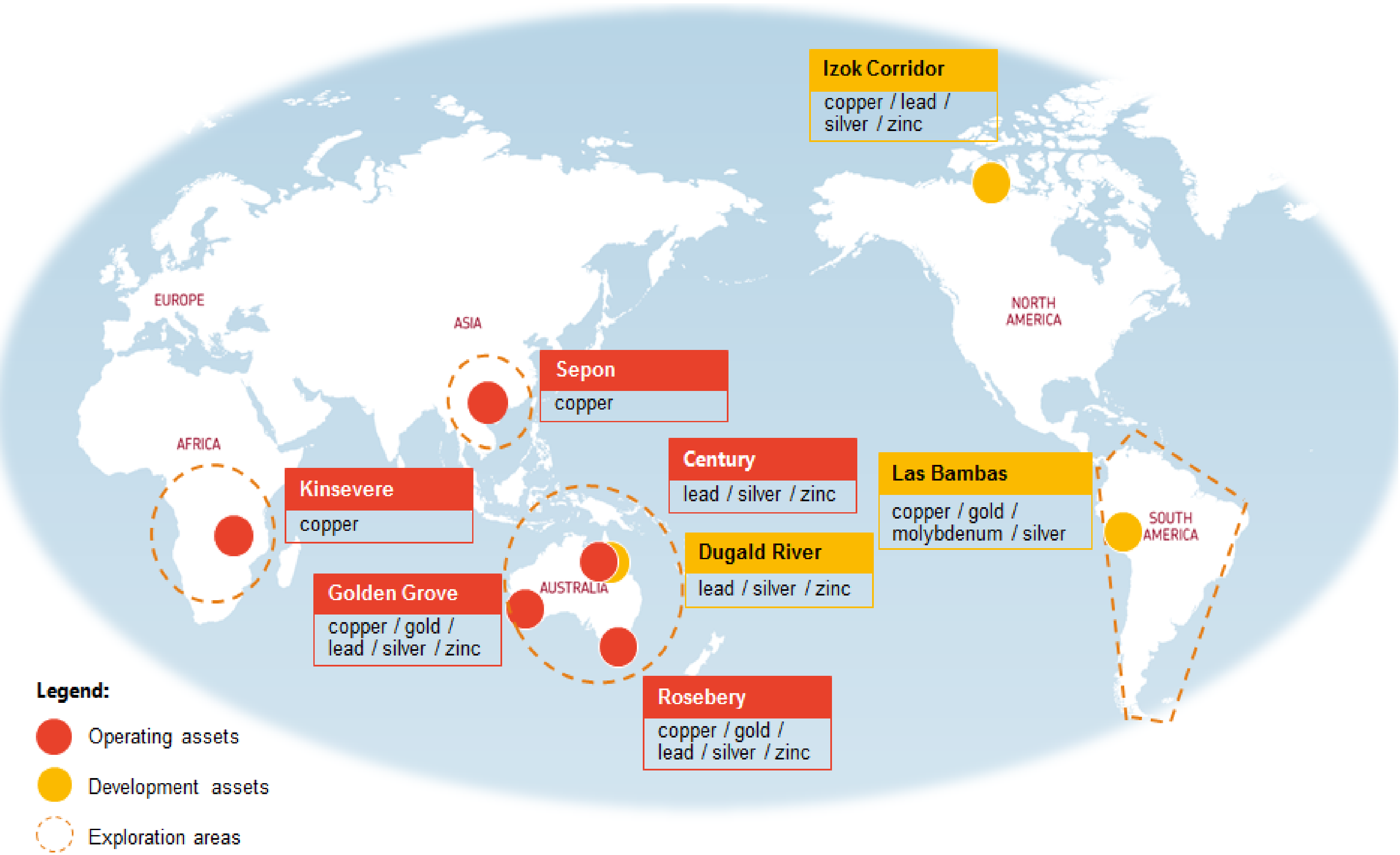
MMG WE MINE FOR PROGRESS

MMG Limited
Morgan Stanley Asia Pacific Summit

17 – 19 November 2015

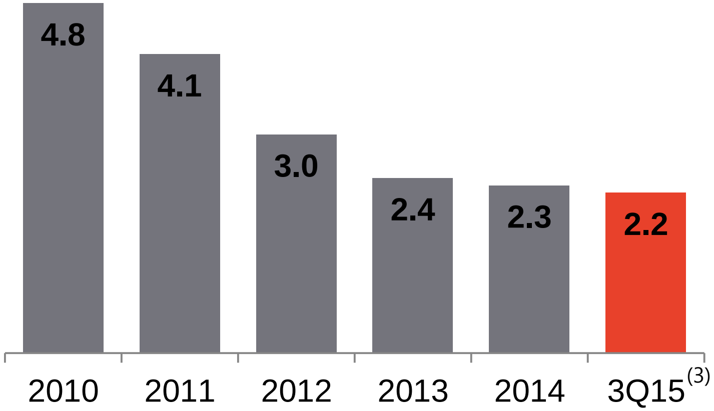
Overview of assets



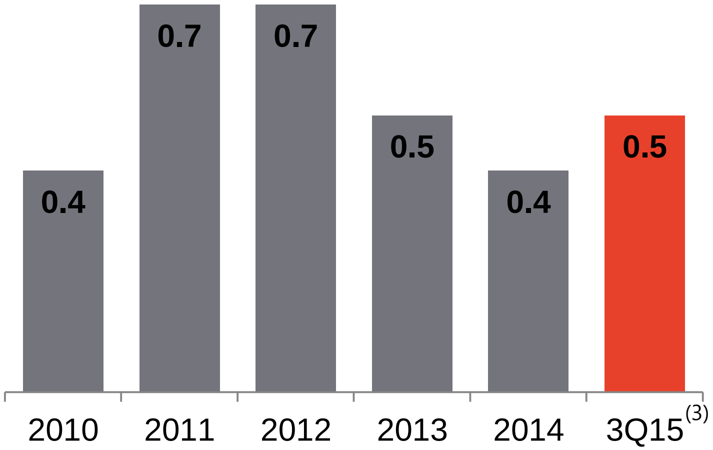
We think safety first

- TRIF[1] of 2.2 per million hours worked up to 3Q15.
- Continuous improvement in safety translates to improved operational discipline.
- Safety is a core value with management incentives directly linked to safety performance.
- Alignment of approach, activities and performance to International Council of Mining and Metals Sustainable Development Principles.

TRIF[1]
per one million hours



LTIF[2]
per one million hours



(1) Total Recordable Injury Frequency.
(2) Lost Time Injury Frequency.
(3) Las Bambas Operations safety data is incorporated into MMG from January 2015.

