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MMG LIMITED

五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

THIRD QUARTER PRODUCTION REPORT FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (Listing Rules) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (Board) of MMG Limited (Company or MMG) is pleased to provide the Third Quarter Production Report for the three months ended 30 September 2021.

The report is annexed to this announcement.

By order of the Board
MMG Limited
GAO Xiaoyu
CEO and Executive Director

Hong Kong, 21 October 2021

As at the date of this announcement, the Board comprises eight directors, of which one is an executive director, namely Mr Gao Xiaoyu; four are non-executive directors, namely Mr Guo Wenqing (Chairman), Mr Jiao Jian, Mr Zhang Shuqiang and Mr Xu Jiqing; and three are independent non-executive directors, namely Dr Peter William Cassidy, Mr Leung Cheuk Yan and Mr Chan Ka Keung, Peter.

2021 THIRD QUARTER PRODUCTION REPORT

FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2021

	3Q21	3Q21 VS 3Q20	3Q21 VS 2Q21	YTD21	YTD21 VS YTD20
Copper (cathode, tonnes)					
Kinsevere	11,671	-35%	-8%	36,794	-33%
Total	11,671	-35%	-8%	36,794	-33%
Copper (contained metal in concentrate, tonnes)					
Las Bambas	79,257	-6%	-1%	223,899	4%
Rosebery	274	-24%	-37%	1,146	4%
Total	79,531	-6%	-1%	225,044	4%
Zinc (contained metal in concentrate, tonnes)					
Dugald River	48,368	5%	21%	137,444	10%
Rosebery	13,466	-13%	-26%	50,926	3%
Total	61,834	0%	6%	188,370	8%
Lead (contained metal in concentrate, tonnes)					
Dugald River	5,486	-14%	28%	15,442	-5%
Rosebery	5,173	-19%	-25%	18,784	10%
Total	10,659	-16%	-4%	34,226	3%
Molybdenum (contained metal in concentrate, tonnes)					
Las Bambas	1,369	16%	-13%	4,061	119%
Total	1,369	16%	-13%	4,061	119%

KEY POINTS

- Total recordable Injury Frequency (TRIF) for the third quarter 2021 was 1.13 per million hours worked and year-to-date TRIF was 1.16.
- MMG is saddened to report that on August 27 a vehicle accident involving a bus, transporting employees of our contractor partners from Cusco to Las Bambas, resulted in the death of 16 passengers. MMG continues to support the ongoing investigation into this incident and expresses its deepest sympathies to the families and friends of those involved in this tragic incident.
- Total copper production (copper cathode plus copper in concentrate) of 91,202 tonnes was 2% below the prior quarter due to a prolonged community road blockade at Las Bambas and lower ore grades at Kinsevere.
- Total zinc production of 61,834 tonnes was 6% above the prior quarter, mainly driven by higher mining and milling volumes at Dugald River following a maintenance shutdown in June.
- A community road blockade in the Chumbivilcas province of Peru cut inbound and outbound logistics for around 20 days and restricted Las Bambas mining operations for 12 days during the quarter. The protests related to community demands for a large number of logistics transport contracts, as well as formal government classification of these communities as an area of direct influence of the Las Bambas mine. As a result of this disruption, Las Bambas copper production is now expected to be between 300,00-305,000 tonnes for 2021. C1 costs are expected to be around 10 cents lower than previous guidance at US\$1.00 to US\$1.10/lb.
- On 30 September 2021, an agreement for the temporary removal of the roadblock was reached and transport operations resumed at Las Bambas. Further dialogue to establish commercial relationships with community organisations are ongoing. MMG will also continue to advance dialogue with the National Government and communities to establish enduring community agreements whilst maintaining its commitment to social development in the region.
- The neighbouring communities of Cotabambas and Challhuahuacho have since demanded the presence of the President of the Republic and the Prime Minister to re-start discussions regarding the fulfillment of social and economic commitments. A visiting delegation of senior officials was rejected on October 18 with a number of regional roadblocks now in place.
- Production at Kinsevere is now expected to be 45,000 - 50,000 tonnes of copper cathode for 2021, with mining no longer expected to resume in the fourth quarter as previously planned. Work to advance the KEP project continues to demonstrate positive project economics, with final Board approval targeted -at year-end.
- Dugald River and Rosebery production guidance is unchanged and C1 costs are expected to be around the lower end of the guidance ranges – due to strong by-product credit prices, the material year-on-year reduction in TCs as well as a continued cost control.
- Following submission of the original application in February 2019 and the completion of the prior consultation process, Las Bambas continues to seek regulatory approval for the development of the Chalcobamba pit. A combination of lengthy community consultation and administrative delays – as well as complications associated with the 2021 national elections – continues to delay receipt of permits.
- MMG is pleased to announce its commitment, along with member companies of the International Council on Mining & Metals (ICMM), to target net zero emissions by 2050. MMG is completing a whole-of-company climate resilience strategy, which covers energy mix, technologies, efficiency and mitigation measures that will determine interim 2030 targets and support the 2050 goal. This work is due for completion in early 2022.

