



Las Bambas

Site visit presentation

April 2017

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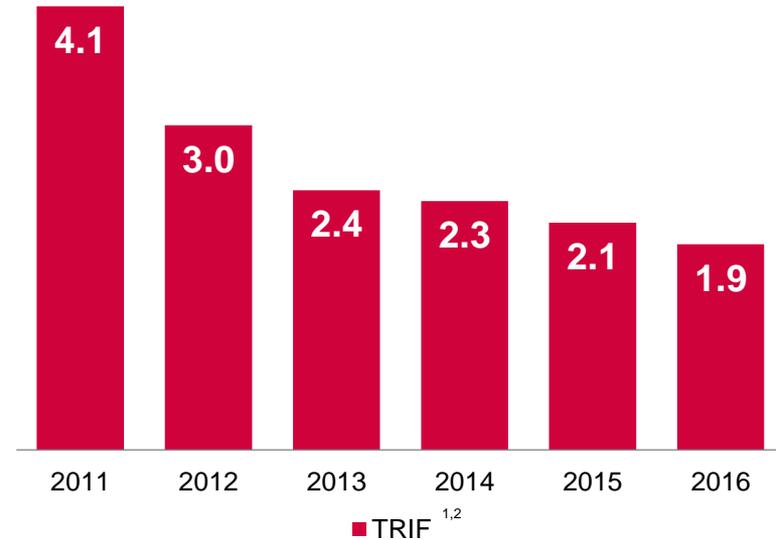
Introduction to MMG

Marcelo Bastos, Chief Operating Officer, MMG

Our first value: we think safety first

- In 2016, MMG's TRIF was in the top 5 of all ICMM members globally. Member average TRIF was 4.19
- Record low yearly Total Recordable Injury Frequency (TRIF)¹ for MMG of 1.9 per million hours worked in 2016
- Two fatal incidents in Las Bambas mine in Peru in July and December 2016
- Member of International Council on Mining and Metals (ICMM) – committed to 10 principles of Sustainable Development

Safety performance



1. Total recordable injury frequency per million hours worked

2. Las Bambas safety data incorporated into MMG from January 2015

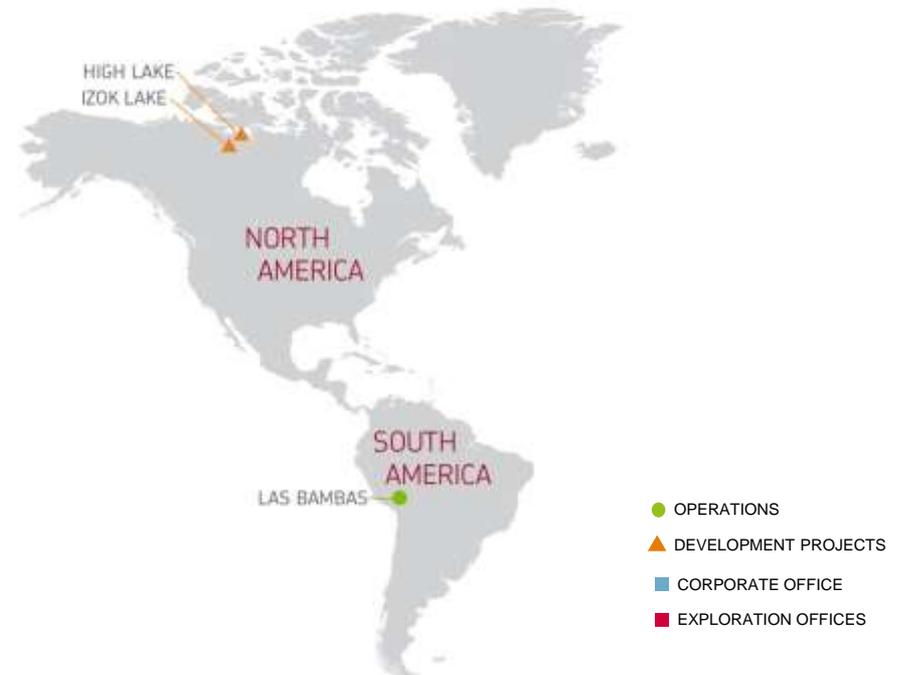


MMG – global mid-tier miner

MMG mines, explores and develops base metals projects around the world

- Founded in 2009, four operating mines and one development project across four continents
- Primary exposure to copper and zinc

- Headquarters in Melbourne (Australia); primary listing on HKEx (HKEx:1208); secondary listing on ASX (ASX:MMG)
- Experienced, international leadership team
- Local management and operating focus
- China Minmetals platform for international growth



Las Bambas – a unique global opportunity

- MMG led consortium acquired Las Bambas in 2014
- Rare opportunity to acquire at top tier asset
- Timing – during downturn in global markets
- MMG / China Minmetals model able to finance the transaction at low point in the cycle on favourable terms
- Right integration, projects, country and operations team



One of the largest
global copper
producers



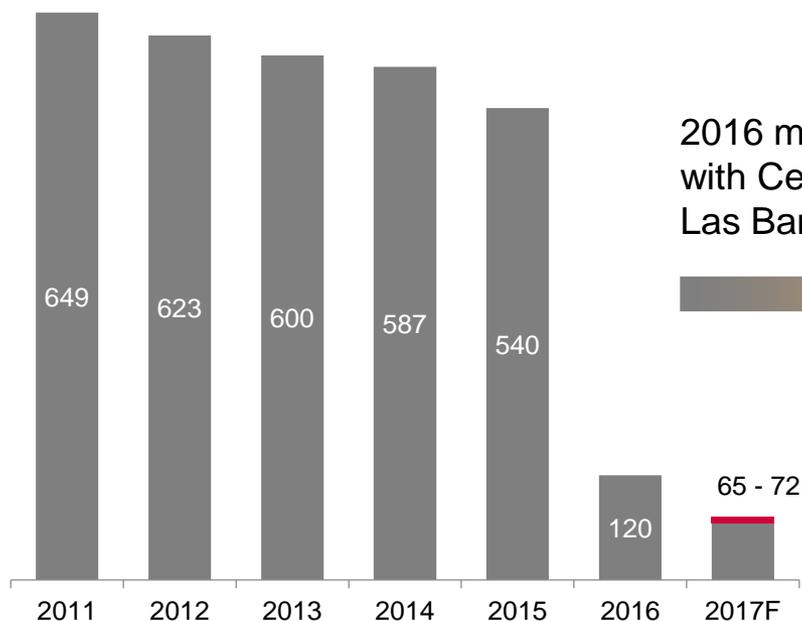
Ore Reserve
7.7 mt copper
Mineral Resource
12.9 mt copper



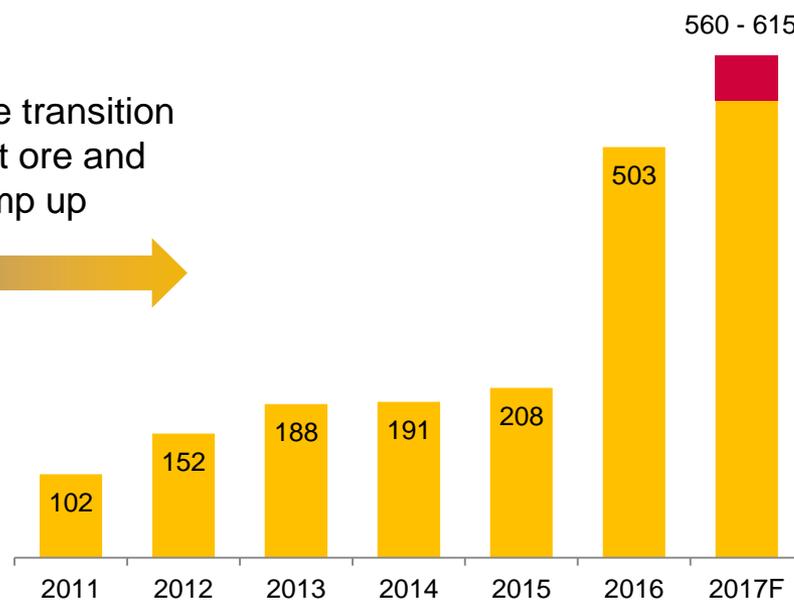
Expected to produce
2 mt of copper in
concentrate in first
5 years