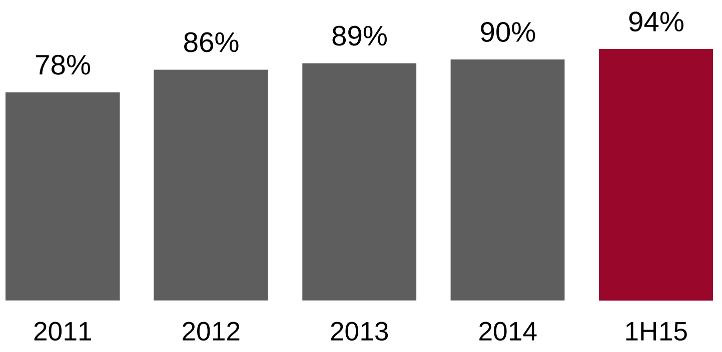
Company overview

- **Stable revenue** — 1H15 Higher sales volumes of US$1,113.8 million offset by lower commodities prices.
- **Operating discipline** — Record YTD copper at 3Q15 151kt up 7% YoY, with strong contribution from Kinsevere and Sepon.
- **Earnings growth** — 1H15 EBITDA US$375.9 million (3%), margin 34%.
- **Profit** — 1H15 profit negatively impacted by US$94 million of amortisation resulting from previously announced increase to Century closure provision, and lower commodity prices.
- **Las Bambas** — Mechanical construction largely complete, with focus on commissioning. First production expected 1Q16.
- **Dugald River** — Approved US$750m plus interest construction cost. First production 1H18.

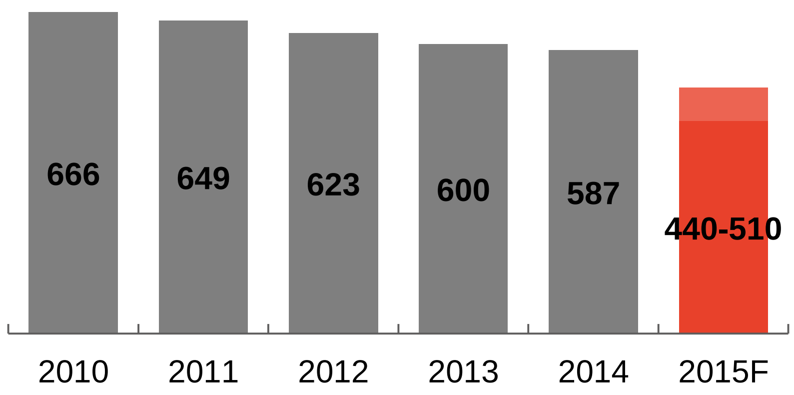
Focus on asset utilisation and operational excellence

- Three strong quarters of copper production with 150,728 tonnes produced, due to record copper production at Sepon and Kinsevere.
- Improved safety performance reducing down-time and increasing asset utilisation.
- Stable zinc production, despite Century ore variability and lower grades from production of final Stage 10 ore.

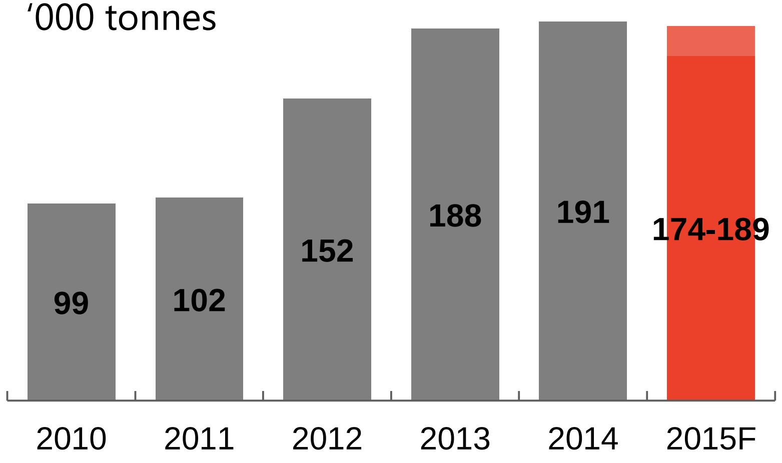
Asset Utilisation across MMG assets



Zinc production
'000 tonnes

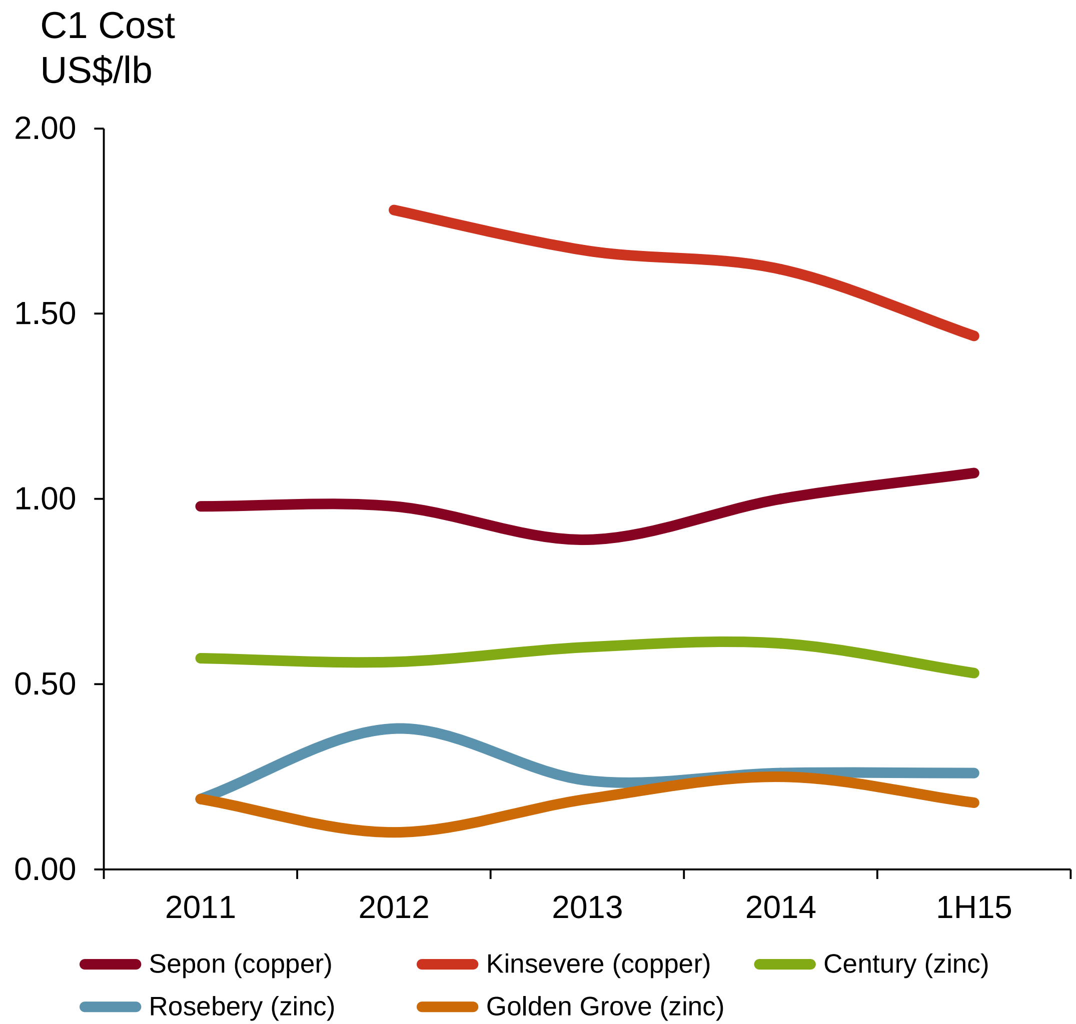


Copper production
'000 tonnes



Continuous focus on cost management

- Sepon facing higher costs to process harder and higher acid consuming Type II ore.
- Kinsevere managed operating costs by adjusting the mine plan to draw down from previously built up ore stockpiles.
- Century is being managed to maximise cash generation as it comes to the end of mine life in 3Q15.
- All operations continue to deliver on operating efficiency and tight cost controls.