COMMODITY PRICES, MARKETING AND SALES

COMMODITY PRICES, MARKETING AND SALES						
	QUARTER-AVERAGE			QUARTER CLOSE		
	Q3 2021	Q2 2021	Q3 2020	Q3 2021	Q2 2021	Q3 2020
Metal Price						
Copper (US\$/lb)	4.25	4.40	2.96	4.10	4.26	3.00
Gold (US\$/oz)	1,789	1,815	1,908	1,736	1,760	1,885
Lead (US\$/lb)	1.06	0.97	0.85	0.96	1.05	0.82
Molybdenum (US\$/lb)	19.06	14.28	7.71	18.45	18.95	8.15
Silver (US\$/oz)	24.36	26.69	24.26	21.53	25.77	23.73
Zinc (US\$/lb)	1.36	1.32	1.06	1.37	1.34	1.09

Sources: zinc, lead and copper: LME*¹ cash settlement price; Molybdenum: Platts; gold and silver: LBMA.

Copper prices and copper concentrate market

Average copper prices fell 3.4% in the quarter, with the lower prices largely due to concerns that the US Federal Reserve could transition to a less accommodative monetary policy sooner than anticipated. Despite this however, prices continued to trade above US\$9,000/t (~US\$4.08/lb) during the quarter, supported in the short term by very low visible warehouse stocks and the continued recovery in worldwide economic growth.

In the copper concentrate market, spot TCRCs have edged up towards the 2021 benchmark over recent months due in part to the aggressive smelter maintenance programmes in China, as well as growth in concentrate supply. However, there is limited scope to increase TCRCs further given that concentrate supply is expected to remain in deficit, albeit narrower. Notwithstanding this, the market conditions for other sources of smelter revenue like acid and precious metals remain supportive of smelter economics. In this case, current TCRCs are at a robust level for suppliers, consumers and participants throughout the chain.

Zinc and lead prices and the concentrate market

Zinc and lead were two of the better performing metals on the LME during the quarter, with average prices 3% and 9% higher respectively compared to the previous quarter. Investor sentiment remains positive towards zinc and lead on the back of the announcement of significant infrastructure investments in Europe, China and USA, including the encouraging progress of the USA's \$1 trillion infrastructure bill. In addition, fears of a growing risk to smelter metal production due to government-imposed power rationing in China and higher energy prices in Europe have also been supportive for the zinc and lead price. During the quarter several major zinc and lead smelters in China announced they have reduced their metal production in order to curb their power usage and two major smelters in Europe announced they will reduce their metal output due to the sharp rise in energy prices. This is expected to keep the zinc price high in the near term.

The market for concentrate remains tight with spot treatment charges favourable to miners and trading at around US\$80/t of concentrate, well below the annual benchmark level of US\$159/t. While power cuts in key zinc and lead smelting provinces in China mean the amount of concentrate available to other smelters has increased, the buying appetite for imported concentrates remains strong with a number of major Chinese smelters seeking material ahead of the winter season when many domestic mines will close.

PROVISIONAL PRICING

The following table provides a summary of the metal that was sold but remains provisionally priced at the end of September 2021 and the month that final average pricing is expected to occur at the time of final invoicing.

¹LME (London Metal Exchange) data is used in this report under licence from LME; LME has no involvement and accepts no responsibility to any third party in connection with the data; and onward distribution of the data by third parties is not permitted.

Payable Metal Quantity (Open QP)					
	Oct-21	Nov-21	Dec-21	Jan-22	Total
Copper (tonnes)	30,641	23,984	9,920	16,488	81,034
Gold (ounces)	5,946	2,742	1,904		10,592
Lead (tonnes)	2,481	3,555	2,908		8,945
Molybdenum (pounds)	669	322			991
Silver (ounces)	633,756	404,612	128,010		1,166,379
Zinc (tonnes)	25,659	44,464			25,703

OPERATIONS

LAS BAMBAS

LAS BAMBAS					
	3Q21	3Q21 vs 3Q20	3Q21 vs 2Q21	YTD21	YTD21 VS YTD20
Contained metal in concentrate					
Copper (tonnes)	79,257	-6%	-1%	223,899	4%
Molybdenum (tonnes)	1,369	16%	-13%	4,061	119%

Third Quarter Performance

Copper production of 79,257 tonnes was 1% below the prior quarter. During the quarter, production was adversely impacted by a community road blockage that restricted inbound and outbound logistics and people movement for approximately 20 days and limited mining operations for 12 days. This caused mining volumes to be around 5 million tonnes below plan for the quarter. To mitigate this impact and maintain plant throughput, additional lower grade stockpiles were processed. Total copper production is now expected to be around 2-3% lower for the full year (revised 2021 guidance: 300,000 to 305,000 tonnes of copper in concentrate). Despite mining disruptions, plant performance remained strong, with stable throughput rates and strong average recovery of 88.5%

The disruption to concentrate logistics transport meant that inventories on site built up to around 90,000 tonnes of copper concentrate (containing around 30,000 tonnes of copper metal) at the end of the quarter. Assuming minimal further disruptions, it is anticipated that these stockpiles can be drawn down and shipped prior to the year end.

Community and Transport Logistics Update

The community blockade on public road in the Chumbivilcas province, 200km away from the Las Bambas operation, was in relation to demands for a large number of logistics transport contracts, as well as demands for the Government classification of these communities as an area of direct influence. On 30 September 2021, the Company announced that an agreement for the temporary removal of these roadblocks had been reached and transport operations were able to resume. Since that date further dialogue to establish commercial relationships with community organisations (not private companies) have been held, including opportunities for the transport of concentrate, transport of personnel, road maintenance, dust suppression and other services. These discussions are ongoing.

The neighbouring communities of Cotabambas and Challhuahuacho have since demanded the presence of the President of the Republic and the Prime Minister to re-start discussions regarding the fulfillment of social and economic commitments. A visiting delegation of senior officials was rejected on October 18 with a number of regional roadblocks now in place.

