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**MMG LIMITED**

**五礦資源有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(HKEX STOCK CODE: 1208)**

**(ASX STOCK CODE: MMG)**

## THIRD QUARTER PRODUCTION REPORT

### FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2016

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 2016.

The report is annexed to this announcement.

By order of the Board

**MMG Limited**

**Andrew Gordon Michelmores**

*CEO and Executive Director*

Hong Kong, 20 October 2016

*As at the date of this announcement, the Board comprises eight directors, of which two are executive directors, namely Mr Andrew Gordon Michelmores and Mr Xu Jiqing; two are non-executive directors, namely Mr Jiao Jian (Chairman) and Mr Gao Xiaoyu; and four are independent non-executive directors, namely Dr Peter William Cassidy, Mr Leung Cheuk Yan, Ms Jennifer Anne Seabrook and Professor Pei Ker Wei.*

# THIRD QUARTER PRODUCTION REPORT

## FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2016 KEY POINTS

	3Q 16	3Q 16 vs 3Q 15	3Q 16 vs 2Q 16	YTD	YTD 16 vs YTD 15
<b>COPPER CATHODE (tonnes)</b>					
Kinsevere	19,869	-4%	-2%	59,843	0%
Sepon	20,046	-17%	14%	55,965	-19%
<b>Total</b>	<b>39,915</b>	<b>-11%</b>	<b>5%</b>	<b>115,808</b>	<b>-10%</b>
<b>COPPER (contained metal in concentrate, tonnes)</b>					
Las Bambas	106,123	-	22%	224,736	-
Golden Grove	1,900	-73%	-29%	8,093	-60%
Rosebery	405	-43%	-20%	1,443	-37%
<b>Total</b>	<b>108,428</b>	<b>1304%</b>	<b>20%</b>	<b>234,272</b>	<b>953%</b>
<b>ZINC (contained metal in concentrate, tonnes)</b>					
Golden Grove	5,978	-59%	-29%	24,169	-21%
Rosebery	20,078	-11%	0%	60,023	-16%
<b>Total</b>	<b>26,055</b>	<b>-30%</b>	<b>-9%</b>	<b>84,192</b>	<b>-18%</b>
<b>LEAD (contained metal in concentrate, tonnes)</b>					
Golden Grove	512	-73%	-41%	2,305	-51%
Rosebery	6,254	20%	-7%	18,902	18%
<b>Total</b>	<b>6,766</b>	<b>-5%</b>	<b>-11%</b>	<b>21,207</b>	<b>3%</b>

- Las Bambas produced 106,123 tonnes of copper in copper concentrate, demonstrating design capability of the operation in the first quarter since commercial production was achieved on 1 July.
- Las Bambas reached the lower end of its production guidance range (250,000-300,000<sup>1</sup> tonnes of copper in copper concentrate) within the past week. The guidance range remains unchanged given ongoing risks typically associated with ramping up a plant of this scale.
- Following the tragic death of an employee of MMG's logistics contractor on 21 July 2016, trucking logistics were suspended and a number of additional safety measures implemented.
- Bulk concentrate transport progressively increased back to full capacity by mid-September. The year-end inventory balance at Las Bambas is currently expected to be around 100,000 tonnes of copper concentrate, in line with previous guidance (16 August 2016). This inventory is expected to be progressively sold down during Q1 2017.
- Following recent conflict between Police and members of the Pumamarca community, 20 Kilometres from the Las Bambas site, a community member was fatally wounded and approximately 20 police suffered injuries. Resulting roadblocks have temporarily halted site access and concentrate logistics transport.

<sup>1</sup> 2016 copper in copper concentrate produced at Las Bambas includes production from commissioning and start up activities in December 2015.

- Dugald River project is 28% complete, with all major contractors mobilised on site and key milestones tracking in line with the schedule. First production is expected in the first half 2018 with the mine producing an estimated 170,000 tonnes per annum of zinc.
- Kinsevere performance consistently strong, with production remaining well above nameplate capacity and record daily average production achieved for the month of September. Production for the first nine months of 2016 was 59,843 tonnes, in line with the prior corresponding period.
- Sepon production down 19% compared to the first nine months of 2015 as the transition to lower grade, and more complex ores continues.
- Rosebery production and costs maintained in line with guidance in its 81<sup>st</sup> year of operation.
- Strategic reduction in throughput at Golden Grove impacted production compared to prior periods.
- Cost improvement initiatives continue across all sites, group and support functions in response to challenging copper price.
- 2016 guidance maintained – MMG expects to produce 415,000-477,000 tonnes of copper and 120,000-135,000 tonnes of zinc.

## SAFETY, HEALTH, ENVIRONMENT AND COMMUNITY

MMG's first value is ensuring the safety of its people. Tragically, on 21 July 2016 an employee of the Company's Peru-based logistics contractor died following an off-site road accident. An investigation into this incident has been completed and improvement actions are progressively being implemented.

MMG's operations recorded a Total Recordable Injury Frequency (TRIF) for the third quarter 2016 of 2.25 and 1.89 for the year-to-date.<sup>2</sup>

The Lost Time Injury Frequency (LTIF) was 0.94 for the period and 0.56 for the year-to-date.