MMG production profile has shifted towards copper

Zinc production '000 tonnes



Copper production '000 tonnes



■ Guidance range

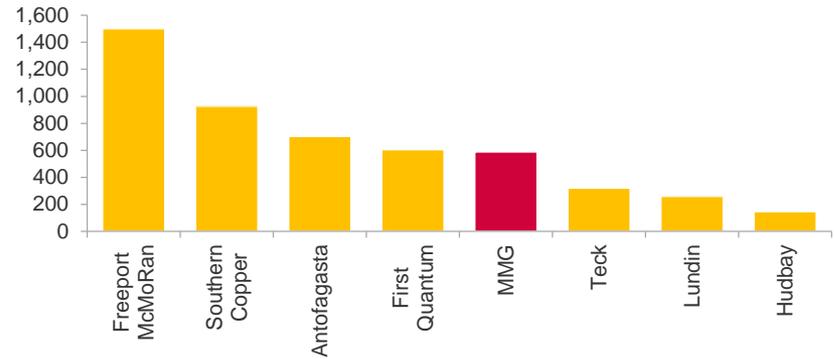
MMG's production profile expected to deliver a CAGR of 15% in copper equivalent tonnes since 2011

We do what we say – delivering on commitments

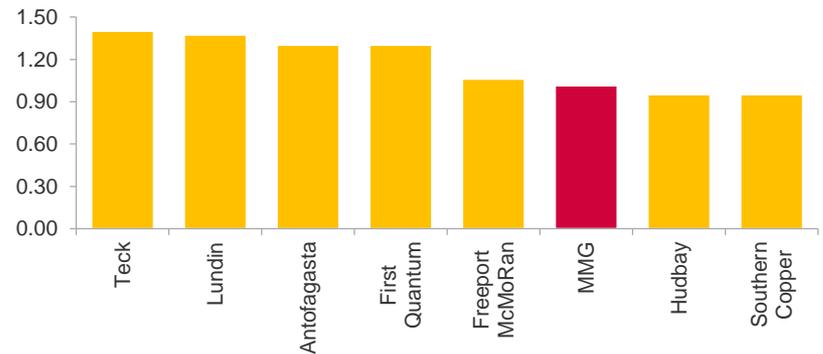


- Las Bambas – industry leading ramp up, commercial production from July 16
- Dugald River – project ~54% complete; high quality zinc at time of shrinking supply
- Operating efficiency and strong costs focus
- Prudent portfolio management – sale of Golden Grove and Century assets
- Share market liquidity, reduced gearing
- Disciplined assessment of growth options
- Platform for strong production and low cost performance in 2017

2017 copper production guidance¹
Kt, Cu



2017 copper C1 cash cost guidance^{1, 2}
US\$/lb Cu



1. Represents mid-point of 2017 peer company guidance

2. Cash costs shown include by-product credits. Southern Copper and Hudbay do not provide cash cost guidance

Peru Overview

Domingo Drago – Vice President Corporate Affairs, Las Bambas

Peru has a strategic location, central to many markets

Located in the middle of South America, Peru has a strategic location that allows easy access to southeast Asian markets and the United States. Member of the Asia-Pacific Economic Cooperation (APEC)



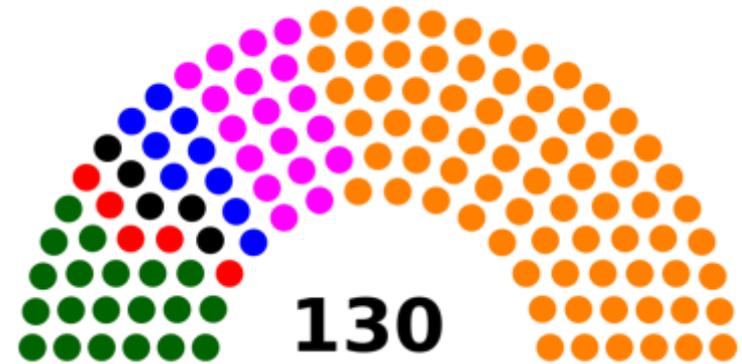
* Existing Free Trade Agreement (FTA) with Peru



Pedro Pablo Kuczynski,
President of Peru

- Peru's government is led by Pedro Pablo Kuczynski (PPK), centre-right wing, pro investment
- Fuerza Popular, a populist right wing political party leads the Congress
- The main challenge for economic progress for 2017-2021 is not economic, it is political
- Two main parties share similar views, generally supporting private investment as a driver for development
- Opposition party has solid majority in Congress

Congress seat distribution



- Fuerza Popular (73)
- Frente Amplio (20)
- Peruanos por el Cambio (18) *Ruling party*
- Alianza para el Progreso (9)
- APRA (5)
- Acción Popular (5)

Peru: a mining country

- **12%** of GDP delivered by mining in 2016
- **59%** of Peruvian exports
- **23%** of tax and royalty revenue
- **174,126** direct jobs
- **More than 1 million** indirect jobs
- **S/. 40 billion** transferred as mining canon (2001-2016)
- Project pipeline of **US\$47 billion**

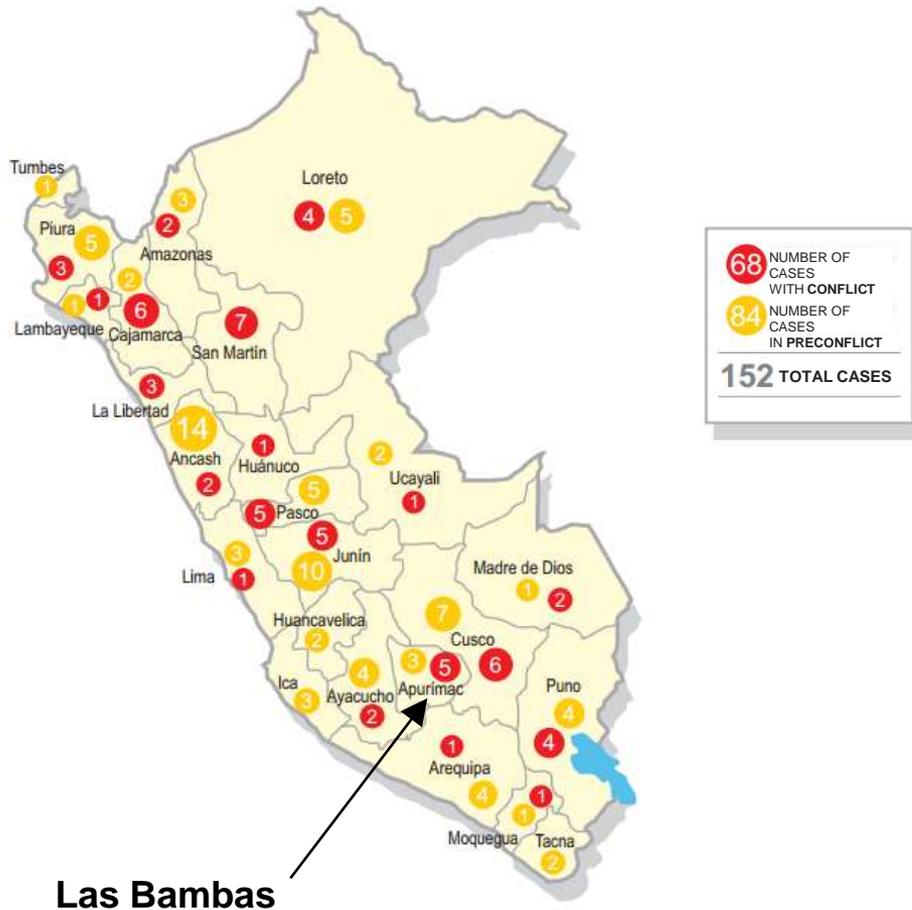
Project pipeline by commodity

	million US\$	% of total
Copper	28,829	61%
Iron	5,300	11%
Phosphates	1,995	4%
Gold	1,954	4%
Zinc	816	2%
Silver	735	2%
Other *	7,367	16%



Social conflict management a critical focus for Peru

Conflict cases across Peru



- Social conflict is common across the country and affects companies in the extractive industry operating in Peru
- Government appointed Vice Minister to address social conflicts across Peru
- Las Bambas:
 - is committed to collaboration and engagement with communities
 - social management model involves government, business and communities implementing social development programs together
 - commitments include employment, business and social development
- Cotabambas province Development Plan to accelerate delivery of outstanding government commitments
- Las Bambas to contribute >US\$150m to Plan over 5 years (Work For Taxes)