Outlook

Due to the prolonged community blockade during the quarter, copper production for 2021 is now expected to be 300,000 to 305,000 tonnes. Despite the lower production, C1 guidance range is lowered by 10 cents to US\$1.00 to US\$1.10/lb. Lower unit costs are a function of stronger by-product prices (particularly molybdenum), strong cost controls and lower costs incurred at Chalcobamba given ongoing approval delays.

Following submission of the original application in February 2019 and the completion of the prior consultation process, Las Bambas continues to seek regulatory approval for the development of the Chalcobamba pit. A combination of lengthy community consultation and administrative delays – as well as complications associated with the 2021 national elections – continues to delay receipt of permits.

KINSEVERE

	KINSEVERE				
	3Q21	3Q21 vs 3Q20	3Q21 vs 2Q21	YTD21	YTD21 VS YTD20
Copper Cathode (tonnes)	11,671	-35%	-8%	36,794	-33%

Third Quarter Performance

Kinsevere produced 11,671 tonnes of copper cathode in the third quarter of 2021, 8% below the previous quarter, mainly due to lower processed ore grades.

As previously advised, mining activity at Kinsevere stopped in the fourth quarter of 2020 as the site continues to prepare for the transition to mining and processing of the sulphide ore body. In the meantime, plant feed is reliant on 3rd party ores and remaining stockpiles, with average feed grade during the quarter of 1.87% compared to 2.15% in the prior quarter. The lower processed ore grades are due to the continued depletion of the remaining medium grade stockpiles as well as lower delivered grades from 3rd party ore suppliers which made up around 15% of the plant feed mix.

Despite lower ore grades, processing plant performance was very strong, with a record recovery rate in July and a quarterly average of 97.8% due to better acid dissolution of treated ore from the stockpile.

Outlook

With the resumption of mining activities no longer planned in the final quarter of 2021, Kinsevere's copper cathode production for the full year is now expected to be 45,000-50,000 tonnes. C1 costs are still expected to be between US\$2.05 and US\$2.15/lb.

MMG maintains a positive outlook for the Kinsevere expansion project and is progressing a feasibility study for the addition of a sulphide ore and cobalt processing circuit. An investment decision is expected at the end of 2021. The project is progressing with the team currently undertaking detailed engineering works in anticipation of the development phase of the project in 2022. The expansion will extend Kinsevere's mine life, see a return to higher copper production volumes in future years and add cobalt production to MMG's portfolio.

MMG will continue to invest in regional exploration programs focusing on proving up discoveries within an operating radius of the Kinsevere mine.

DUGALD RIVER

DUGALD RIVER					
	3Q21	3Q21 vs 3Q20	3Q21 vs 2Q21	YTD21	YTD21 VS YTD20
Contained metal in concentrate					
Zinc (tonnes)	48,368	5%	21%	137,444	10%
Lead (tonnes)	5,486	-14%	28%	15,442	-5%

Third Quarter Performance

Dugald River produced 48,368 tonnes of zinc for the third quarter of 2021, 21% above the second quarter which was impacted by a planned maintenance shutdown in June. Mining and plant throughput in the third quarter was strong, delivering an annual run rate above 2 million tonnes. During the quarter an incident with an agitator truck in the underground mine required a change to the mining sequence. This resulted in slightly lower mined zinc ore grades (10.5% vs. 11.4% in Q2) and impacted the delivery of cement to support continued underground development. The impact of this incident will result in a short-term mining throughput shortfall for the fourth quarter.

Outlook

In line with prior guidance, Dugald River is expected to produce between 180,000 and 190,000 tonnes of zinc in zinc concentrate during 2021. Full-year C1 costs are expected to be at the lower end of the guidance range of US\$0.65 and US\$0.70/lb, driven by the strong lead price and low prevailing TCs in 2021.

ROSEBERY

ROSEBERY					
	3Q21	3Q21 vs 3Q20	3Q21 vs 2Q21	YTD21	YTD21 VS YTD20
Contained metal in concentrate					
Zinc (tonnes)	13,466	-13%	-26%	50,926	3%
Lead (tonnes)	5,173	-19%	-25%	18,784	10%
Copper (tonnes)	274	-24%	-37%	1,146	4%

Third Quarter Performance

Rosebery produced 13,466 tonnes of zinc in zinc concentrate and 5,173 tonnes of lead in lead concentrate during the third quarter of 2021. This represented a 13% and 19% decline in zinc and lead production compared to the prior quarter. On a zinc equivalent basis, production was around 32,000 tonnes, 27% lower than the prior quarter due to the combined impact of lower ore mined, lower throughput and reduced ore grades for all metals. Mining and processing volumes and grades were impacted by higher mining dilution and a rockfall in the Northern Exploration Decline which added up to 2 hours to underground haul cycle times, reducing overall ore delivery to the plant. This issue has now been rectified, with production expected to increase in the fourth quarter as mined ore volumes and grade stabilise.

Outlook

Zinc production for 2021 is expected to be near the upper end of 60,000 to 70,000 tonne guidance range, as new larger mining stopes are brought into production and grades recover from the third quarter. Full-year C1 costs are now also expected to be at the lower end of the guidance range of negative US\$0.20 to US\$0.00. This is driven by higher precious metal by-product credits, low TCs throughout the year as well as the continued strong cost control measures. This strong performance reflects the ability of the Company to continue efficiently operating the mine, maximising output and reducing production cost. This is despite longer term grade declines and operating at depth.

Resource extension and near mine exploration continues, with results indicating further extensions to the resource and mine life. As a result, the Company is currently investigating the potential for short term capacity increases at existing tailings storage facilities while studying and permitting a proposed site for a new tailings storage facility to support an extended the life of mine.