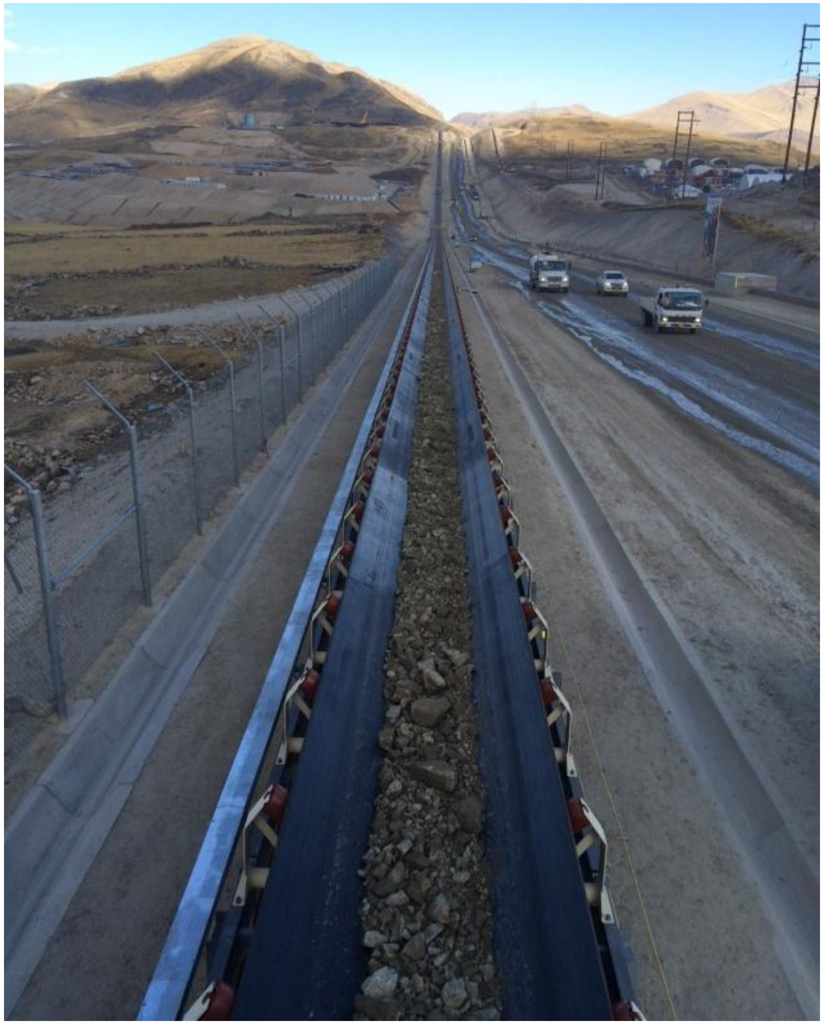


Las Bambas update

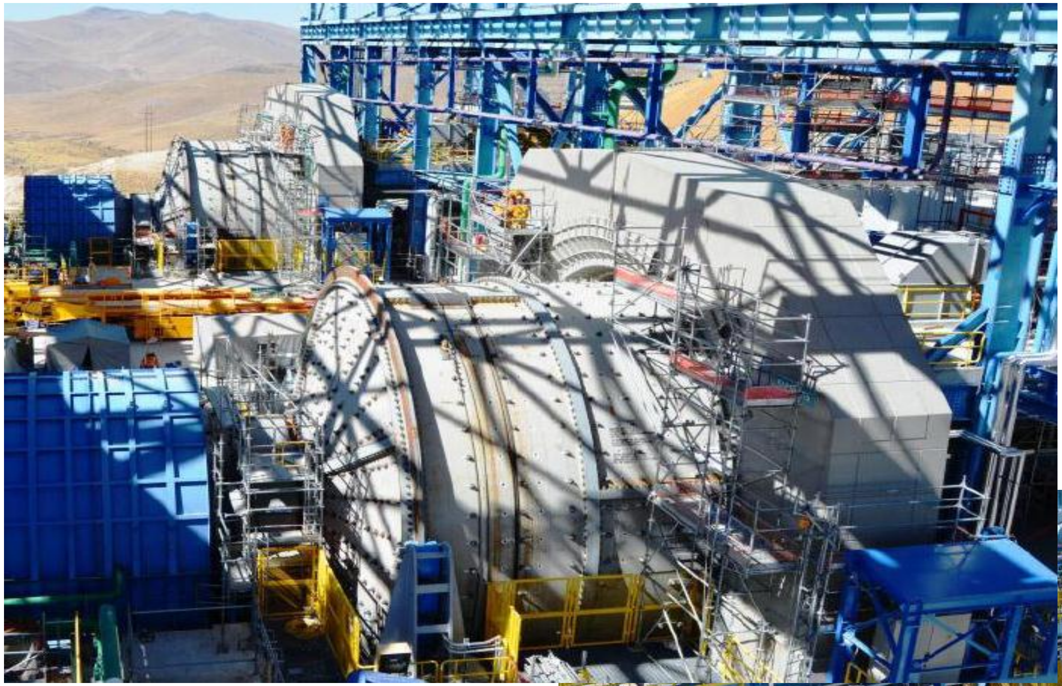
- Mechanical construction largely complete, with focus shifted to pre-commissioning, commissioning and the closeout of remaining construction.
- 97% of community relocated to Fuerabamba town – remaining families do not impact project construction.
- Commenced preliminary operational testing of primary crusher, overland conveyors, Line 2 mills, flotation cells and thickeners.
- 130km 220kV power transmission line commissioned; 33kV Mine Power Loop operational.
- All 4 electric shovels on permanent power and 38 trucks allowing full operation of the mine.
- 8 gigalitres of water collected in site dams, sufficient for first year of production.
- Contracts signed for copper concentrate transportation by truck and rail.
- All 15 locomotives delivered and commissioned.