Delivery of Las Bambas

Marcelo Bastos – Chief Operating Officer, MMG

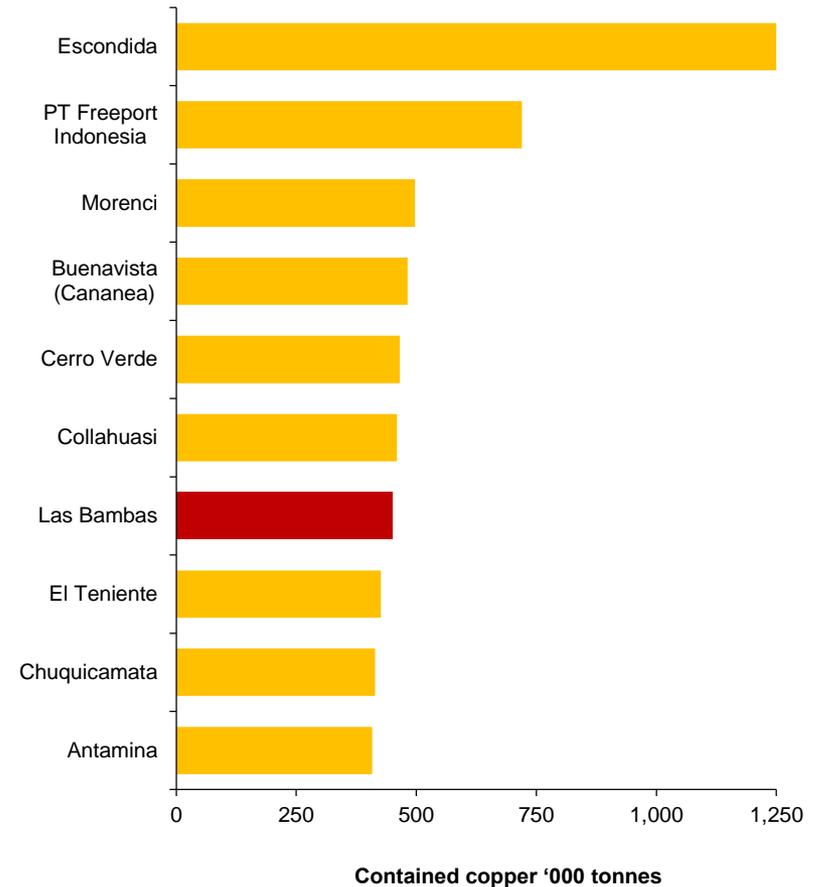
Las Bambas – a world class asset



- MMG led consortium; 62.5% MMG, 22.5% Guoxin, 15% CITIC Metal
- Total Project Development Cost US\$9.7b, delivered ahead of time and within budget
- Long life resource with significant future optionality
- Experienced international management team
- Highly skilled and engaged local workforce
- Disciplined pursuit of continually improving Safety, Volume and Cost
- Las Bambas contribution to Peru's GDP growth in 2016 estimated at 1.5%

- Largest greenfield copper development in the past 10 years
- Copper in copper concentrate production
 - 2016 actual: 330,227 tonnes
 - 2017 guidance: 420,000 – 460,000 tonnes
- Long life asset: initial 20+ year mine life producing copper, gold, silver and molybdenum
- Exploration upside, only ~10% of tenement explored
- Most successful ramp up of a greenfield copper project in over a decade

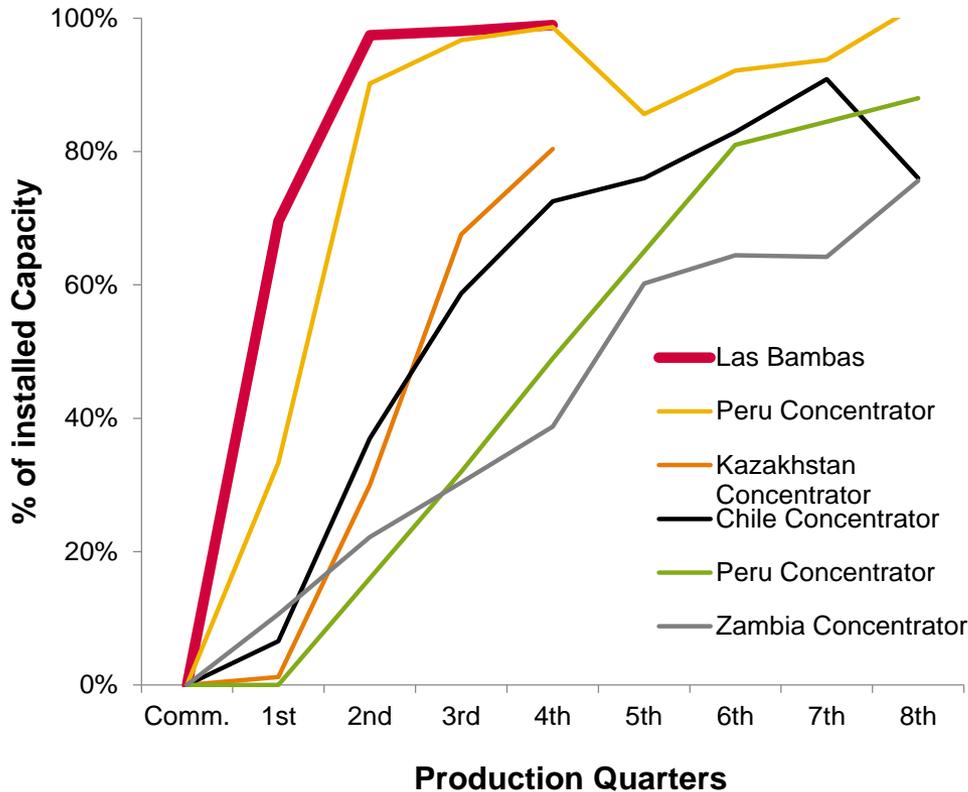
2017 forecast production capability¹



Source: Wood Mackenzie Base Metals Markets Tool (Q4 2016)
 1. Only includes mines producing copper as primary commodity