GEOSCIENCE AND DISCOVERY

Las Bambas

Drilling continued during the third quarter of 2021 on near-surface, skarn and porphyry copper mineralisation at the Chalcobamba Southwest Zone as well as along the southern margin of the Chalcobamba Deposit. Drilling was also performed at Ferrobamba Deeps and Ferrobamba East. All core has been logged and is in the process of being assayed. The analytical results for this drilling will be reported at a later date.

Chalcobamba Southwest Zone

Drilling continued at the Chalcobamba Southwest Zone, located immediately southwest of the current Chalcobamba Ore Reserve pit (Figure 1). Four holes were completed for a total of 1,069 metres in Q3. Sample preparation and assaying for this drilling is in progress and will be detailed in a subsequent report.

Chalcobamba South

Four drill holes were completed at Chalcobamba South for a total of 1,504 metres. This drilling targets the extension of economic mineralization along the southern edge of the future Chalcobamba pit. Assays are pending.

Ferrobamba East

One drill hole (319 meters) was completed at the Ferrobamba East project targeting breccias associated with elevated levels of gold, silver, copper, molybdenum, lead and zinc in rock and soil samples at the surface. Assays are pending.

Ferrobamba Deeps

1,572 meters of drilling was completed on five drill holes at the Ferrobamba Deeps target. This drilling was designed to test the depth projection of higher-grade mineralisation currently being mined by the open pit. The targeted mineralisation could serve to deepen the current open pit or provide future ore for UG mining operations. A Proof of Concept Study for potential UG mining at Ferrobamba Deeps is underway and will be completed in Q1, 2022. Drill assays are pending; a more complete description of the drilling results and geology of the Ferrobamba Deeps target will be provided when these results become available.

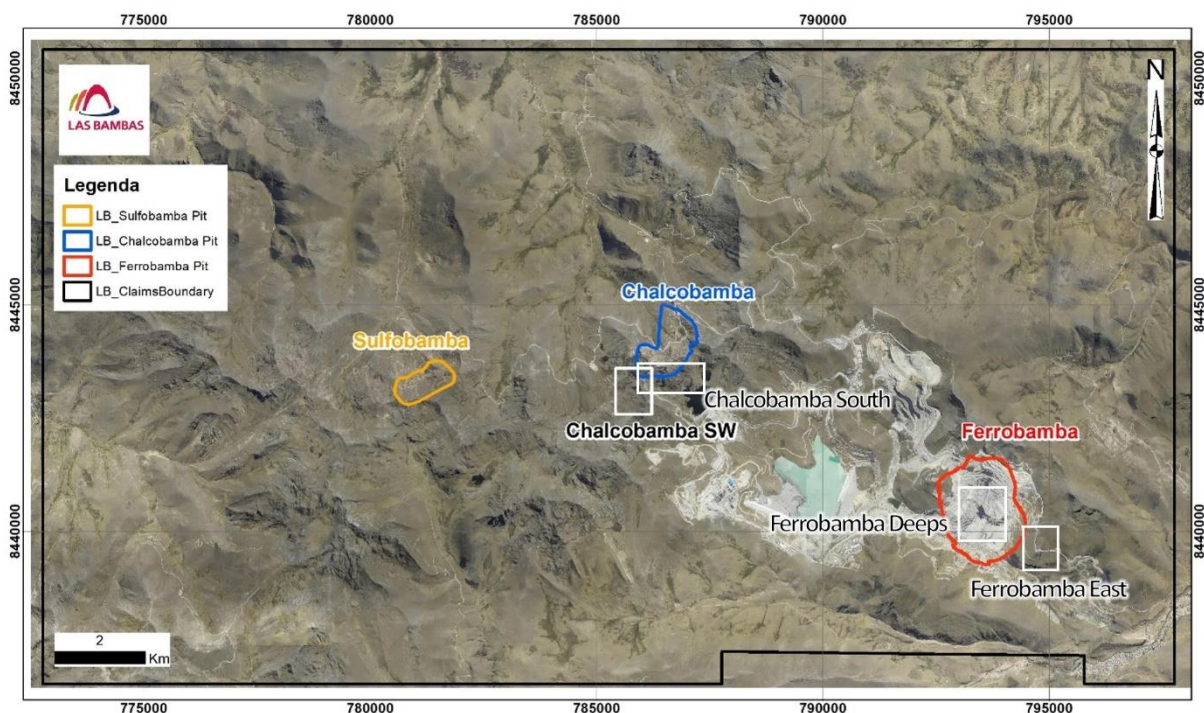


Figure 1. Outline of Las Bambas Mining Concessions highlighting the location of Reserves and Resources as well as the Chalcobamba Southwest Zone, Chalcobamba South, Ferrobamba Deeps and Ferrobamba East exploration areas.

Kinsevere

In the third quarter of 2021, exploration activities continue to focus on the development of the satellite copper oxide deposits and a prospect testing stage project within a roughly 50km radius of the Kinsevere Mine ("RAD50") that may be suitable for economic exploitation and processing at the Kinsevere plant, and one regional project at prospect testing stage.

Exploration activities for this quarter were mainly focused on preparation works that include drillhole pegging and clearances, drill rig inspections, contractor inductions and crew mobilisation to site for the two projects at resource delineation stage (Sokoroshe II and Mwepu) and for Shandwe project which is at prospect testing stage. Field reconnaissance and the surface geochemistry survey (soil sampling) were conducted for three projects at prospect identification and testing including Tshangalele and Kamafesa projects.

