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MMG LIMITED

五礦資源有限公司

(Incorporated in Hong Kong with limited liability)

(STOCK CODE: 1208)

VOLUNTARY ANNOUNCEMENT LAS BAMBAS TAX UPDATE

The board of directors (Board) of MMG Limited (Company and, together with its subsidiaries, the Group) refer to the Company's announcement on 16 October 2020 informing shareholders that the Company's subsidiary, Minera Las Bambas S.A. (MLB), received notice from the Peru Tax Court of a judgment upholding the assessment by the National Superintendence of Tax Administration of Peru (SUNAT) that approximately USD185 million of value added tax (VAT), penalties and interest has been assessed in respect of the 2011 and 2012 financial years when the Las Bambas mine was under the ownership of Glencore plc. The Peru Tax Court has confirmed that USD170,660,389 is payable and subject to coercive enforcement (Amount Payable).

SUNAT has today collected the Amount Payable.

MLB has appealed the initial Tax Court decision to the judiciary. This appeal is ongoing, and it is noted that appeals in the Peruvian Judiciary System may take several years to resolve.

The Amount Payable relates to the pre-closing period under the Share Purchase Agreement entered into with Glencore plc in respect of the Las Bambas Project in July 2014 and the Company may seek reimbursement of some or all of the amount from Glencore plc by way of indemnity or warranty claims under that agreement once the matter is finally determined by the Peruvian judiciary.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 22 November 2021

As at the date of this announcement, the Board consists of 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.