Las Bambas – Primary Crusher

Las Bambas – Stacker and Conveyor



Las Bambas – Grinding area



2x SAG mills

2x Ball mills

Las Bambas – Plant overview

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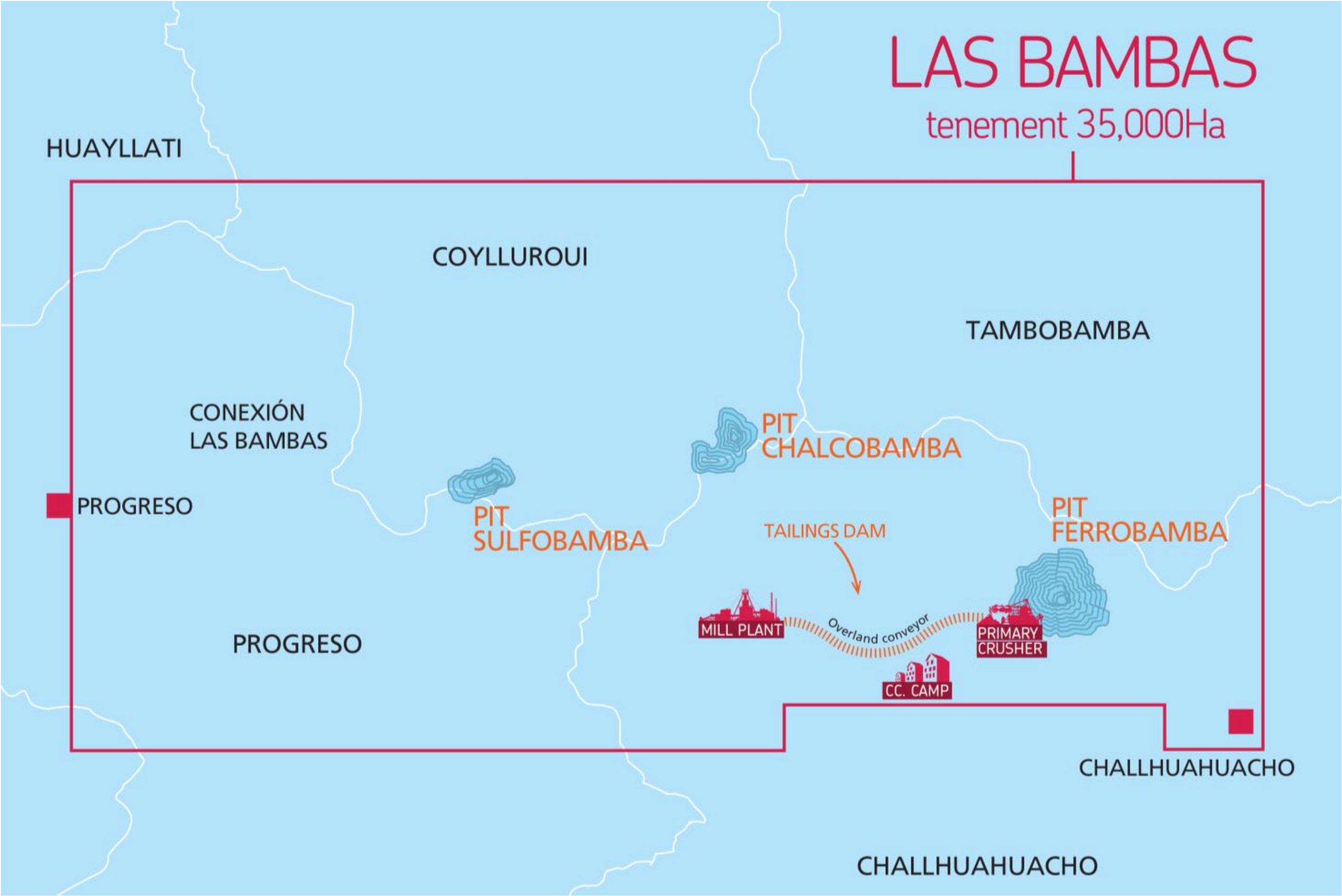
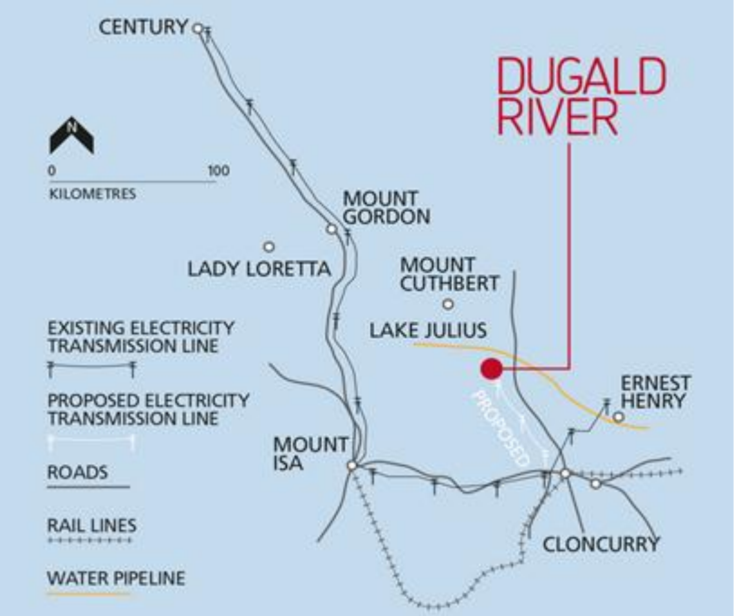
Las Bambas – Site layout



Dugald River update

- One of the highest-grade undeveloped zinc resources globally.
- Long life 28 year underground zinc mine.
- Mine production rate of 1.5Mtpa, producing on average 160,000 tonnes of zinc in concentrate per annum.
- Significant by-products including 18,000 tonnes of lead and 981,000 oz of silver in concentrate per annum.
- Expected to be one of the top 10 zinc mines globally when operational.
- Approximately US$750 million plus interest costs to complete the project.
- First production expected 1H 2018.



Dugald River – Main project scope

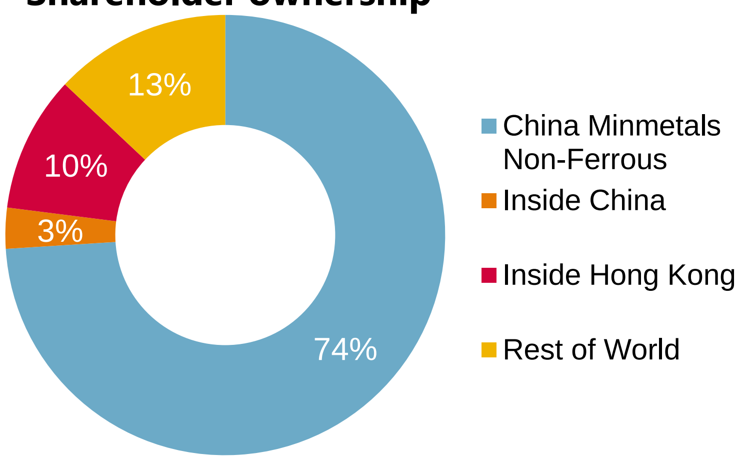
- Mine with production rate of 1.5Mtpa per annum.
- Development of 500,000 tonne stockpile
- Concentrator and associated infrastructure.
- Paste plant for backfill.
- Mining infrastructure and services.
- Ancillary equipment; mobile plant and equipment.
- Installation of permanent 350-person village.
- On site services and utilities.