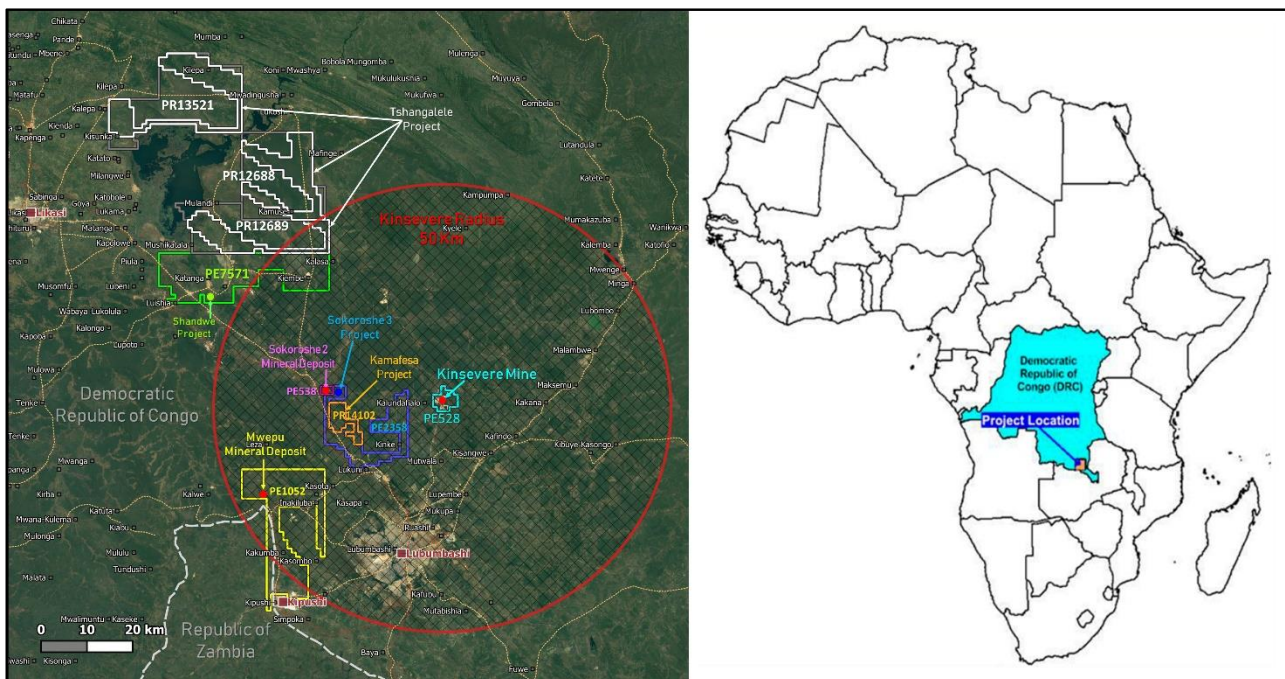


Figure 2: Location map for the 2021 DRC projects.

Sokoroshe II – PE538

The Sokoroshe satellite orebody has combined indicated and inferred oxide and sulphide resource of 3.2Mt @1.9 %Cu and 0.46%Co. 2,500 metres of Diamond Drilling (DD) have been planned to delineate the extension of the southern orebody which is offset from the main orebody by an East-North-East structure with a down throw movement of the southern orebody. The southern orebody is cobalt rich and expected to significantly increase the overall Sokoroshe II Cu and Co resource.

The camp has been established and drilling was initiated. The first drillhole showed positive signs with visible Copper oxide mineralisation logged in the different lithologies.

Mwepu – PE1052

The Mwepu satellite orebody has currently a combined indicated and inferred oxide resource of 1.6Mt @2.3%Cu and 0.21%Co. The 2021 exploration activities planned consists of a Scoping Study and drilling to improve the indicated resources level of the deposit. 3,200 metres of DD has been approved to infill zones of high-grade Cu variability to upgrade the inferred resource to indicated.

The camp has been established and drilling was initiated. Two Diamond holes are in progress and showing positive signs with visible Copper oxide mineralisation. Near surface mineralisation is being encountered in the strongly weathered dolomitic units.

Shandwe – PE7571

In 2020, initial drilling campaign at Shandwe returned economic to sub-economic copper intercepts. A 4,000 metre Reverse Circulation (RC) drilling program has been planned to determine the extension of mineralization and search for thicker and high-grade zones.

Tshangalele - PR13521, PR12688, PR12689

The Tshangalele block project consists of 3 greenfield exploration tenements. The three tenements have been identified as prospective for oxide copper mineralisation due to the presence and interpreted Roan Stratigraphic windows. Exploration work already undertaken in the tenement include geological mapping and interpretation of geophysical and geochemical data. Potential copper oxide targets have been generated which will be confirmed by on-ground prospecting. 3,000 metres of RC drilling has been planned to test the targets.

Infill surface geochemistry surveying was conducted and complete assay results, data integration and interpretation will be reported once available.

Dugald River

During the quarter, 10 km of a 20 km surface drilling program was completed over 15 holes. A total of 6 holes were drilled within the mine footprint to investigate the extensions along the 3.5 km of stratigraphic zone to the south and north as well as at depth.

Drilling continued on the Southern Leases. Additional sulphide mineralisation has been intersected in two holes that were targeting mineralisation extensions to the south of the mine. A total of four holes are planned in the Southern leases, with one hole planned as part of the Q4 program.