Industry leading ramp up

Ramp up profiles of similar¹ greenfield copper concentrators



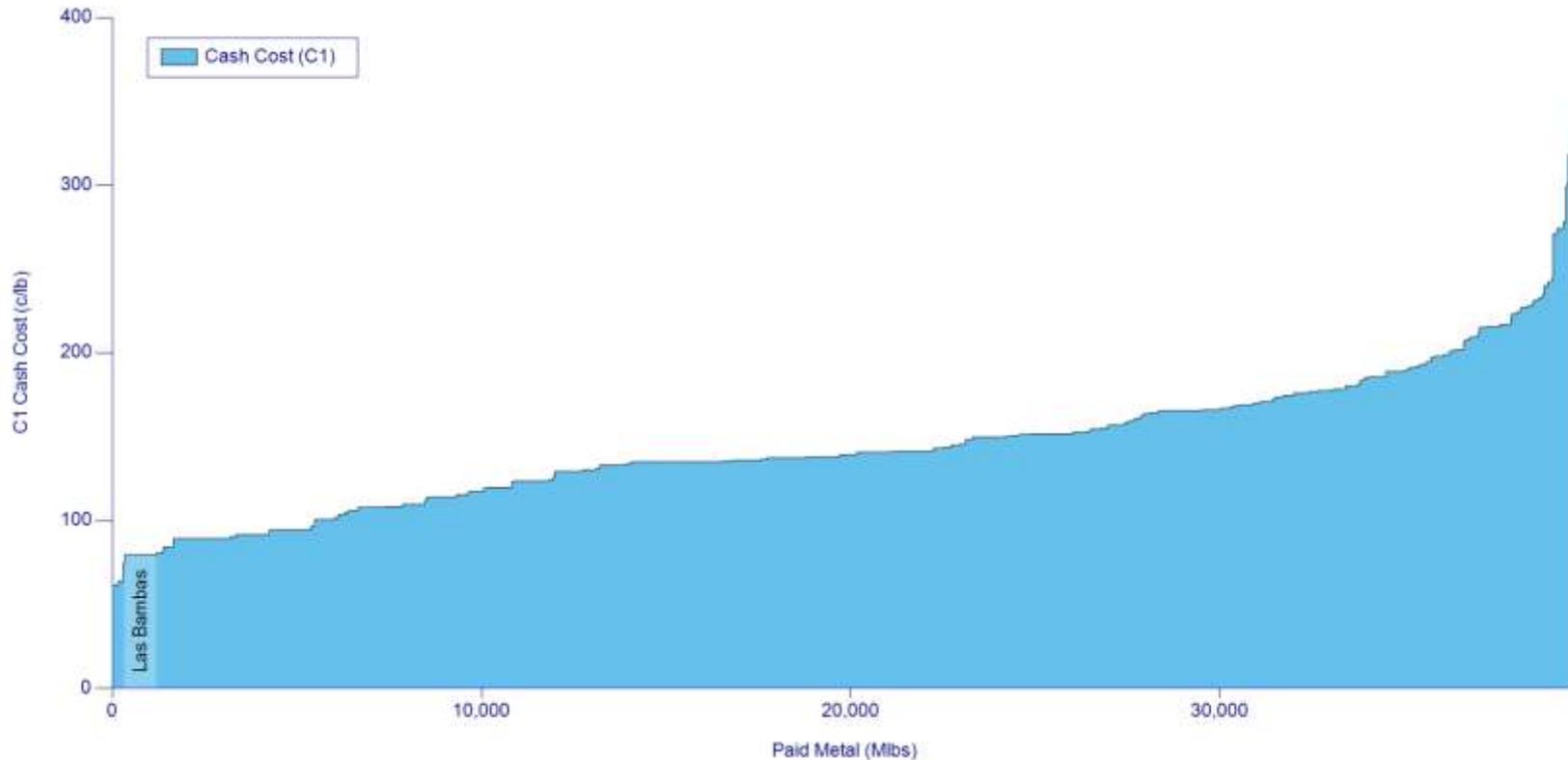
- Key to successful ramp up was getting the right leadership in place
- MMG assembled experienced local team
- Backed up by MMG's world class technical expertise
- Supported by MMG's Operational Excellence process – leveraging competitive edge in delivering nameplate capacity and beyond
- Identified and resolved multiple critical issues before impact on ramp up

1. Includes recently developed (since 2014) greenfield-type copper concentrator projects, publicly available data

Las Bambas – a world class asset

Las Bambas expected to be a first quartile cost producer, with a steady state C1 cost of US\$0.85-0.95/lb

2017 Copper Mine, Pro Rata, C1 Cash Cost
Grouped By Mine and Ranked By Cash Cost (C1)



Source: Wood Mackenzie Ltd, Dataset: 2017 Q1

High quality concentrate flowing to market



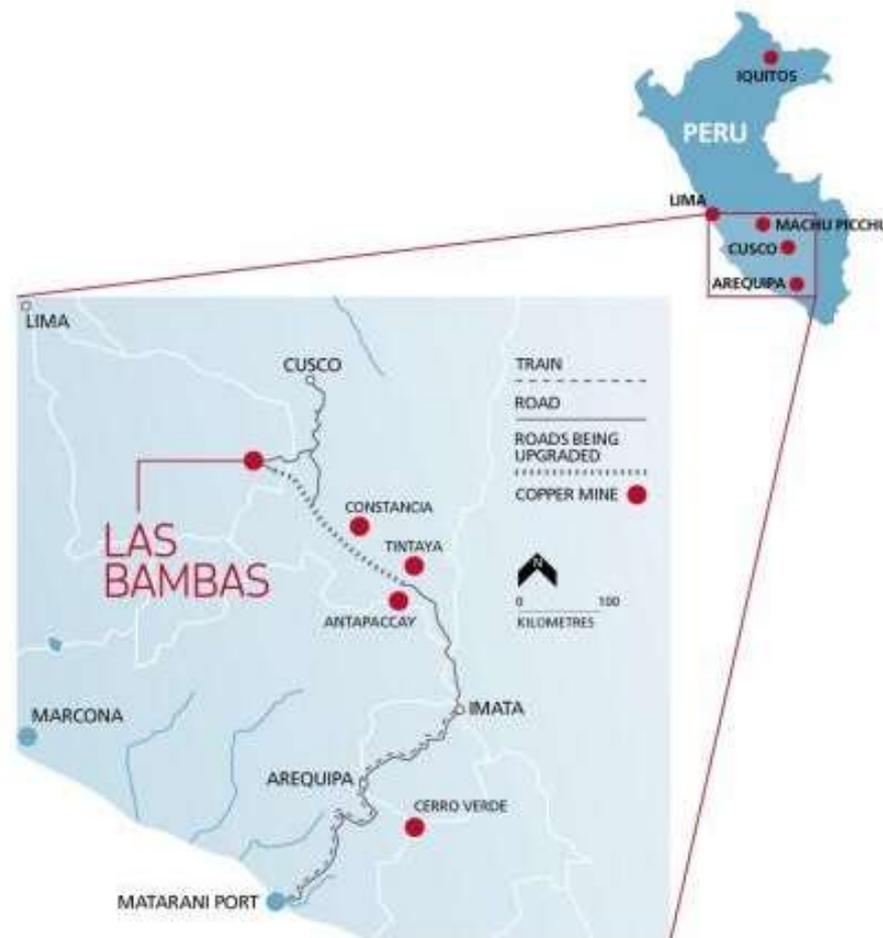
- Production sold to MMG (73.75%) and CITIC (26.25%) who then market (MMG working with China Minmetals)
- China single biggest market (also other sales into Asia)
- Las Bambas now processed by >20 smelters; excellent quality is well received
 - High copper, low (but still payable) precious metals and very low impurities
- MMG manages logistics (including ocean freight) for 100% of production from Melbourne
- Shipments are basis Incoterms CIF destination ports to minimise risk of flow to market
- New shipping terminal at Matarani is now world's largest base metal concentrate export port (accommodating vessels <50,000wmt cargo)

Las Bambas overview

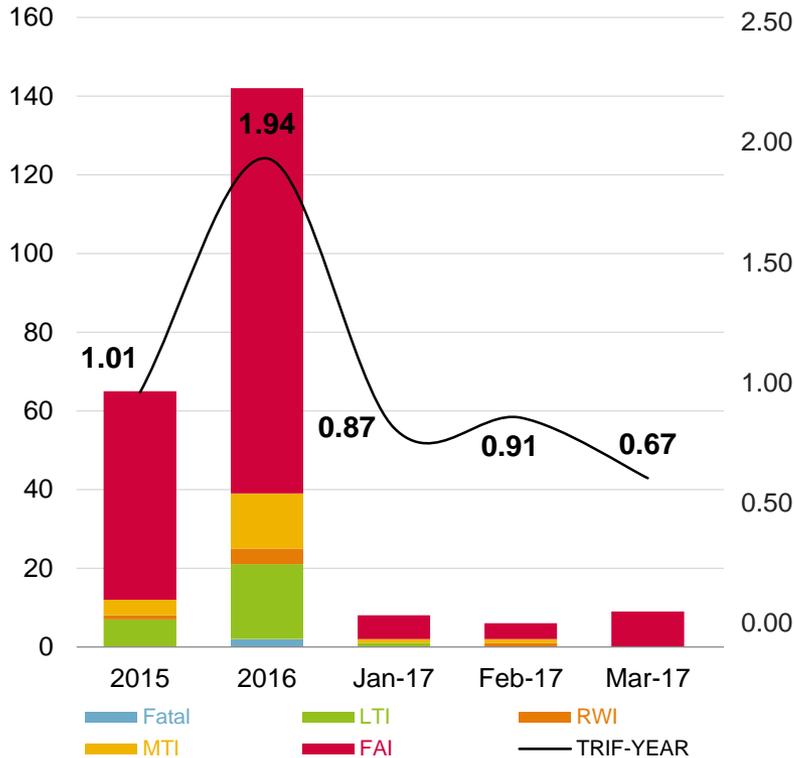
Suresh Vadnagra – President, Minera Las Bambas SA
– Group General Manager, MMG South America

Las Bambas overview

- Located in Cotabambas, Apurimac Region, Peru
- 35.5 ha tenement with only 10% explored
- 12.9 mt resources and 7.7 mt reserves
- Three main ore bodies – Ferrobamba, Chalcobamba, and Sulphobamba
- Conventional open pit mine with conventional flotation circuit
- Produces clean copper concentrate with gold, silver and molybdenum by-products
- Product transported by road and rail 690km to the port of Matarani (495km road, 195km rail)