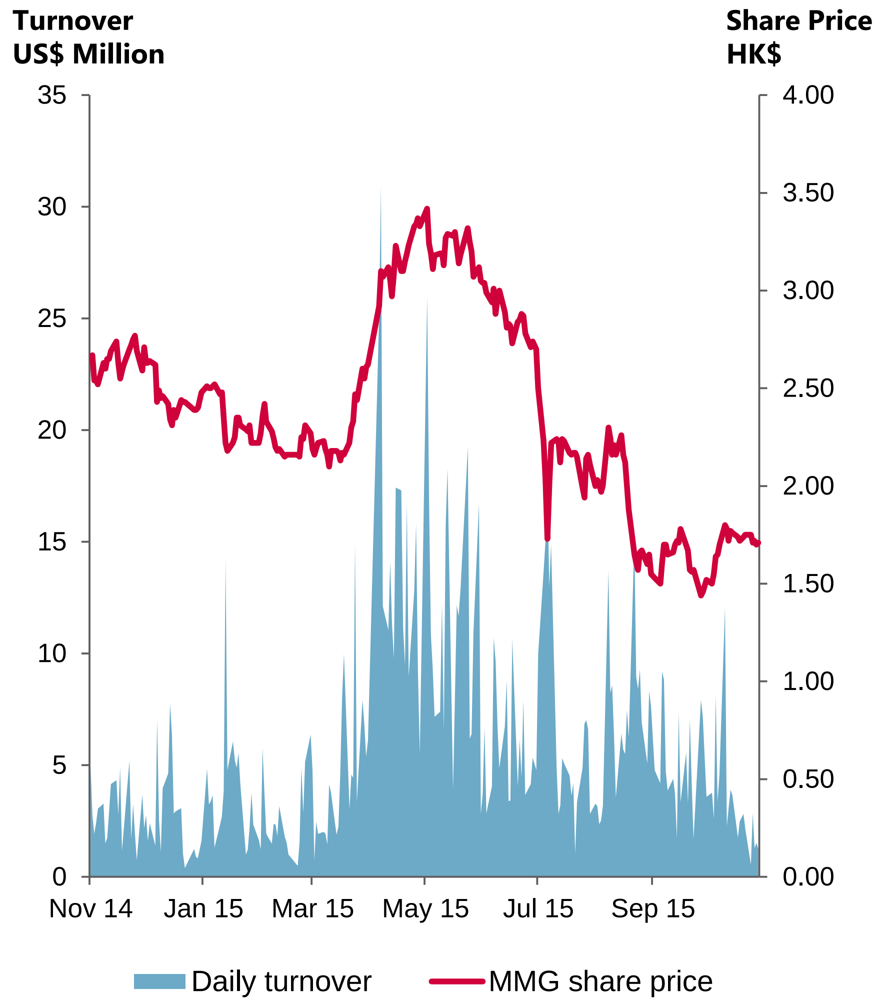
- Offsite infrastructure, high voltage transmission line and substation.

Powerful shareholding structure

- Strong share price return.
- Major shareholder CMN:
  - access to low cost capital
  - strategic insight to China.
- Management aware of limited liquidity.
- Future opportunity to restructure balance sheet.

Shareholder ownership[1]





(1) Shareholder register as of 31 October 2015.

MMG external debt

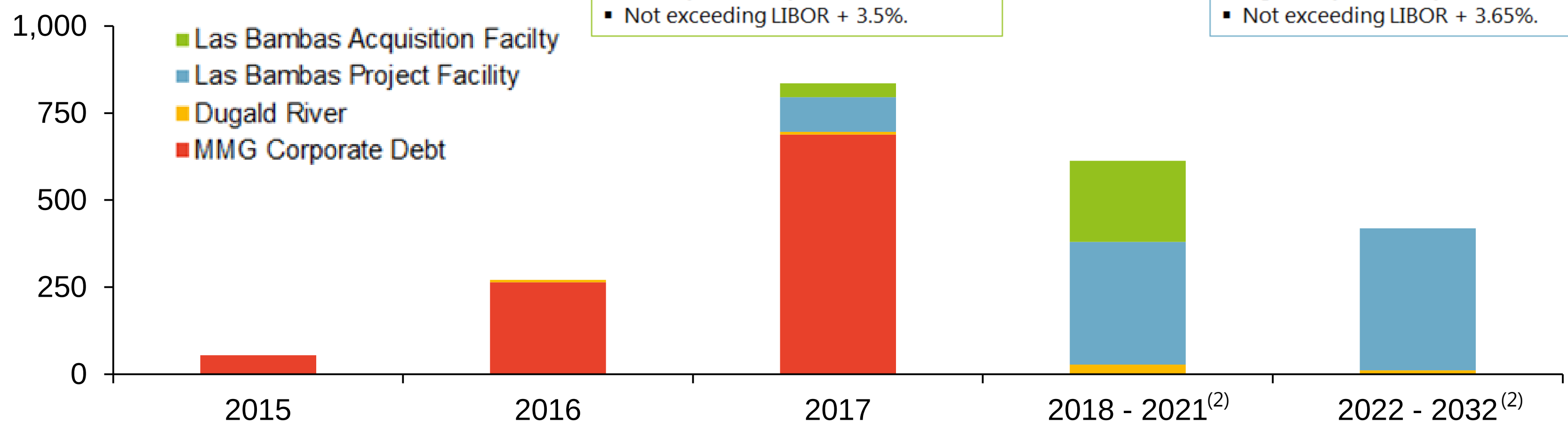
- Debt is backed by large Chinese government supported financial institutions with a government mandate for long-term stable investment.
- Debt servicing covered by operational cash generation.
- Shareholder loan viewed by MMG and external debt providers as subordinated debt provided by major shareholder who takes a long term view with return of capital, maintains strong relationships within China and supports MMG growth strategy.
- High gearing ratio is made up of debt with vanilla structure – with optionality to repay with cash flows, equity and/or refinance.

Two facilities up to US$6.96 billion

US$0.97 billion Acquisition Facility
- Seven year facility.
- Not exceeding LIBOR + 3.5%.

US$5.99 billion Project Facility
- Eighteen year facility.
- Not exceeding LIBOR + 3.65%.

Debt repayment schedule[1]
US$ million



(1) Excludes related party debt which includes US$2.262 billion shareholder loan.
(2) Average debt repayment schedule for the period.

2020 objective: One of the world's top mid-tier miners

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- Commissioning Las Bambas with expected first production in 1Q16.
- Clear pathway for Dugald River.
- Build on presence in two of the world's most prospective copper belts.
- Progressive remediation will not affect future potential use of Century infrastructure.
- Optimise capital structure to support future growth.
- Objective to be valued as one of the world's top mid-tier miners by 2020.

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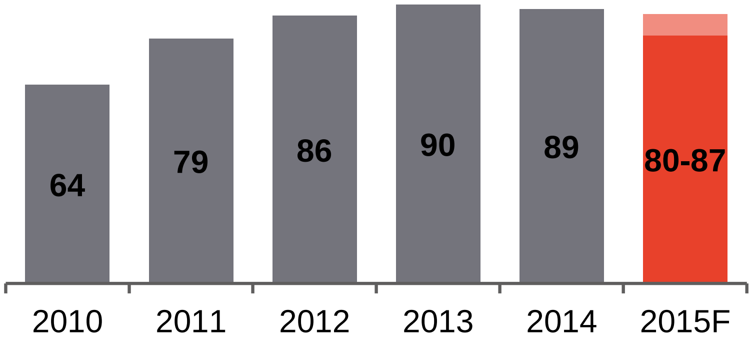
Sepon – strong production results

- Successful transition to harder Type II ore with quarterly milling record delivered.
- YTD production record of 68,694 tonnes of copper cathode.
- Maintained stable mining and milling costs in response to increased mine activities.
- Focus on lowering overall costs to offset higher mining and processing.
- Ongoing studies to optimise production through plant improvements.
  - Ore variability continues.
  - Milling grades converge towards reserve grade.

Financials

US$ million	1H15	1H14	%
Revenue	**269.3**	304.2	(11)
EBITDA[1]	**154.9**	182.9	(15)
EBIT	**94.3**	142.1	(34)
EBITDA margin (%)	**58**	60	
C1 Costs – copper (US$ / lb)	**1.07**	0.99	

Copper cathode production
'000 tonnes



(1) EBITDA includes revenue, operating expenses and other income and expense items.