The surface drilling program is expected to be completed in mid-November. Completion of the drilling season may be impacted by the start of the wet season.

Rosebery

For the third quarter of 2021, in-mine drilling activities continued to focus on resource conversion and resource extension drilling. Drill hole locations and significant intercepts of returned assays shown in Figure 3. Resource conversion programs performed to expectation, targeting mineralisation in the P Lens. Additional Resource Conversion programs will feature heavily in Quarter 4, 2021 with the focus on the U, Z, T-J and V Lenses.

Resource Extension programs are ongoing in the Z Lens (Northern Deeps area), V South and J-T Lenses. Results from these ongoing extension programs were positive during the reporting period. Prospect testing from surface drilling continues in the Marionoak domain.

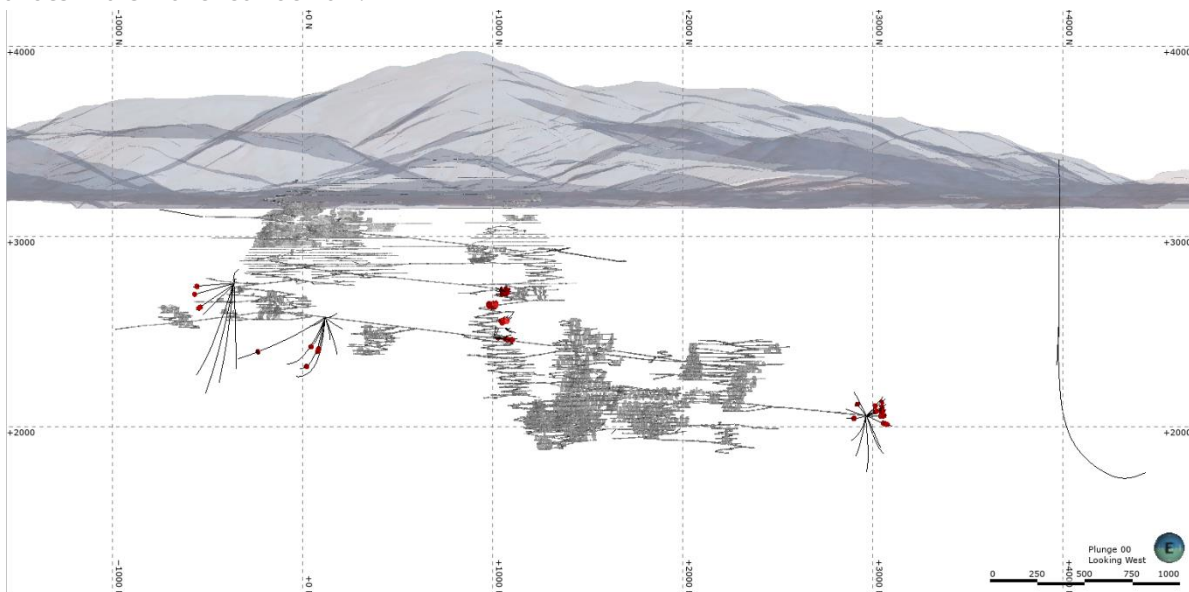


Figure 3: Rosebery Mine - Looking west showing locality of holes drilled during the quarter and significant intercepts (red discs) with topography and mined voids as grey.

CORPORATE UPDATE

2021 INTERIM FINANCIAL RESULTS UPDATE

MMG announced its 2021 interim results on 16 September 2021. MMG delivered a record Net Profit After Tax of US\$584.0 million, including a profit of US\$400.1 million attributable to equity holders. This compared with a Net Loss After Tax of US\$182.7 million in the first half of 2020, including a loss attributable to equity holders of US\$158.0 million. The strong profit was driven by higher commodity prices and increased production rates. In addition, Net Debt was reduced by US\$1,207.8 million due to strong operational cash flow and the US\$299.0 million equity issuance in June. Gearing reduced from 73% to 62% over the first half of 2021, significantly strengthening the balance sheet as MMG looks to move into its next phase of disciplined growth.

MMG TO TAKE PROACTIVE MEASURES FOR A LOW CARBON FUTURE

On 7th October, MMG announced that the Company has pledged to support measures, along with International Council on Mining & Metals (ICMM) members, that will limit global warming, targeting net zero emissions by 2050. MMG and other ICMM member companies, will join with hundreds of companies and world leaders at a United Nations Climate Change Conference held in Glasgow this November to commit to:

- Target net zero Scope 1 and 2 emissions by 2050. Interim 2030 targets will be set to limit human-induced temperature increase to well below 2.0 °C
- Protect communities and natural habitats from global warming impacts
- Mobilise financing for carbon reduction initiatives and technologies; and
- Work together to drive action between governments, business and civil society.

MMG is also completing a whole-of-company climate resilience strategy, which covers energy mix, technologies, efficiency and mitigation measures that will determine interim 2030 targets and support the 2050 goal. This work is due for completion in early 2022.

FAVOURABLE PERU TAX COURT DECISION

On 19th October, Peru Tax Court decision No. 08719-9-2021 was handed down in favour of Minera Las Bambas (MLB). This decision related to an appeal of SUNAT's assessment not to allow MLB's tax amortisation deductions for Nueva Ferrobamba resettlement costs claimed in for the 2013 tax year (~US\$106m). SUNAT continues to argue that these costs should be amortised over the life of the mine and not treated as development costs and amortised over 3 years. MLB has had similar disputes with SUNAT on this issue in respect of the 2012, 2013 and 2014 income tax years. The 2012 dispute was resolved in MLB's favour in 2019 and the 2014 dispute is current under Tax Court appeal.

