipment shall be arranged by the Seller from the delivery point nominated by the Seller to the place of final destination nominated by Minmetals North-Europe on a CIF (Incoterms 2020®) basis.

The Dugald River Zinc Concentrate Sales Agreement will also set out, among other things, specifications, shipping schedule, delivery terms, payment terms, quotational period and other usual conditions (including those dealing with title and risk, insurance requirements and termination and suspension rights).

The terms under the Dugald River Zinc Concentrate Sales Agreement, including the quantity of Product and the treatment charge, will be negotiated annually and will be consistent with international terms received for the Product. The proposed treatment charge structure compares favourably to other similar agreements for deliveries of the Product to other smelters.

PROPOSED ANNUAL CAP

The maximum aggregate amount payable by Minmetals North-Europe to the Seller under the Dugald River Zinc Concentrate Sales Agreement for each of the financial years ending 31 December 2027 and 31 December 2028 is US$50 million (equivalent to approximately HK$390 million). When the projected transaction amount is aggregated with the 2025 Transaction (with respect to 2027 deliveries), the aggregated maximum amount payable by Minmetals North-Europe to the Seller is US$250 million (equivalent to HK$1,950 million) for the year ended 31 December 2027 and US$50 million (equivalent to approximately HK$390 million) for the year ended 31 December 2028.

The Annual Caps were determined by reference to internal projections of (a) the estimated maximum volume and assays of the Product, (b) the estimated zinc and silver prices for 2027 and 2028 having regard to prices quoted on the London Metal Exchange and London Bullion Market Association during August 2026 and forward price projections by the Company and independent market analysts, and (c) treatment and refining charges and penalties agreed between the parties as part of the long term contract commercial negotiations.

The Directors (including the independent non-executive Directors but excluding the Interested Directors) are of the view that the Annual Caps have been determined on normal commercial terms and in the ordinary and usual course of business of the Company, are fair and reasonable and in the interests of the shareholders of the Company as a whole.

In the event that the actual annual amount payable by Minmetals North-Europe to the Seller for the relevant year under the Dugald River Zinc Concentrate Sales Agreement is anticipated to exceed the respective annual cap, or that there is any proposed material amendment to the terms of the Dugald River Zinc Concentrate Sales Agreement, the Company shall comply with all applicable requirements of the Listing Rules.

REASONS FOR AND BENEFITS OF THE DUGALD RIVER ZINC CONCENTRATE SALES AGREEMENT

The Group's principal activities include the production and sale of metal products, including copper, zinc, cobalt, gold, silver, molybdenum and lead. As part of its ordinary and usual course of business, the Group sells some of its products to the CMC Group at prices and on terms which are consistent with prevailing market rates and conditions for the relevant products.

The Dugald River operation will produce approximately 370,000 dry metric tonnes per annum of zinc concentrate at full production. China is an important market for zinc concentrate and the CMC Group has investments in several major Chinese zinc smelters which are in a position to process Dugald River zinc concentrates. CMC also has trading relationships with other Chinese zinc smelters which have processed Dugald River zinc concentrates. The Dugald River Zinc Concentrate Sales Agreement therefore provides efficient access to these end users.

The Dugald River Zinc Concentrate Sales Agreement has 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 Dugald River Zinc Concentrate Sales Agreement, including the pricing mechanism which is consistent with the market practice for zinc concentrates, and the transactions contemplated thereunder (together with the Annual Caps) are on normal commercial terms and are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Interested Directors, each holding position(s) at CMC and/or CMN, have abstained from voting on the Board resolution approving the Dugald River Zinc Concentrate Sales Agreement in order to avoid any possible conflict of interest issue.

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 Dugald River Zinc Concentrate Sales 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 Marketing department ensures that the pricing of the Product is determined in accordance with the terms of the Dugald River Zinc Concentrate Sales Agreement;

- The Company's Marketing department continuously monitors the annual caps of the Dugald River Zinc Concentrate Sales Agreement and any change which may potentially affect an annual cap, whether pricing or production related, is reported to senior management and the Board in a timely manner;

- The Company's senior management has sufficient market knowledge and access to data, which enables them to assess whether the terms of the Dugald River Zinc Concentrate Sales Agreement are 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.

IMPLICATIONS UNDER THE LISTING RULES

Minmetals North-Europe 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 Dugald River Zinc Concentrate Sales Agreement constitutes a continuing connected transaction for the Company.

Minmetals North-Europe and the Seller are also parties to the 2025 Transaction which is also a continuing connected transaction, and which is therefore required to be aggregated with this transaction.

As the relevant percentage ratios in respect of the maximum transaction value relating to the Dugald River Zinc Concentrate Sales Agreement (when aggregated with the 2025 Transaction) are more than 0.1% and less than 5%, it constitutes a continuing connected transaction which is subject to the reporting, annual review and announcement requirements under Rule 14A.76 of the Listing Rules, 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, cobalt, gold, silver, molybdenum and lead deposits around the world.

INFORMATION ABOUT THE CMC GROUP

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

Minmetals North-Europe is engaged in the purchase and sale of a wide range of non-ferrous metals including copper, lead and zinc.

DEFINITIONS

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

2025 Transaction	the agreement dated 17 February 2025 between the Seller and Minmetals North-Europe in relation to the sale of the Product for the period from 2025 to 2027
Annual Cap	the maximum aggregate annual amount payable by Minmetals North-Europe to the Seller under the Dugald River Zinc Concentrate Sales Agreement for each of the financial years ending 31 December 2027 and 31 December 2028

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)
CMN	五礦有色金屬股份有限公司 (China Minmetals Non-Ferrous Metals Co., Ltd), a company incorporated under the laws of the PRC and the controlling shareholder of the Company
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 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
Dugald River Zinc Concentrate Sales Agreement	the agreement dated 7 September 2026 between the Seller and Minmetals North-Europe in relation to the sale of the Product for the period from 2027 to 2028
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	Zhang Shuqiang, Cao Liang, Zhao Jing Ivo, Qian Song and Yue Wenjun
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
Minmetals North-Europe	Minmetals North-Europe Aktiebolag, a company incorporated in Sweden, and an indirect 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)
Product	zinc concentrates produced by the Group at its Dugald River Mine in North-west Queensland, Australia
Seller	MMG Dugald River Pty Ltd, a company incorporated in Victoria, Australia, an indirect wholly-owned subsidiary of the Company
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)
%	Percentage

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, 7 September 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.