

# Chairman's Letter

Dear Shareholders,

I am pleased to present the 2023 Annual Report which is my first as the Chair of the Company. After six years on the Executive Committee and as a Director since May 2009, I am delighted to have the opportunity, together with the Management Team, to drive the future success of the business.

## Safety, our first value

First, let me start with our safety performance. At MMG, safety is our first value and we continue to place significant effort on eliminating fatalities and serious injuries from our workplaces.

However, I am deeply saddened by the deaths of Barmingo contractors Mr Trevor Davis and Mr Dylan Langridge at Dugald River in February 2023. I offer my sincere condolences to their families and friends. This incident serves as a sad and lasting reminder of the paramount importance of safety, and our commitment to eliminate injuries and fatalities across MMG.

In 2024, we will maintain a close focus on learning from incidents and particularly significant events with energy exchange. We will continue to take a proactive approach to risk management and field task observations to ensure that we are actively reducing risks for our people. Nothing is more important than ensuring our people can return home safely to their families and friends.

## Strategy and portfolio

While 2023 has presented challenges with price fluctuations in our core commodities, the medium and long-term outlook for our products remains very strong. Global trends such as urbanisation, decarbonisation and electrification will continue to drive demand for copper and zinc. China also remains deeply committed to a strong decarbonisation agenda domestically and is actively advancing clean energy technologies which are very supportive of the mining sector.

The need for minerals that are critical to the energy transition will continue to grow and evolve and will require many sources of investment, technology and manufacturing capability - with China to remain a key partner.

As a producer with a commitment to the highest operating standards, and as an active member of the International Council on Mining and Metals, MMG remains an important international growth platform for our major shareholder, China Minmetals Corporation (CMC).

CMC's support has enabled us to enter into a Share Purchase Agreement to acquire the Khoemaçau Mine in Botswana in November 2023. This acquisition reaffirms our commitment to build a portfolio of high-quality mines and aligns to our vision of creating a leading international mining company for a low carbon future. Khoemaçau is a high-quality operating mine with a very robust expansion case and is located in one of the most prospective mining regions in Africa, the Kalahari Copperbelt. This acquisition is closely aligned to our strategy of delivering long-term value for shareholders by pursuing value-accretive external opportunities while continuing to focus on pursuing organic growth opportunities across our existing asset base.

Across the entire MMG portfolio we have also continued to focus on growth drilling and on progressing the key development projects which include the Chalcobamba development at Las Bambas and the Kinsevere Expansion Project (KEP). I am pleased to report that we have made steady progress on both throughout 2023.



**XU Jiqing**  
Chairman

In Peru, we have worked closely with the Government of Peru and community members in transparent and constructive dialogue. Discussions with the Huancuire community have continued to progress and we have signed agreements with a number of community companies which have been able to commence early works at Chalcobamba. While we have not yet reached final agreements with the community, we remain positive regarding progress as we work together to share the success of Las Bambas.

The construction of the Kinsevere Expansion Project, which will enable us to transition to mining sulphide ores and introduce cobalt into our product portfolio, remains on track. We were pleased to celebrate the commissioning of the cobalt plant in the fourth quarter of the 2023, having achieved the first production of Kinsevere's cobalt hydroxide. The new tailings storage facility at site was also commissioned to support cobalt production and progress has been made in the installation of the concentrator and roaster as well as the gas cleaning and acid plant to support copper production from sulphide ore.

### Executive team changes

In February 2024, we welcomed the appointment of Mr Song Qian as the Executive General Manager Finance, following the retirement of Chief Financial Officer Mr Ross Carroll who will depart the business in July 2024.

Mr Qian brings to MMG significant experience within CMC where he has held a number of senior executive roles, most recently as the Chief Financial Officer of Minmetals Innovative Investments Co. He was also employed by the Company from 2010 to 2012 and has a strong understanding of the MMG business.

In early 2024, we further undertook a review of executive portfolios and realigned a number of executive accountabilities. As part of this process, we have created a new role of Executive General Manager Operations to integrate group operational accountability and excellence. Mr Nan Wang, formerly

Executive General Manager Australia and Africa, has been appointed and commenced in this role on 1 February 2024.

A new position of Executive General Manager – Commercial and Development has been created to focus on strategy, projects, mergers and acquisitions with the Interim Chief Executive Officer performing this role until the recruitment process is completed.

On behalf of the Board, I extend my gratitude to Mr Carroll for his valuable contributions to the Company since he joined MMG in late 2015.

### Conclusion

Finally, in 2024 we will continue to focus our efforts on driving strong operational performance and excellence in project delivery across the business.

Our success would not be possible without our people or the support of our shareholders. On behalf of the Board, I extend my gratitude to our people for their commitment and contributions and we thank our shareholders, partners and communities for their ongoing support.

**XU Jiqing**  
Chairman