The implication of this latest decision is that penalties of US\$21m levied by SUNAT for the 2013 tax year will be refunded. Penalties levied in relation to 2014 total US\$1.7m. SUNAT has 3 months to appeal this decision.

-ENDS-

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IMPORTANT DATES

January 2022 (exact date TBC) – Fourth Quarter Production Result ended 31 December 2021

March 2022 (exact date TBC)– Annual Results Announcement

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APPENDIX – GUIDANCE

2021 GUIDANCE SUMMARY		
	2021 GUIDANCE	2020 ACTUAL
Las Bambas		
Copper – production	300,00 - 305,000 tonnes	311,020 tonnes
Copper – C1 costs	US\$1.00 - US\$1.10 / lb	US\$1.00 / lb
Dugald River		
Zinc – production	180,000 - 190,000 tonnes	177,704 tonnes
Zinc – C1 costs	US\$0.65 - US\$0.70 / lb	US\$0.70 / lb
Kinsevere		
Copper – production	45,000 - 50,000 tonnes	72,007 tonnes
Copper – C1 costs	US\$2.05 - US\$2.15 / lb	US\$1.81 / lb
Rosebery		
Zinc – production	60,000 - 70,000 tonnes	67,393 tonnes
Zinc – C1 costs	US\$-0.20 - US\$0.00 / lb	US\$0.01 / lb

APPENDIX – PRODUCTION RESULTS

		LAS BAMBAS						
		QUARTER ENDED				YEAR-TO-DATE		
		SEP 2020	DEC 2020	MAR 2021	JUN 2021	SEP 2021	SEP 2021	SEP 2020
Ore mined - copper	tonnes	17,547,304	20,117,301	13,850,211	19,476,861	15,615,355	48,942,427	37,882,544
Ore milled - copper	tonnes	12,643,970	12,826,088	12,206,629	12,914,029	12,473,406	37,594,064	32,358,307
Waste movement	tonnes	36,191,289	34,793,489	35,254,426	35,256,793	37,875,223	108,386,442	102,690,978
COPPER								
Ore mined - grade	%	0.68	0.71	0.57	0.63	0.66	0.62	0.78
Ore milled - grade	%	0.76	0.86	0.63	0.72	0.74	0.70	0.76
Recovery	%	87.9	86.5	84.5	87.0	88.5	86.8	87.2
Production								
Copper concentrate	tonnes	244,328	269,420	196,436	240,113	232,164	668,713	623,431
Grade	%	34.4	35.4	32.8	33.4	34.5	33.6	34.6
Containing	tonnes	84,086	95,236	64,401	80,241	80,106	224,748	215,783
Sales								
Total concentrate sold	tonnes	229,626	277,498	216,773	287,918	208,221	712,912	626,033
Payable metal in product sold	tonnes	76,037	93,594	70,426	95,055	70,175	235,656	210,672
GOLD & SILVER								
Payable metal in product sold - gold	oz	15,455	17,808	13,520	21,287	16,250	51,057	55,053
Payable metal in product sold - silver	oz	964,886	1,251,480	877,350	1,312,009	914,837	3,104,195	2,841,392
MOLYBDENUM								
Production								
Molybdenum concentrate	tonnes	2,461	2,777	2,387	3,278	2,838	8,502	3,890
Grade	%	48.0	47.3	47.1	47.9	48.2	47.8	47.6
Contained metal produced	tonnes	1,180	1,315	1,123	1,570	1,369	4,061	1,853
Sales								
Total product sold	tonnes	2,056	2,686	2,506	3,113	2,506	8,125	2,795
Payable metal in product sold	tonnes	982	1,282	1,183	1,469	1,190	3,842	1,327

KINSEVERE								
		QUARTER ENDED				YEAR-TO-DATE		
		SEP 2020	DEC 2020	MAR 2021	JUN 2021	SEP 2021	SEP 2021	SEP 2020
Ore mined - copper	tonnes	917,287	0	20,075	0	0	20,075	1,925,609
Ore milled - copper	tonnes	613,888	641,004	552,631	624,463	619,922	1,797,016	1,807,849
Waste movement	tonnes	2,937,685	0	0	0	0	0	8,773,208
COPPER								
Ore mined - grade	%	2.28	0.00	3.81	0.00	0.00	3.08	2.52
Ore milled - grade	%	3.03	2.82	2.37	2.15	1.87	2.12	3.17
Recovery	%	95.8	96.4	95.5	96.5	97.8	96.6	95.1
Production								
Contained metal produced - cathode	tonnes	18,022	17,479	12,490	12,632	11,671	36,794	54,528
Sales								
Total product sold - cathode	tonnes	17,650	17,228	12,278	12,389	11,555	36,222	53,560
Payable metal in product sold - cathode	tonnes	17,650	17,228	12,278	12,389	11,555	36,222	53,560