Our first value – we think safety first



Fatal: fatal injury

FAI: first aid injury

LTI: lost time injury

MTI: medically treated injury

RWI: restricted work injury

TRIF: total recordable injury frequency

- Visible, tangible, safety leadership
- Building the capability and competency of our people
- Embedding the discipline of safe task management
- Fatal risk control and control verification
- Engaging with our people on safety at a deep and personal level

Delivering exceptional results through our people

- ~2,000 direct employees
- 21% of employees from Apurimac region
- Extensive employment commitments with local community
- Supported by highly experienced mining professionals and operators
- First union formed in Las Bambas in December 2016
- Las Bambas is focused on maintaining direct employee engagement with the workforce



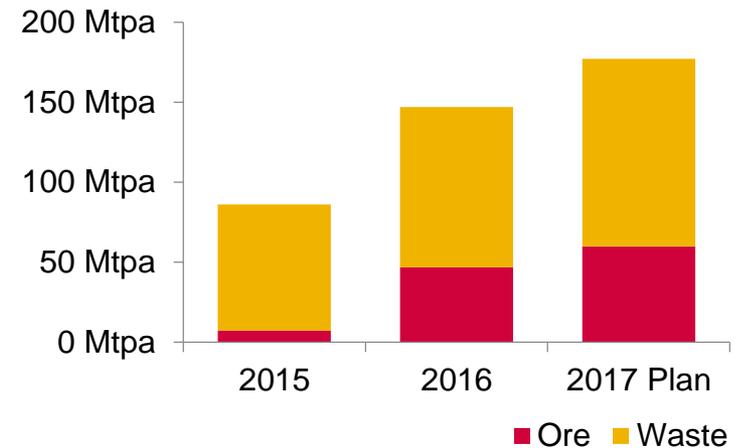
Mine fleet utilisation

“Las Bambas equipment show top quartile performance however there is significant improvement potential in availability of the loading machines and utilization of the drills.”

Source: Management consultant Benchmarking Report 2017



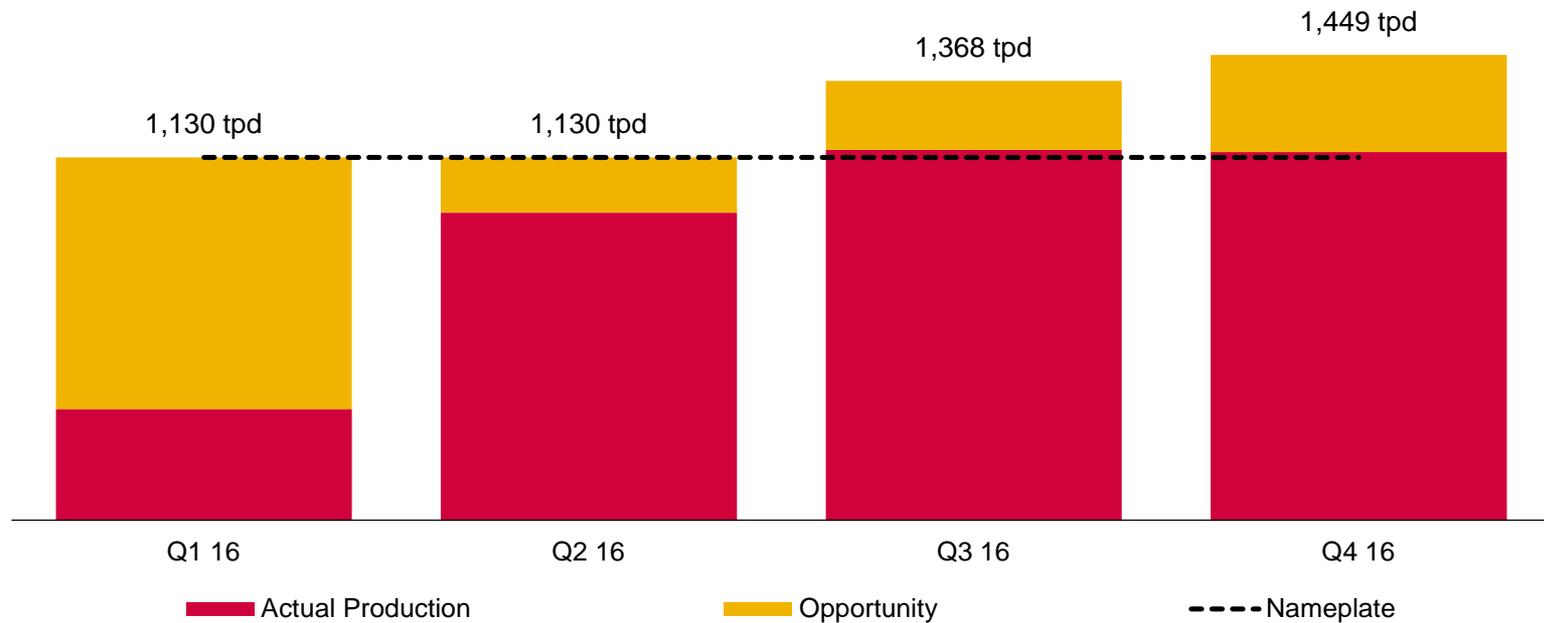
Total Material Moved



Total Primary Equipment

Shovels	P&H 4100 (x2) CAT 7495 (x2) CAT 6060 (x3)
Loaders	LeTourneau 2350
Trucks	Komatsu 930E (44) CAT 797 (x6)
Drills	Altas Copco, CAT, P&H (x8)

Maximising asset utilisation driving performance



Improving Maximum Sustainable Production Rate to drive performance beyond nameplate capacity

Copper concentrate logistics corridor

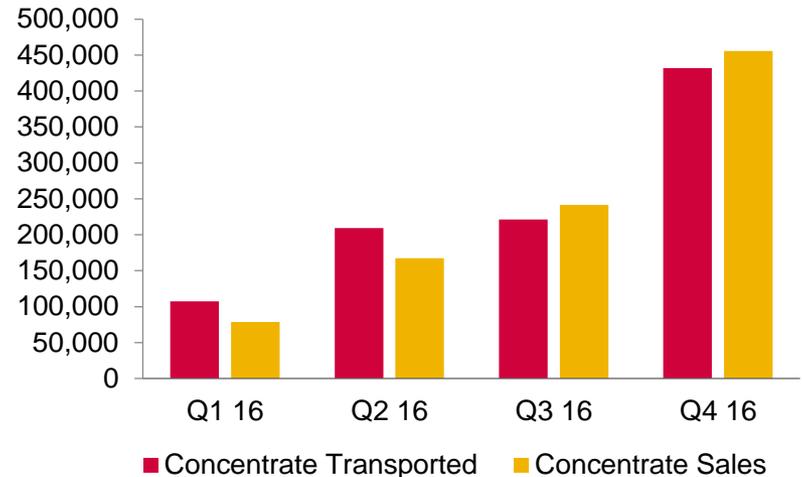
- 280km transport road constructed by Las Bambas (US\$300m investment)
- Community use of the road has increased substantially improving access to health, education, employment and creating business opportunities
- Extensive ongoing program for road improvement, maintenance and dust control. 2014-2017 US\$47m
- 76.5km of road micro-paved mainly through communities (US\$26m investment)
- Together with the government progressing technical studies for paving of the whole road
- Committed S/200m over 5 years for paving part of the road through Work for Taxes



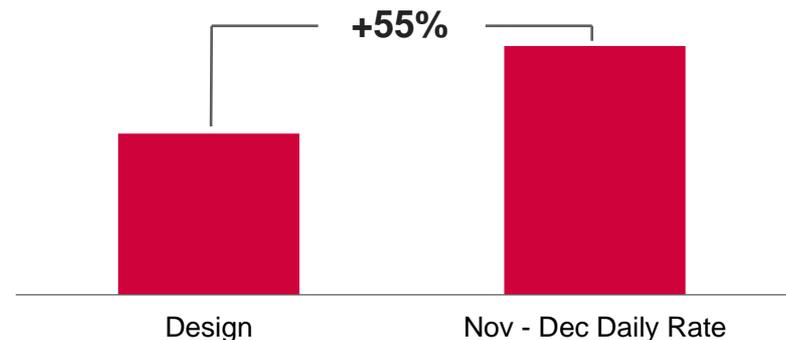
Concentrate pushed to port and to market despite complexities and challenges

