

# MINE ANALYSIS: ROSEBERY

## Products

Zinc Concentrate  
Lead Concentrate  
Precious Metals Concentrate  
Gold Doré

## Ownership

100%  
MMG Limited

Location: Australia



Revenue (US\$ Million)

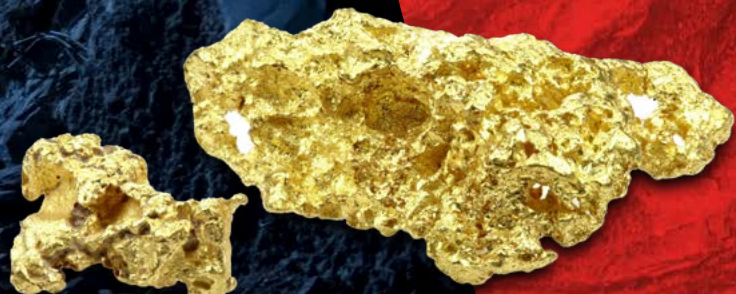
**\$259.9**

Ore Milled (Tonnes)

**896,861**

Zinc in Zinc Concentrate Produced (Tonnes)

**51,156**



# MINE ANALYSIS: ROSEBERY

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| Year Ended 31 December                         | 2022      | 2021      | Change %<br>Fav/(Unfav) |
|--|-----------|-----------|-------------------------|
| <b>Production</b>                              |           |           |                         |
| Ore mined (tonnes)                             | 886,118   | 1,004,168 | (12%)                   |
| Ore milled (tonnes)                            | 896,861   | 1,022,487 | (12%)                   |
| Zinc in zinc concentrate (tonnes)              | 51,156    | 69,454    | (26%)                   |
| Lead in lead concentrate (tonnes)              | 18,077    | 25,053    | (28%)                   |
| Copper in precious metals concentrate (tonnes) | 1,147     | 1,567     | (27%)                   |
| Gold (ounces)                                  | 26,709    | 43,010    | (38%)                   |
| Silver (ounces)                                | 2,178,998 | 3,375,624 | (35%)                   |
| <b>Payable metal in product sold</b>           |           |           |                         |
| Copper (tonnes)                                | 1,166     | 1,613     | (28%)                   |
| Zinc (tonnes)                                  | 44,626    | 59,562    | (25%)                   |
| Lead (tonnes)                                  | 17,345    | 24,820    | (30%)                   |
| Gold (ounces)                                  | 26,148    | 37,537    | (30%)                   |
| Silver (ounces)                                | 2,071,434 | 2,856,635 | (27%)                   |

| Year Ended 31 December                 | 2022<br>US\$ Million | 2021<br>US\$ Million | Change %<br>Fav/(Unfav) |
|--|----------------------|----------------------|-------------------------|
| <b>Revenue</b>                         | <b>259.9</b>         | <b>365.2</b>         | <b>(29%)</b>            |
| <b>Operating expenses</b>              |                      |                      |                         |
| <b>Production expenses</b>             |                      |                      |                         |
| Mining                                 | (70.5)               | (76.5)               | 8%                      |
| Processing                             | (31.0)               | (32.5)               | 5%                      |
| Other                                  | (26.7)               | (27.6)               | 3%                      |
| <b>Total production expenses</b>       | <b>(128.2)</b>       | <b>(136.6)</b>       | <b>6%</b>               |
| Freight (transportation)               | (10.1)               | (8.9)                | (13%)                   |
| Royalties                              | (12.8)               | (18.8)               | 32%                     |
| Other <sup>1</sup>                     | (10.2)               | 2.4                  | (525%)                  |
| <b>Total operating expenses</b>        | <b>(161.3)</b>       | <b>(161.9)</b>       | <b>0%</b>               |
| Other expenses                         | -                    | -                    | -                       |
| <b>EBITDA</b>                          | <b>98.6</b>          | <b>203.3</b>         | <b>(52%)</b>            |
| Depreciation and amortisation expenses | (46.9)               | (79.7)               | 41%                     |
| <b>EBIT</b>                            | <b>51.7</b>          | <b>123.6</b>         | <b>(58%)</b>            |
| <b>EBITDA margin</b>                   | <b>38%</b>           | <b>56%</b>           | <b>(32%)</b>            |

1 Other operating expenses include changes in inventories, corporate recharges and other costs of operations.

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Rosebery produced 51,156 tonnes of zinc and 18,077 tonnes of lead in 2022. This represented a 26 per cent and 28 per cent drop in zinc and lead production respectively, compared to 2021. The reduction in production from the prior year is mainly a reflection of COVID-19 impact on workforce availability early in the year, declining ore feed grades and resequencing of mining activities in the second and third quarters.

Precious metal production for 2022 totalled 11,087 ounces of gold and 5,624 ounces of silver, with both decreasing compared to 2021 due to mining sequence change and decreasing grades.

Revenue decreased by US\$105.3 million (29 per cent) to US\$259.9 million due to lower zinc (US\$40.5 million), lead (US\$15.0 million) and other by-product sales volumes (US\$44.2 million) and lower realised silver prices (US\$11.5 million). This was partly offset by higher realised zinc prices (US\$8.1 million).

Total production expenses decreased by US\$8.4 million (6 per cent) compared to 2021 mainly due to favourable exchange rates with the weakening of the Australian dollar in 2022 (US\$10.3 million), partly offset by higher diesel prices (US\$2.3 million).

Rosebery full-year C1 costs of US\$0.26/lb were at the lower end of revised guidance of US\$0.25 – US\$0.35/lb but higher than 2021 as a result of the lower production rates and lower by-product prices.

### 2023 outlook

Rosebery zinc production for 2023 is expected to be in the range of 55,000 and 65,000 of zinc in zinc concentrate. This is an improvement on 2022 due to higher ore grades and higher ore mined tonnes due to improved workforce availability.

C1 costs in 2023 are expected to be in the range of US\$0.35 – US\$0.50/lb, an increase on 2022 due to the cost escalation experienced across mining industry, lower anticipated by-product credits and increased treatment charges, which will be partly offset by higher production.