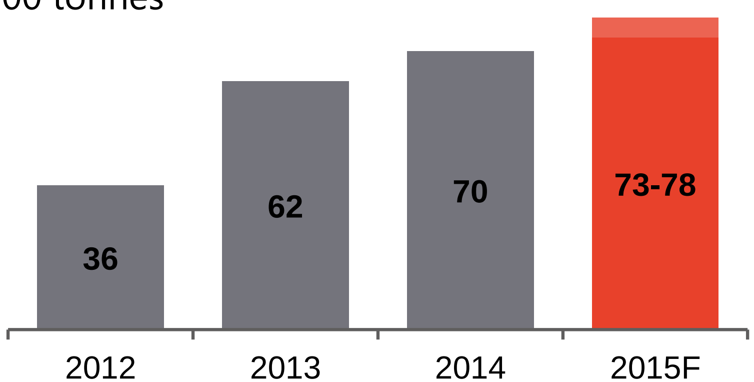
Kinsevere – half year production record

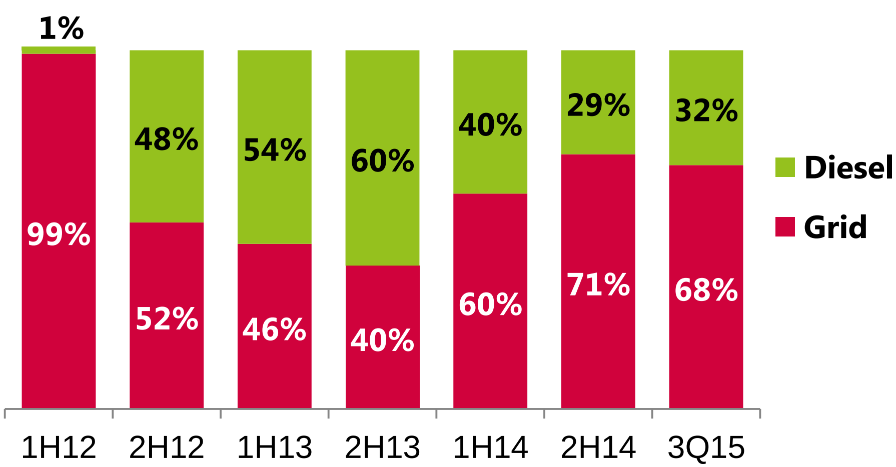
- YTD production record of 59,775 tonnes of copper cathode.
- Operational efficiencies, stable electricity, increases to mill throughput.
- Lower copper prices marginally offset by 18% increase in copper sales volumes.
- Ore mined down 26% in line with plan; drawdown on ore stockpiles and reduce mining costs.
- Reduced C1 cost to US$1.44/lb.

Financials

US$ million	1H15	1H14	%
Revenue	**222.7**	228.9	(3)
EBITDA[1]	**80.9**	93.3	(13)
EBIT	**(5.4)**	28.5	(119)
EBITDA margin (%)	**36**	41	
C1 costs – copper (US$ / lb)	**1.44**	1.64	

Copper cathode production
'000 tonnes





(1) EBITDA includes revenue, operating expenses and other income and expense items.

Century – strong production and cost performance

- Production of 314,111 tonnes of zinc despite transition to lower grades in final stages of mining.
- Mining from single stage of open-pit mine, lower

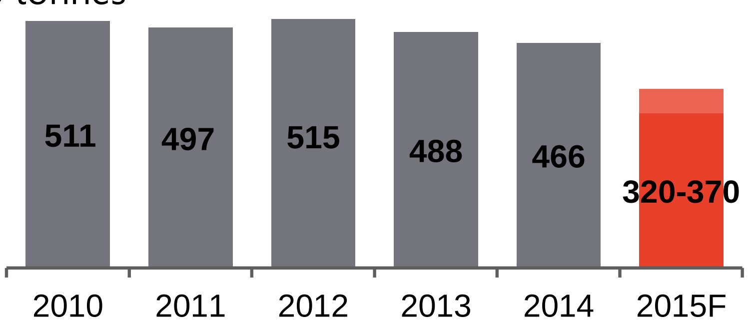
  strip ratio, reduction in consumables.
- Milling tonnes up 13%, reduced milling rates offset lower grades with 2% decrease in total zinc produced.
- Mining completed at Century in August 2015 with processing of Century and Dugald River ore to continue in 2016.

Financials

US$ million	1H15	1H14	%
Revenue	**390.1**	412.1	(5)
EBITDA[1]	**167.6**	147.3	14
EBIT	**(12.0)**	49.5	(124)
EBITDA margin (%)	**43**	36	
C1 costs – zinc (US$ / lb)	**0.53**	0.60	

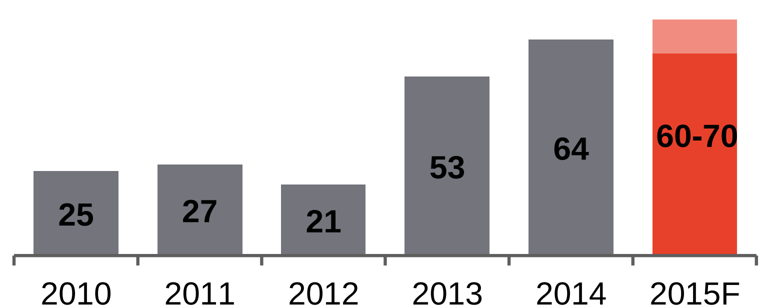
Zinc in zinc concentrate production

‘000 tonnes



Lead in lead concentrate production

‘000 tonnes



(1) EBITDA includes revenue, operating expenses and other income and expense items.

Rosebery

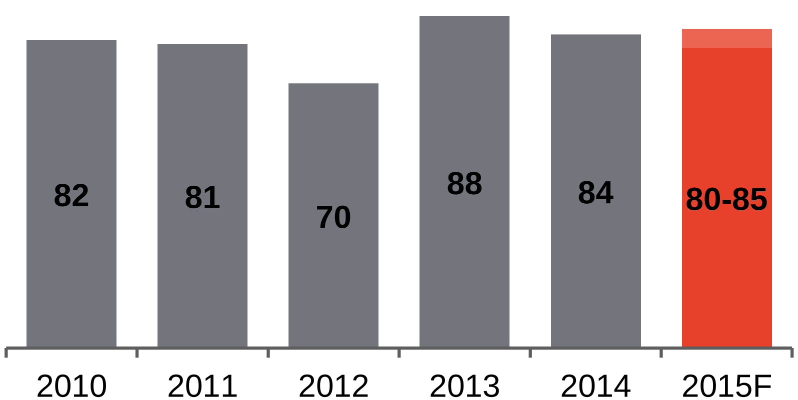
- Production of zinc and lead concentrate was 25% and 1% higher respectively due to higher milling grades and increased throughput.
- Increased cash generation with EBITDA margin increasing to 47% from 26%.
- Zinc C1 costs US$0.26/lb.

