

Mine Analysis Rosebery

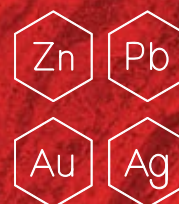
Location

Australia



Product

Zinc concentrate
Lead concentrate
Precious Metals Concentrate
Gold Doré



Revenue (US\$ million)

\$240.0

Ownership



● MMG Limited 100.0%

Ore milled (tonnes)

918,074

Zinc in zinc concentrate produced (tonnes)

51,626



Mine Analysis: Rosebery Continued

| Year ended 31 December | 2023 | 2022 | Change % Fav/(Unfav) |
|--|-----------|-----------|-------------------------|
| Production | | | |
| Ore mined (tonnes) | 922,275 | 886,118 | 4% |
| Ore milled (tonnes) | 918,074 | 896,861 | 2% |
| Zinc in zinc concentrate (tonnes) | 51,626 | 51,156 | 1% |
| Lead in lead concentrate (tonnes) | 19,147 | 18,077 | 6% |
| Copper in precious metals concentrate (tonnes) | 1,163 | 1,147 | 1% |
| Gold (ounces) | 30,096 | 26,709 | 13% |
| Silver (ounces) | 2,583,418 | 2,178,998 | 19% |
| Payable metal in product sold | | | |
| Copper (tonnes) | 1,131 | 1,166 | (3%) |
| Zinc (tonnes) | 47,664 | 44,626 | 7% |
| Lead (tonnes) | 16,854 | 17,345 | (3%) |
| Gold (ounces) | 26,391 | 26,148 | 1% |
| Silver (ounces) | 2,206,577 | 2,071,434 | 7% |

| Year ended 31 December | 2023 US\$ million | 2022 US\$ million | Change % Fav/(Unfav) |
|--|----------------------|----------------------|-------------------------|
| Revenue | 240.0 | 259.9 | (8%) |
| Operating expenses | | | |
| Production expenses | | | |
| Mining | (78.2) | (70.5) | (11%) |
| Processing | (33.0) | (31.0) | (6%) |
| Other | (29.8) | (26.7) | (12%) |
| Total production expenses | (141.0) | (128.2) | (10%) |
| Freight (transportation) | (7.8) | (10.1) | 23% |
| Royalties | (3.7) | (12.8) | 71% |
| Other ¹ | (4.0) | (10.2) | 61% |
| Total operating expenses | (156.5) | (161.3) | 3% |
| Other expenses | (5.7) | - | (100%) |
| EBITDA | 77.8 | 98.6 | (21%) |
| Depreciation and amortisation expenses | (56.8) | (46.9) | (21%) |
| EBIT | 21.0 | 51.7 | (59%) |
| EBITDA margin | 32% | 38% | |

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

Mine Analysis: Rosebery Continued

Rosebery produced 51,626 tonnes of zinc in zinc concentrate and 19,147 tonnes of lead in lead concentrate in 2023. This represented a 1% and 6% increase respectively compared to 2022. The volume of ore mined was 4% higher compared to 2022, primarily due to mining sequence and improved workforce availability, despite lost production in January resulting from the bushfire incident.

Precious metal production for 2023 totalled 30,096 ounces of gold and 2,583,418 ounces of silver. This represents an increase of 13% and 19% respectively compared to 2022, reflecting higher grades for both gold and silver.

Revenue decreased by US\$19.9 million (8%) to US\$240.0 million due to lower prices for zinc (US\$42.0 million), lead (US\$1.8 million), and copper (US\$1.0 million), this was partly offset by higher zinc sales volumes (US\$8.8 million), higher precious metal prices (US\$14.1 million) and higher precious metal sales volumes (US\$3.1 million).

Total production expenses increased by US\$12.8 million (10%) compared to 2022 mainly due to higher mining costs (US\$11.8 million) driven by increased ore mined, higher backfill volumes and higher intensity of ground support in seismically active areas of the mine. Processing costs were also higher by US\$3.5 million driven by higher ore milled volumes. This is partly offset by impact of the weaker Australian dollar (US\$6.1 million).

Royalties were favourable by US\$9.1 million reflecting lower sales revenue and profit as well as an adjustment that was made to the prior year's royalty return.

Rosebery's C1 costs were US\$0.26/lb in 2023, in line with 2022, as higher production expenses were offset by higher by-product credits.

2024 Outlook

Rosebery zinc production for 2024 is expected to be in the range of 50,000 to 60,000 tonnes of zinc in zinc concentrate, an improvement on 2023 mainly due to higher expected zinc grades. Including the contribution of by-product metals, zinc equivalent production for 2024 is expected to be in the range of 115,000 to 130,000 tonnes.

C1 costs for 2024 are expected to be in the range of US\$0.10 – US\$0.25/lb. This is an improvement on 2023 due to higher anticipated production levels and lower zinc treatment charges.