

WE MINE FOR PROGRESS

BUSINESS REVIEW



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MMG IS A MID-TIER GLOBAL RESOURCES COMPANY THAT MINES, EXPLORES AND DEVELOPS BASE METAL PROJECTS AROUND THE WORLD.

PRIMARY EXPOSURE TO COPPER AND ZINC, WITH SMALLER EXPOSURES TO GOLD, SILVER, LEAD AND MOLYBDENUM.

2017 ANNUAL RESULTS

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Total Recordable Injury Frequency (TRIF) of 1.17 per million hours worked for the full year representing a 38% reduction on the full year 2016 TRIF of 1.90.
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Net Operating Cash Flow of US\$2,369.8 million, an increase of 228% on the prior corresponding period due to the contribution from Las Bambas, higher commodities prices and a strong focus on cash generation.
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EBITDA of US\$2,210.0 million in 2017, an increase of 133% on 2016. This was driven by earnings increase of 166% at Las Bambas, 54% at Kinsevere, 17% at Sepon and 34% at Rosebery.
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Las Bambas produced 453,749 tonnes of copper in copper concentrate in 2017, its first full year of commercial production. Total copper production across MMG group was 598,197 tonnes.
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Dugald River commenced zinc production in the fourth quarter of 2017, with 12,412 tonnes of zinc in zinc concentrate produced as part of commissioning activities.
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MMG's Net Debt reduced by US\$1,452.0 million as a result of increased cash generation. The gearing ratio has reduced from 79% to 74%.
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Net Profit After Tax of US\$348.4 million, including US\$147.1 million attributable to equity holders of the Company, a US\$299.8 million improvement on 2016.



LAS BAMBAS



2018 production guidance: 410,000 – 430,000 tonnes of copper in copper concentrate
2018 C1 guidance: US\$1.00 – US\$1.10/lb

Las Bambas is a transformational world-class copper mine located in Cotabambas, Apurimac region of Peru. Las Bambas is a joint venture project between the operator MMG (62.5%), a wholly owned subsidiary of Guoxin International Investment Co. Ltd (22.5%) and CITIC Metal Co. Ltd (15.0%).

It was the biggest greenfield copper development in the last ten years and with less than 10% of the tenement explored, there is significant exploration upside. A long life asset, Las Bambas has an initial 20+ year mine life.

The mine reached 97% of design capacity in six months, coming in well ahead of schedule and below cost guidance.

KINSEVERE



2018 production guidance: 80,000 tonnes of copper cathode
2018 C1 guidance: US\$1.57 – US\$1.67/lb

Kinsevere is a world-class copper mine located in the Democratic Republic of the Congo (DRC).

Kinsevere was acquired by MMG in 2012 and is an important part of the company's portfolio of high quality base metals assets.

Through a focus on operational excellence, Kinsevere continues to deliver above nameplate capacity of 60,000 tonnes of copper cathode per annum.

SEPON



2018 production guidance: 70,000 – 80,000 tonnes of copper cathode
2018 C1 guidance: US\$1.60 – US\$1.75/lb

Sepon is an open-pit copper mine in the Savannakhet Province, southern Laos.

The registered name of the operating company is Lane Xang Minerals Limited (LXML), of which MMG owns 90% and the Lao Government owns 10%.

As it approaches the end of its copper life, Sepon is transitioning to lower grade and more complex ores. Through focussing on operational efficiencies and cost controls the mine has been able to offset the cost of increased processing. Total ore milled was up 24% in 2017 compared to 2016.

ROSEBERY



2018 production guidance: 70,000 – 80,000 tonnes of zinc in zinc concentrate
2018 Zinc C1 guidance: US\$0.00 – US\$0.15/lb

Rosebery is an underground polymetallic base metal mine located in the township of Rosebery in Tasmania. The operation is located approximately 300 kilometres north-west of Hobart and 125 kilometres south of Burnie. It has operated continuously since 1936.

The mine is an integral part of the community and the majority of Rosebery employees are local to the area.

DUGALD RIVER



2018 production guidance: 120,000 – 140,000 tonnes of zinc in zinc concentrate
2018 C1 guidance: US\$0.68 – US\$0.78/lb

Based on one of the world's highest-grade known zinc deposits, Dugald River is located approximately 65km north-west of Cloncurry in Queensland, Australia.

Dugald River is a top-10 global zinc mine and will process an average 1.7 million tonnes per annum of ore to produce around 170,000 tonnes of zinc in concentrate, plus by-products. The mine will operate over an estimated 25 years while the ore body remains open at depth.

The successful commissioning of the Dugald River Project was achieved ahead of schedule and under budget. First production of finished zinc concentrate left Dugald River on 8 November 2017.



About MMG

At MMG we mine to build wealth through developing our people, investing in improving local capability and delivering value to our shareholders. Working in partnership with our major shareholder, China Minmetals Corporation, our objective is to become a top mid-tier miner by 2020 and the world's most respected diversified base metals company.

MMG was founded in 2009 based on a model of international best practice and management supported by Chinese investment.

We operate and develop copper and zinc across Australia, the Democratic Republic of the Congo, Lao PDR and Peru. We also have exploration projects and partnerships across Australia, Africa and the Americas.

Values

- > We think safety first / we stop and think then act to prevent injury.
- > We respect each other / we are honest, considerate and act with integrity.
- > We work together / we engage diverse views to achieve better outcomes.
- > We do what we say / we take responsibility and follow through on our commitments.
- > We want to be better / we always look for opportunities to improve.

Sustainable Development

At MMG we mine for progress. A long-term outlook, our pride in mining, our commitment to shared international standards and our respect for people, land and water underpins our success.

We are guided by our Code of Conduct and our values.

We turn opportunities into rewards by working with our partners to deliver better, safer and more prosperous outcomes for communities.

We are committed to maintaining the highest international standards for our industry demonstrated by our active participation in the International Council on Mining and Metals (ICMM) and through our alignment to the United Nations global development agenda.

We are an active member of leading industry organisations including:

- > International Council on Mining and Metals (ICMM);
- > International Zinc Association (IZA);
- > Minerals Council of Australia (MCA);
- > Society of Mineral and Energy Producers of Peru; and
- > Chamber of Mines of the DRC.

We support the Extractive Industries Transparency Initiative (EITI). In all of the jurisdictions where we work, we engage as either a reporting entity or participate in advocacy and pilot programs to encourage governments to support and adopt the EITI.

Strategy

Our objective to be valued as one of the world's top mid-tier miners by 2020 will be delivered through four strategic drivers:

- > Growth / we acquire and discover base metals assets that transform our business. We unlock the potential value of our project pipeline;
- > Operations Transformation / we develop effective plans to deliver innovative growth opportunities and improve productivity;
- > People and Organisation / we provide a healthy, secure and safe workplace and a culture that values collaboration, accountability and respect; and
- > Reputation / we are valued for our commitment to progress, long-term partnerships and international management.