Financials

US$ million	1H15	1H14	%
Revenue	**120.4**	118.0	2
EBITDA[1]	**56.8**	30.2	88
EBIT	**27.5**	14.2	94
EBITDA margin (%)	**47**	26	
C1 costs – zinc (US$ / lb)	**0.26**	0.37	

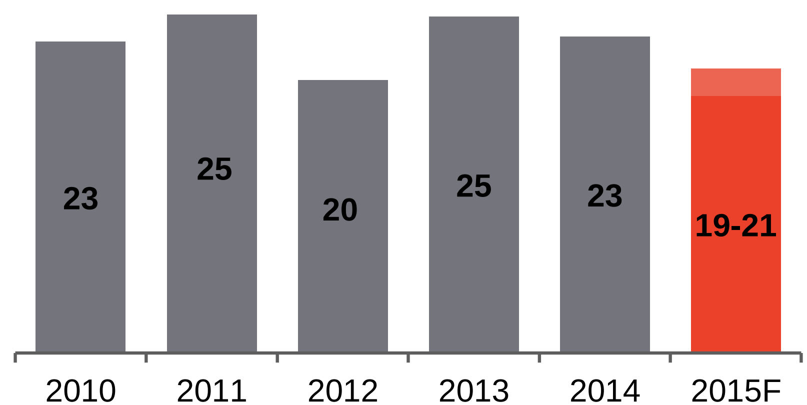
Zinc in zinc concentrate production

'000 tonnes



Lead in lead concentrate production

'000 tonnes



(1) EBITDA includes revenue, operating expenses and other income and expense items.

Golden Grove

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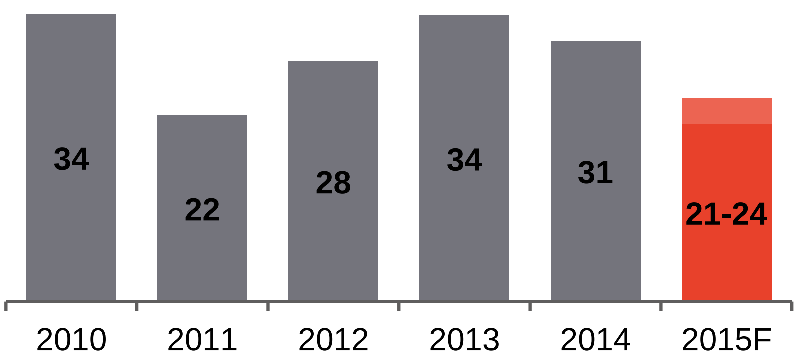
- Production of zinc 85% higher – zinc focused production in 2015.
- Zinc C1 costs US$0.18/lb.
- Copper C1 costs US$2.07/lb.

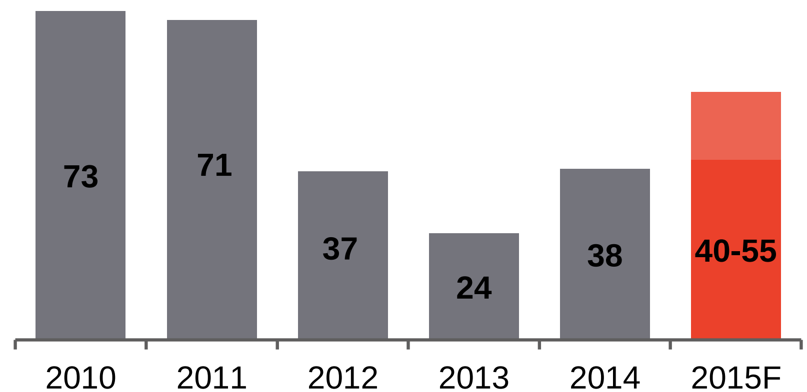
Financials

US$ million	1H15	1H14	%
Revenue	**111.3**	130.5	(15)
EBITDA[1]	**(0.4)**	4.4	(109)
EBIT	**(20.2)**	(14.4)	(40)
EBITDA margin (%)	**n/a**	3	
C1 costs – copper (US$ / lb)	**2.07**	2.89	
C1 costs – zinc (US$ / lb)	**0.18**	0.19	

Copper in copper concentrate production
'000 tonnes



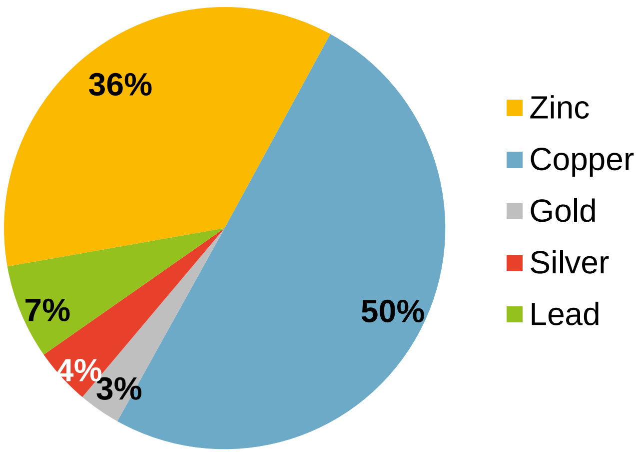
Zinc in zinc concentrate production
'000 tonnes



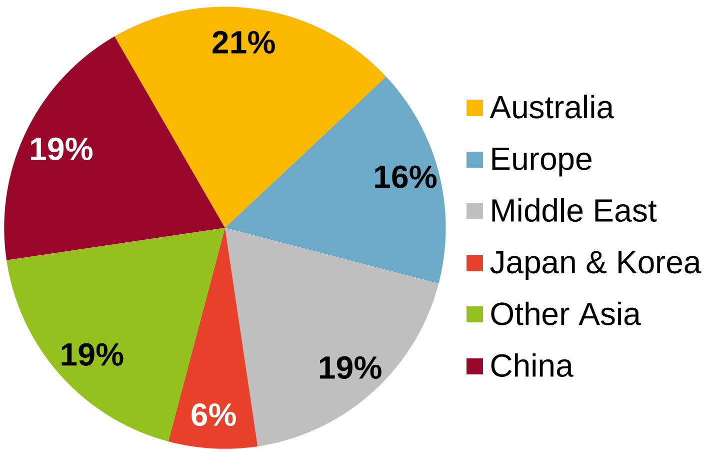
(1) EBITDA includes revenue, operating expenses and other income and expense items.

Financial dashboard

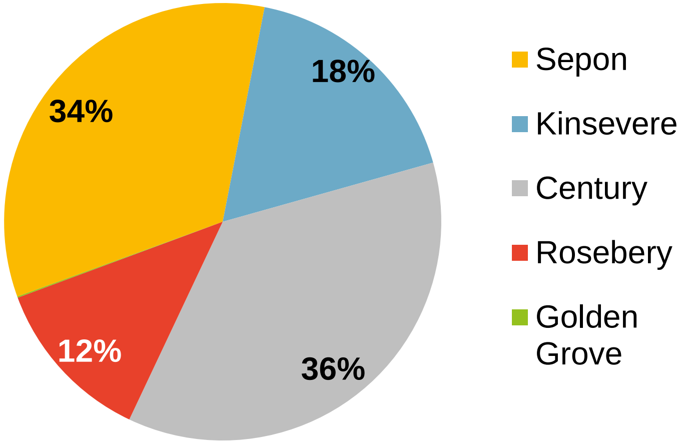
Revenue by commodity



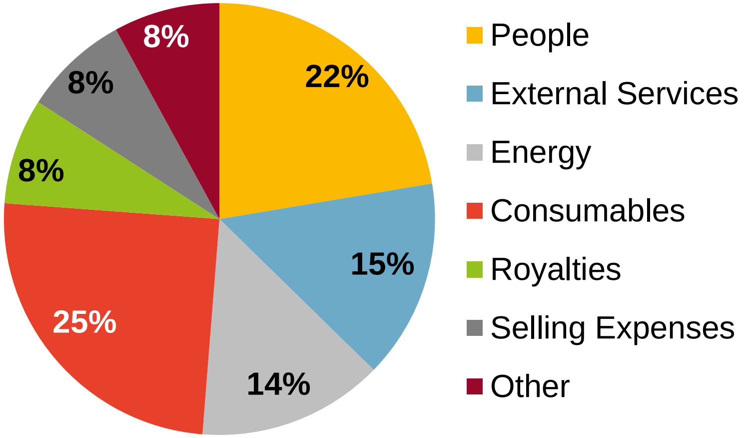
Revenue by customer location



EBITDA by operating segment



Operating expenses (Sites)