- Transport chain ramped-up to 100% of design capacity (3000t/day) in 5 months
- Average of 139 trucks/day
- Award winning container unloading system
- 1.3 million WMT shipped by March 2017, on 50 vessels
- Largest concentrate shipment 54,101 WMT
- Demonstrated ability to ramp up transport volumes above of design capacity

WMT



Daily Transport Rate by Truck / Rail



- 6-month financials from 1 July 2016 (start of commercial production)
- Revenue US\$1,224m from 223k tonnes sold in last 6 months
- Strong EBITDA margin of 54%
- Total production for 2016 330k tonnes
- Production pre-commercial 118k tonnes
- Total 2016 payable metal sold: 297k tonnes. 74k tonnes sold pre-commercial production
- 2017 production guidance 420k - 460k tonnes of copper in concentrate

Financials

US\$ million	FY16	FY15
Revenue ¹	1,224.2	-
EBITDA ¹	655.0	(72.1)
EBIT ¹	405.2	(72.1)
EBITDA margin (%)	54%	-
Production ²	211,614	-
C1 costs – copper (US\$ / lb) ³	1.02	-

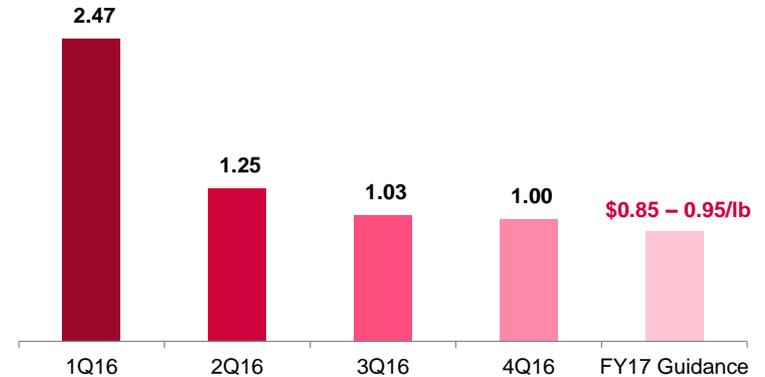
1. Financial data relates to 2H16 after achieving commercial production
2. Cu concentrate produced in 2H16. Total 2016 production was 330k tonnes
3. C1/ costs in 2H16

Las Bambas – low cost position

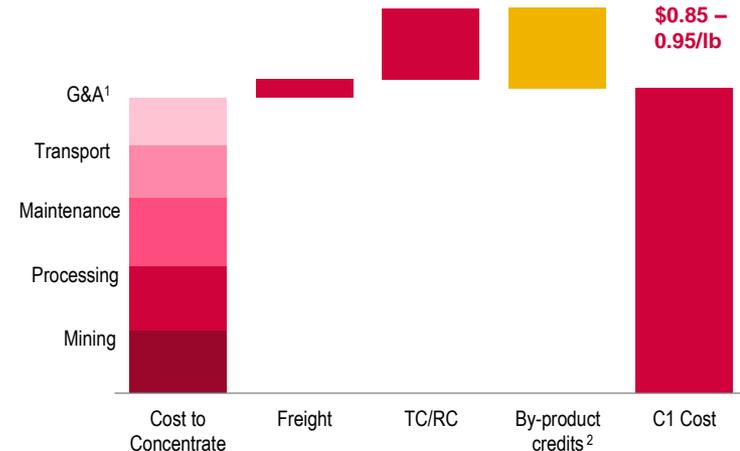


- **Bottom quartile costs achieved within 6 months**
- Progressing towards steady state C1 cost target of US\$0.85 – 0.95/lb in 2017
- Commenced a transformational project to drive operational and cost efficiency throughout the value chain
- Transport – demonstrated capability yet challenges remain

C1 cost - Quarterly evolution



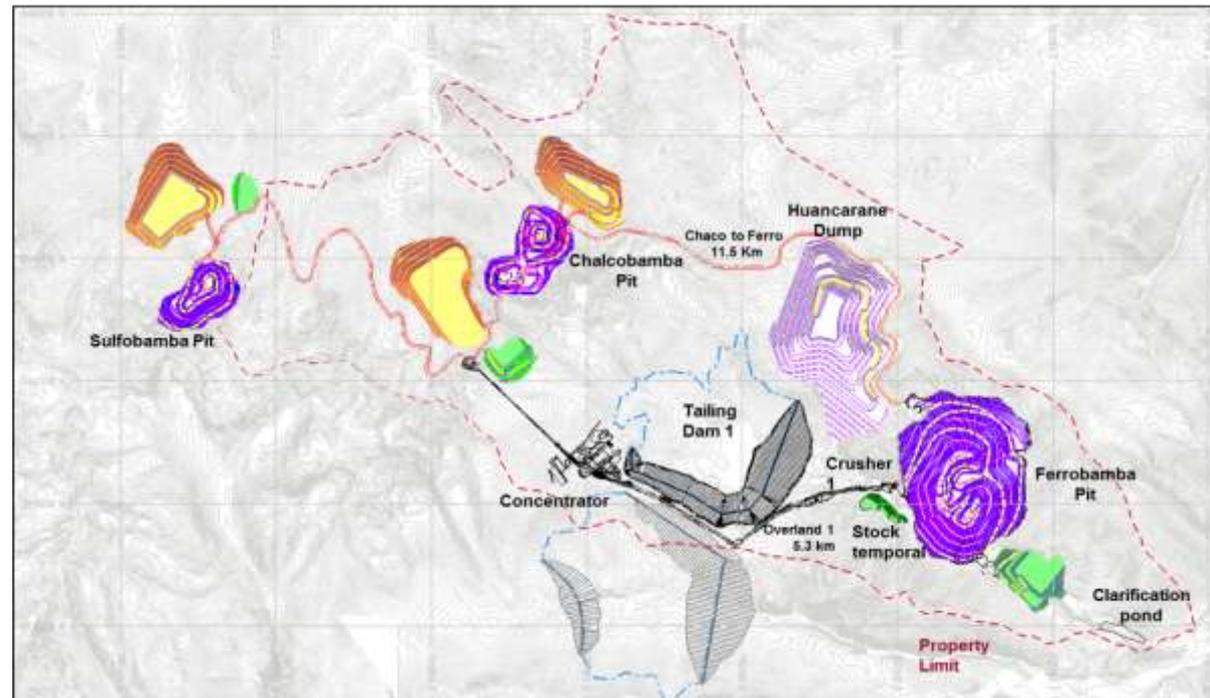
Breakdown of 2017 C1 cost guidance



1. Includes site support, site services, social programmes and other group charges
 2. Includes revenues from gold and silver contents in copper concentrates plus sales of molybdenum concentrate starting in 2017

Resource development – stronger for longer

- 2mt production expected over first 5 years, predominantly from the current Ferrobamba pit
- Beyond the first 5 years, we are focused on development opportunities that will offset the impact of declining grades and maintain or increase production:
 - asset utilisation and improvement
 - optimise the mining phases (stages) of the three open pits
 - targeted resource expansion of the Ferrobamba pit
 - evaluate expansion cases by increasing the throughput and the mining rate





Social development and community

Suresh Vadnagra – President, Minera Las Bambas SA
– Group General Manager, MMG South America

Social Environment

- Apurimac, previously recognized as one of the least developed provinces in Peru
- Apurimac population approximately 450,000
- ~16 communities around the site; 38 along the road to Pillones
- Further 32 communities along the transport corridor
- 3 regions, 6 provinces, 16 districts
- Fuerabamba community (520 families) resettled to a purpose built town



Social Management Principles

- Inclusion and dialogue with stakeholders
- Promotion of government participation
- Measurable and demonstrable social investment