DUGALD RIVER								
		QUARTER ENDED				YEAR-TO-DATE		
		SEP 2020	DEC 2020	MAR 2021	JUN 2021	SEP 2021	SEP 2021	SEP 2020
Ore mined	tonnes	541,796	495,458	449,772	434,985	508,561	1,393,319	1,487,530
Ore milled	tonnes	481,540	529,499	501,149	399,805	515,799	1,416,753	1,429,173
ZINC								
Ore mined - grade	%	10.9	11.0	11.6	11.4	10.5	11.2	10.4
Ore milled - grade	%	10.9	11.2	11.0	11.4	10.7	11.0	10.2
Recovery	%	87.9	88.2	88.8	87.9	87.8	88.2	86.2
Production								
Zinc concentrate	tonnes	93,829	105,701	97,715	79,048	96,482	273,245	256,142
Grade	%	49.1	49.6	50.2	50.6	50.1	50.3	48.9
Containing	tonnes	46,081	52,446	49,049	40,027	48,368	137,444	125,258
Sales								
Total product sold	tonnes	88,723	103,878	89,069	98,125	94,996	282,191	267,787
Payable metal in product sold	tonnes	36,469	43,187	37,355	41,660	39,839	118,854	109,386
LEAD								
Ore mined - grade	%	1.9	2.2	1.9	1.8	1.6	1.8	1.8
Ore milled - grade	%	2.0	2.2	1.8	1.7	1.7	1.7	1.7
Recovery	%	68.2	64.8	62.5	61.9	63.8	62.8	65.5
Production								
Lead concentrate	tonnes	11,488	14,378	10,267	7,675	9,603	27,545	29,504
Grade	%	55.7	52.9	55.3	55.8	57.1	56.1	55.1
Containing	tonnes	6,401	7,601	5,675	4,281	5,486	15,442	16,247
Sales								
Total product sold	tonnes	10,029	13,724	9,933	10,278	10,298	30,508	30,673
Payable metal in product sold	tonnes	5,366	6,966	5,091	5,318	5,639	16,047	16,335
SILVER								
Ore milled – grade	g/t	46.2	55.3	47.9	31.9	33.6	38.2	56.3
Payable metal in product sold	oz	361,338	506,364	371,518	299,606	319,884	991,008	1,076,822

ROSEBERY								
		QUARTER ENDED				YEAR-TO-DATE		
		SEP 2020	DEC 2020	MAR 2021	JUN 2021	SEP 2021	SEP 2021	SEP 2020
Ore mined	tonnes	265,771	266,453	246,416	259,574	234,426	740,416	724,672
Ore milled	tonnes	264,427	242,644	228,317	286,028	243,039	757,384	737,074
ZINC								
Ore mined - grade	%	7.8	8.7	8.7	7.2	7.0	7.6	8.2
Ore milled - grade	%	7.2	8.8	9.9	7.5	6.6	8.0	7.9
Recovery	%	81.6	84.5	85.7	83.9	83.8	84.5	84.4
Production								
Zinc concentrate	tonnes	28,845	33,578	36,629	33,472	24,252	94,353	91,486
Grade	%	53.8	53.5	52.8	54.1	55.5	54.0	54.0
Containing	tonnes	15,525	17,974	19,350	18,110	13,466	50,926	49,419
Sales								
Total product sold	tonnes	29,771	36,801	29,798	34,467	34,253	98,519	97,312
Payable metal in product sold	tonnes	13,661	17,048	13,619	15,566	15,698	44,882	45,122
LEAD								
Ore mined - grade	%	3.5	3.1	3.1	3.1	2.7	3.0	3.4
Ore milled - grade	%	3.3	3.5	3.7	3.0	2.7	3.1	3.2
Recovery	%	73.4	73.1	80.3	79.4	80.1	79.9	71.9
Production								
Lead concentrate	tonnes	10,148	10,145	11,515	11,120	8,445	31,080	27,916
Grade	%	62.6	60.5	58.6	61.7	61.3	60.4	61.4
Containing	tonnes	6,353	6,133	6,751	6,860	5,173	18,784	17,140
Sales								
Total product sold	tonnes	8,441	12,227	6,606	16,486	10,789	33,881	25,613
Payable metal in product sold	tonnes	4,812	7,050	3,828	9,355	6,303	19,487	14,737

ROSEBERY (continued)								
		QUARTER ENDED				YEAR-TO-DATE		
		SEP 2020	DEC 2020	MAR 2021	JUN 2021	SEP 2021	SEP 2021	SEP 2020
Ore mined	tonnes	265,771	266,453	246,416	259,574	234,426	740,416	724,672
Ore milled	tonnes	264,427	242,644	228,317	286,028	243,039	757,384	737,074
OTHER METALS								
Ore milled - gold	g/t	1.5	1.6	1.6	1.6	1.4	1.5	1.6
Ore milled - silver	g/t	120.7	128.7	129.8	119.7	95.3	114.9	120.0
Ore milled - copper	%	0.22	0.28	0.34	0.26	0.19	0.26	0.24
Production								
Precious metals concentrate	tonnes	2,085	2,576	2,580	2,497	1,700	6,777	6,247
Containing - copper	tonnes	361	440	437	434	274	1,146	1,097
Containing - gold	oz	5,024	4,929	4,241	5,211	3,634	13,086	15,150
Containing - silver	oz	452,636	498,139	383,904	491,343	331,316	1,206,563	1,237,122
Gold doré	oz	4,664	5,484	4,433	8,360	6,101	18,894	12,528
Containing - gold	oz	2,774	3,279	2,372	4,864	3,647	10,882	7,357
Containing - silver	oz	1,775	1,941	1,218	2,890	2,164	6,272	4,196
Sales								
Precious metals concentrate sold	tonnes	1,932	2,405	2,799	3,263	1,771	7,834	6,856
Gold doré sold	oz	6,369	4,416	4,812	7,057	6,235	18,104	12,242
Payable metal in product sold - copper	oz	316	391	460	528	291	1,279	1,171
Payable metal in product sold - gold	oz	9,949	8,943	8,145	11,775	8,787	28,706	27,533
Payable metal in product sold - silver	oz	607,605	783,856	534,252	945,005	673,032	2,152,289	1,959,026