2015 Guidance

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	Current 2015 guidance	Previous 2015 guidance	2014 Actual
SEPON			
Copper – production	80,000 – 87,000 tonnes	80,000 – 87,000 tonnes	88,541 tonnes
Copper – C1 costs	US$1.10 – US$1.20 / lb	US$1.10 – US$1.20 / lb	US$1.00 / lb
KINSEVERE			
Copper – production	73,000 – 78,000 tonnes	70,000 – 75,000 tonnes	69,624 tonnes
Copper – C1 costs	US$1.50 – US$1.70 / lb	US$1.50 – US$1.70 / lb	US$1.62 / lb
CENTURY			
Zinc – production	320,000 – 370,000 tonnes	320,000 – 370,000 tonnes	465,696 tonnes
Zinc – C1 costs	US$0.60 – US$0.65 / lb	US$0.60 – US$0.65 / lb	US$0.61 / lb
Lead – production	60,000 – 70,000 tonnes	60,000 – 70,000 tonnes	64,426 tonnes
ROSEBERY			
Zinc – production	80,000 – 85,000 tonnes	80,000 – 85,000 tonnes	83,507 tonnes
Zinc – C1 costs	US$0.25 – US$0.30 / lb	US$0.25 – US$0.30 / lb	US$0.26 / lb
Lead – production	19,000 – 21,000 tonnes	19,000 – 21,000 tonnes	23,409 tonnes
GOLDEN GROVE			
Copper – production	21,000 – 24,000 tonnes	21,000 – 24,000 tonnes	30,837 tonnes
Copper – C1 costs	US$2.40 – US$2.75 / lb	US$2.40 – US$2.75 / lb	US$2.48 / lb
Zinc – production	40,000 – 55,000 tonnes	40,000 – 55,000 tonnes	37,896 tonnes
Zinc – C1 costs	US$0.45 – US$0.60/lb	US$0.45 – US$0.60/lb	US$0.25 / lb

Condensed consolidated income statement

Six months ended 30 June US$ million	2015 Unaudited	2014 Audited	Variance %
Revenue	1,113.8	1,193.7	(7)
Other income	1.5	5.4	(72)
Expenses (Excluding depreciation and amortisation)	(739.4)	(834.4)	11
EBITDA	**375.9**	**364.7**	3
Depreciation and amortisation	(380.9)	(248.2)	(53)
EBIT	**(5.0)**	**116.5**	(104)
Finance income	2.3	1.5	53
Finance costs	(44.1)	(38.8)	(14)
(Loss)/profit before income tax	**(46.8)**	**79.2**	(159)
Income tax expense	(1.2)	(31.5)	96
(Loss)/profit for the period	**(48.0)**	**47.7**	(201)
(Loss) earnings per share for profit attributable to the equity holders of the Company			
Basic (loss) / earnings per share	US (0.87) cents	US 0.74 cents	(218)

Condensed consolidated balance sheet

US$ million	30 June 2015 Unaudited	31 December 2014 Audited
Non-current assets	12,844.9	12,280.6
Current assets – cash and cash equivalents	613.3	251.2
Current assets – other	960.7	958.2
Total assets	14,418.9	13,490.0
Total equity	3,176.3	2,974.6
Non-current liabilities	10,440.2	9,711.2
Current liabilities	802.4	804.2
Total liabilities	**11,242.6**	**10,515.4**
Total equity and liabilities	**14,418.9**	**13,490.0**
Net current assets	**771.6**	**405.2**
Total assets less current liabilities	**13,616.5**	**12,685.8**

Consolidated financial performance: Cash flow statement

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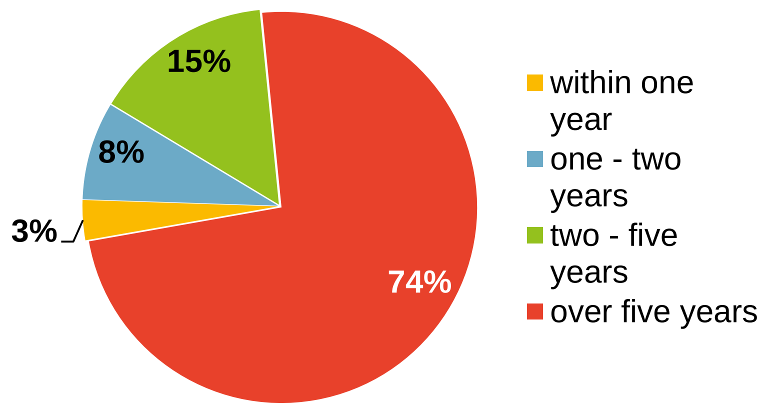
Six months ended 30 June US$ million	2015 Unaudited	2014 Audited
Receipts from customers	1,161.6	1,197.2
Payments to suppliers	(865.2)	(855.2)
Payments for exploration expenditure	(17.9)	(31.2)
Income tax paid	(75.8)	(80.3)
Net cash generated from operating activities	**202.7**	**200.5**
Purchase of property, plant and equipment	(946.4)	(116.0)
Other investing activities	(19.2)	28.4
Net cash used in investing activities	**(965.6)**	**(87.6)**
Net cash generated from / (used in) financing activities	**1,125.0**	**(105.9)**
Net increase in cash and cash equivalents	**362.1**	**7.0**
Cash and cash equivalents at 1 January	251.2	137.4
Cash and cash equivalents at 30 June	**613.3**	**144.4**

Financial resources and liquidity

- Total drawn down of US$5,538.7 million in bank borrowings and a US$2,261.3 million in shareholder borrowings to fund the Las Bambas project.
- Gearing ratio[1] MMG Group (excluding Las Bambas) as at 30 June 2015 of 0.34.
- Gearing ratio[1] MMG South America Management Group as at 30 June 2015 of 0.60.

Maturity profile of borrowings
as at 30 June 2015



MMG GROUP (EXCLUDING MMG SOUTH AMERICA GROUP)

US$ million	30 June 2015	31 December 2014
Total borrowings (excluding prepayments)	1,458.3	1,321.8
Less: Cash and cash equivalents	479.6	91.9
Net debt	**978.7**	**1,229.9**
Total equity	1,892.8	1,922.5
	2,871.5	**3,152.4**
Gearing ratio[1]	**0.34**	**0.39**

(1) Gearing ratio is defined as net debt (total borrowings excluding finance charge prepayments, less cash and bank deposits) divided by the aggregate of net debt plus total equity.