Social development is built on six pillars



Education, Culture
& Capacity-building



Health &
Sanitation



Vulnerable
Groups



Economic
Development



Agriculture
& Livestock



Local Employment

Nueva Fuerabamba – delivering progress

2012



2017



Nueva Fuerabamba – health and education



Las Bambas, transformational for local communities



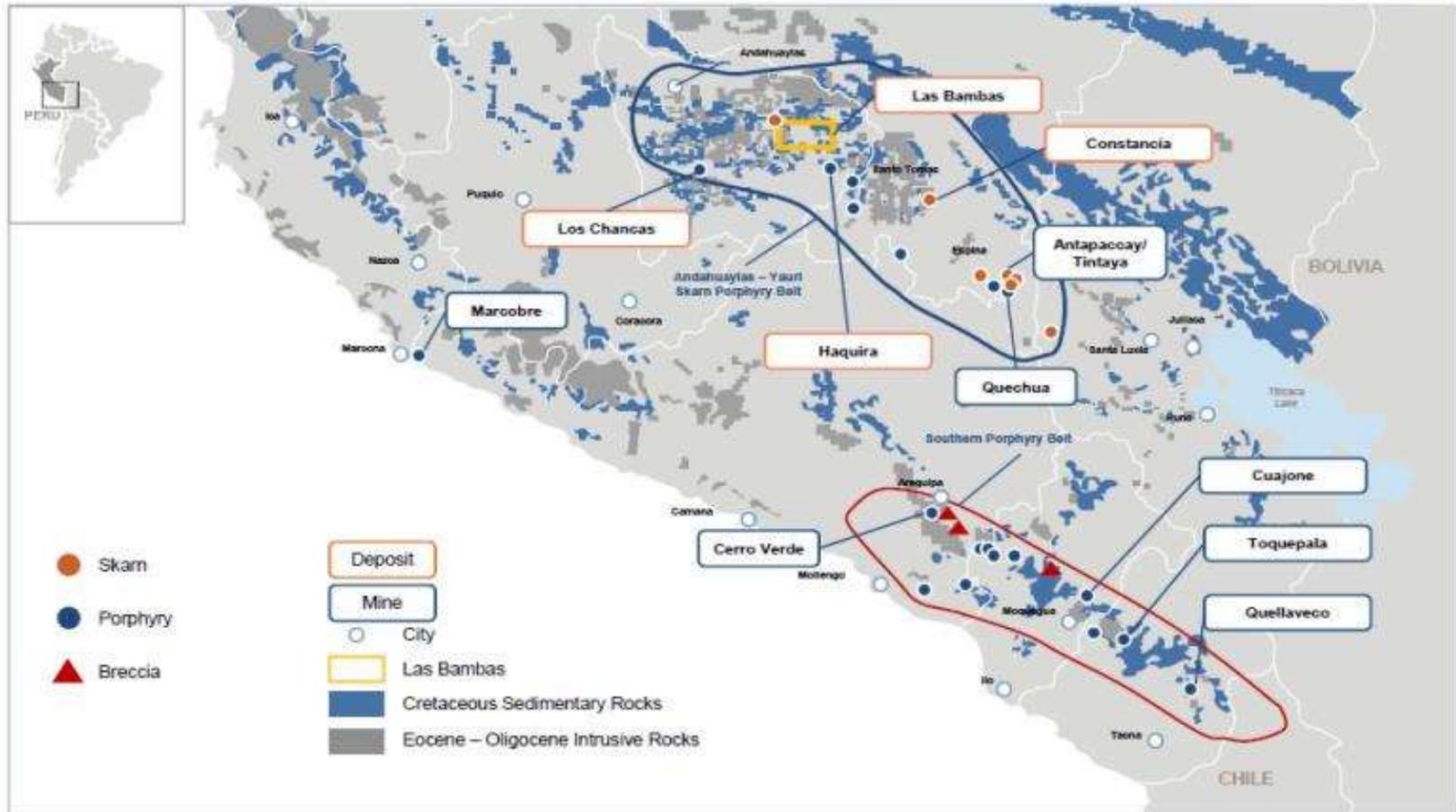
- Large program since 2007
- Indirect investment includes:
 - US\$46m Royalties to Apurimac in 2016 (266% growth)
 - US\$14.4m spend in local procurement in 2016
- US\$300m social investment to date
- US\$25.3m investment in social development programs in 2016
- Work includes schools, sanitation, water treatment and road improvements
- Strong promotion of local cultural events
- 220ha reforested, 280,000 trees planted within 13 communities
- 28 archaeological sites surveyed with ~4,000 items handed to Abancay museum
- Establishment of scholarship and employment programs

Exploration

Suresh Vadnagra – President, Minera Las Bambas SA
– Group General Manager, MMG South America

- Significant upside from exploration potential at Las Bambas
- No significant exploration since 2004, Xstrata focus was on resource drilling
- Large number of resource extension targets defined close to Ferrobamba, Chalcobamba, and Sulfobamba
- Numerous regional prospects defined by previous explorers with little follow-up
- Las Bambas exploration activity accelerated during 2016
- Detailed reinterpretation of the geology of Ferrobamba has produced targets with the potential to extend the resource
- Opportunity for both high grade skarn and moderate grade porphyry mineralisation at Antacharqui
- Close to current mine infrastructure

Regional geology



- Strong exploration team assembled with extensive porphyry copper exploration experience
- Comprehensive datasets already acquired and under analysis
- Acquisition of complementary data to refine drilling targets
- Extensive drilling campaign, initially to focus on in-pit resource and extensions
- Advanced targeting exercise for growth

Main Objectives:

- Support operations and mine planning team with interpretive geology
- Enhance latter stages of mine plan with targeted higher grade discoveries
- Significantly build resource base to increase life / justify production expansions

Our exploration target priorities are:

- Priority #1: Skarn extensions of existing resources which could be included in current mine design
- Priority #2: High grade near surface skarns, close to infrastructure which could displace lower grade porphyry mineralisation in current resource
- Priority #3: Higher grade (>1%) shallow porphyries, capable of displacing lower grade porphyry resources within current pit shells

Our near term target priorities are:

- Priority #4: High grade deep porphyries amenable to block-caving, augmenting later mine life, lower grade porphyry resources
- Priority #5: High grade deep skarns for potential underground mining, augmenting later mine life, lower grade porphyry resources

Appendix

Las Bambas – Joint Venture Structure

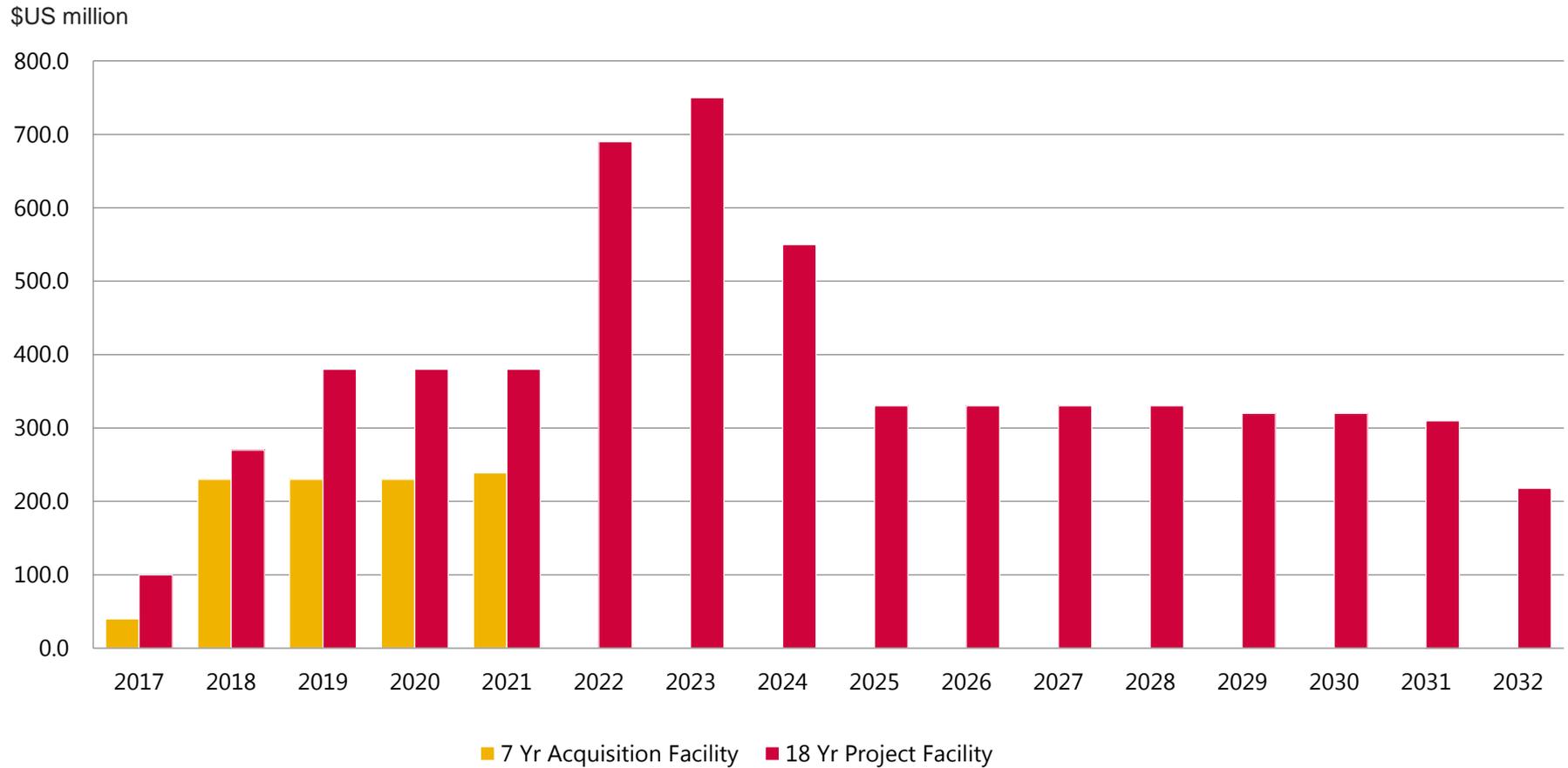


- MMG South America Co. Ltd is 100% owned by MMG Limited
- MMG is the operator of Las Bambas and the Joint Venture's administrator
- Joint Venture board comprised of 4 MMG nominees, 1 Guoxin nominee and 1 Citic nominee

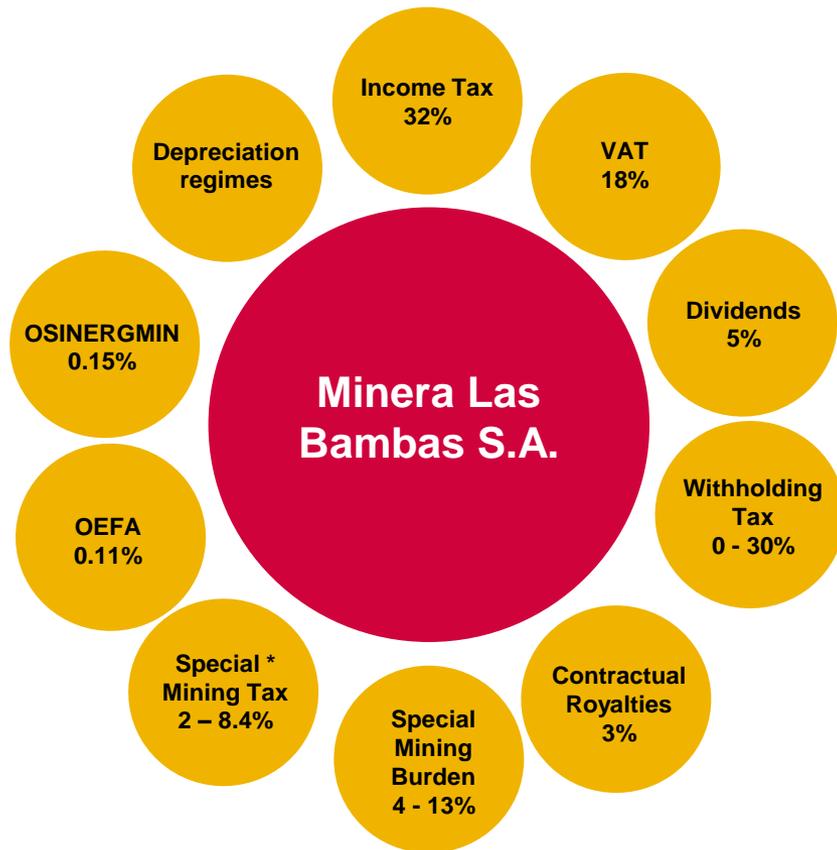
Debt facilities – long tenor, low cost

Facility	Size	Tenor	Lenders
Project Facility	US\$5,988m (fully drawn)	18 years – matures July 2032 First amortisation July 2017	 国家开发银行 CHINA DEVELOPMENT BANK  ICBC  中国进出口银行 THE EXPORT-IMPORT BANK OF CHINA  中国銀行 BANK OF CHINA
Acquisition Facility	US\$969m (fully drawn)	7 years – matures July 2021 First amortisation July 2017	 国家开发银行 CHINA DEVELOPMENT BANK  ICBC  中国进出口银行 THE EXPORT-IMPORT BANK OF CHINA  中国銀行 BANK OF CHINA
Working Capital Revolving Facility	US\$350m (undrawn)	3 years – matures March 2019	 中国銀行 BANK OF CHINA

Las Bambas external debt maturity profile



Key taxes applicable to mining in Peru



Tax Stabilisation agreement signed by Las Bambas applies from 2016 until 2030

Stabilised Taxes

- Income Tax
- Special Mining Burden
- Accelerated depreciation regime

Non-stabilised Taxes

- VAT
- Dividends
- Withholding Tax
- Contractual Royalties
- Special Mining Tax
- OEFA
- Osinergmin

* Applicable to Las Bambas after 2030, end of our tax stability agreement

Mineral Resources and Ore Reserves

- Las Bambas has three main deposits: Ferrobamba, Chalcobamba and Sulfobamba
- Across the three deposits Las Bambas has 7.7 Mt of Copper ore reserves and 12.9 Mt of Copper mineral resources

Mineral Resources	Tonnes (Mt)	Copper (% Cu)	Copper (kt)
Ferrobamba Oxide Copper	17	2.0	348
Ferrobamba Primary Copper	1,453	0.6	9,009
Chalcobamba Oxide Copper	7	1.5	110
Chalcobamba Primary Copper	338	0.6	1,859
Sulfobamba Oxide Copper			0
Sulfobamba Primary Copper	304	0.5	1,520
Oxide Stockpile	3	0.9	30
Sulphide Stockpile	0	0.7	3
Total Las Bambas	2,124		12,877

Ore Reserves	Tonnes (Mt)	Copper (% Cu)	Copper (kt)
Ferrobamba Primary Copper	832	0.7	5,907
Chalcobamba Primary Copper	188	0.7	1,278
Sulfobamba Primary Copper	66	0.8	515
Sulphide Stockpile	0	0.7	3
Total Las Bambas	1,086		7,703

Source: Mineral Resources and Ore Reserves Statement as at 30 June 2016

Las Bambas has a long history...

A historically resource rich region...

1874

Raymondi writes a description of the Cotabambas mines

1911

Ferrobamba Ltd. carries out several exploration works

1941

William Jenks conducts exploration on Ferrobamba and Chalcobamba

1942-1969

Cerro de Pasco Co. carries out drilling programs in Ferrobamba and Chalcobamba, metallurgical testing and builds access roads

1970

The Peruvian government takes control of concessions and Minero Peru is created

2003

Concessions are transferred to Centromin and Prolnversion

...with significant progress delivered in recent years

2004

- Xstrata Copper obtains exploration rights with option to acquire and operate Las Bambas project

2005

- Exploration and drill holes commence
- First approach to communities within the project's influence area

2009

- Feasibility study completed
- Community rejects resettlement dialogue

2010

- Contract to formally acquire Las Bambas project concessions signed
- Resettlement agreement with Fuerabamba signed (171 agreements, 13 axis)
- New settlement (Nueva Fuerabamba; NFB) construction begins

2011

- EIA approved
- Resettlement agreement updated/modified to allow mine construction works start early (before physical transfer)

2012

- Mine construction begins
- Extension time to deliver NFB granted by the community

2013

- Mining permit for Fuerabamba obtained
- Glencore and Xstrata Copper merge

2014

- MMG acquires Las Bambas project
- Agreements with community reviewed and updated
- Physical resettlement of the community starts

2015

- Commissioning phase and gradual increase in production
- Construction of Las Bambas 100% completed

2016

- First shipment of concentrate: January
- Commercial production: July