## COMMODITY PRICES, MARKETING AND SALES

LME cash price	Quarter – average			Quarter – close		
	3Q 16	2Q 16	3Q 15	3Q 16	2Q 16	3Q 15
Copper (US\$/lb)	2.17	2.15	2.39	2.20	2.19	2.35
Gold (US\$/oz)	1,333	1,259	1,125	1,335	1,319	1,115
Lead (US\$/lb)	0.85	0.78	0.78	0.96	0.81	0.75
Silver (US\$/oz)	19.61	16.78	14.93	19.17	18.36	14.52
Zinc (US\$/lb)	1.02	0.87	0.84	1.08	0.95	0.76

The London Metal Exchange (LME) copper price continued to trade within a narrow range and closed the third quarter at around the same level as at the end of the previous quarter.

China's demand for imported copper concentrate continued the strong growth that has been seen in previous quarters as the country's smelter industry expands. Data for the first eight months of 2016 shows China's copper concentrate imports increased 34.6% on the same period for 2015 and will result in 2016 being another record year for the country's copper concentrate imports. China's growing demand, together

<sup>2</sup> The TRIF for MMG from 1 July 2016 includes Las Bambas Project now that the site is in commercial production.

with healthy smelter production in other major producing regions continues to absorb increased copper concentrate supplies that have reached the market this year. This has kept spot market TCRCs for copper concentrates during third quarter around the 2016 benchmark level.

The refined copper market remained subdued during third quarter as China's imports slowed and deposits in LME warehouses rose. Despite this, global exchange stocks at the end of the period of 573,000 tonnes were still equivalent to only 9 days of global consumption.

Zinc and lead prices strengthened further during the quarter with zinc now up by 50% compared to the start of this year. Zinc and lead concentrates are both in tight supply as a consequence of previous mine closures and this has resulted in a continuing move in spot market treatment charges in favour of mines.

## PROVISIONAL PRICING

The following table provides a summary of the contained metal that was sold but provisionally priced at the end of the third quarter 2016 and the month that final average pricing will occur.

Open pricing at 30 September 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Total
Copper (tonnes cathode and copper contained in concentrate)	22,246	31,713	3,505	14,293	71,757
Gold (payable ounces in concentrate)	9,497	9,390	915	-	19,803
Lead (tonnes)	1,835	925	-	-	2,760
Silver (ounces)	516,878	298,812	50,201	-	865,891
Zinc (tonnes)	5,538	3,325	-	-	8,863

## OPERATIONS

### LAS BAMBAS

	3Q 16	vs 3Q 15	3Q 16 vs 2Q 16	YTD	YTD 16 vs YTD 15
<b>Contained metal in concentrate</b>	<b>3Q 16</b>	<b>vs 3Q 15</b>	<b>vs 2Q 16</b>	<b>YTD</b>	<b>YTD 16 vs YTD 15</b>
Copper (tonnes)	106,123	-	22%	224,736	-

Las Bambas produced 106,123 tonnes of copper in copper concentrate during the September quarter, demonstrating achievement of design capability in the first quarter since commercial production was declared. The progress of the ramp up is pleasing, from first shipment in January 2016, operating the plant at and above nameplate capacity since April 2016 and achieving commercial production on 1 July 2016. Las Bambas reached the lower end of its production guidance range (250,000-300,000<sup>3</sup> tonnes of copper in copper concentrate) within the past week. The guidance range remains unchanged given ongoing risks typically associated with ramping up a plant of this scale.

Following the tragic off-site road fatality of 21 July 2016, all concentrate trucking at Las Bambas was suspended to implement additional measures to improve the safety of concentrate transport. Bulk concentrate transport was progressively increased back to full capacity in mid-September. Consistent with

<sup>3</sup> 2016 copper in copper concentrate produced at Las Bambas includes production from commissioning and start up activities in December 2015.

previous disclosure, it is anticipated that the transport disruption will result in end of year inventory at Las Bambas of around 100,000 tonnes of copper concentrate or 30,000 to 40,000 tonnes of copper in copper concentrate and that this inventory will be progressively sold down in the first quarter of 2017. This position will be reviewed in the context of the current logistics disruption.

MMG is deeply concerned that a community member is reported to have died and a number of Police have been injured as the result of a community conflict on 14 October 2016. The conflict occurred between the community and National Police in Pumamarca, 20 kilometres from the Las Bambas operation in Peru. The incident is currently being investigated by Peruvian authorities.

Las Bambas management continue to monitor the situation, with the team focused on ensuring the safety of the people located at site and in the community.

Investment in social development and community relations remains a priority. Las Bambas is committed to ongoing dialogue with communities surrounding the operation, including through the National government supported dialogue process.

While operations continue, logistics have been temporarily disrupted by ongoing community blockages. There are no alternate routes currently available for trucking. MMG is working with the authorities at national, provincial and local levels, and continuing to engage with the community to reach a resolution.

Following the achievement of commercial production, optimisation of the plant and processes has continued in the September quarter. MMG maintains C1 cost guidance within the range of US\$1.00-1.10/lb for the second half 2016, and US\$0.80-\$0.90/lb once the plant is at a steady state in future.

## KINSEVERE

	<b>3Q 16</b>	<b>3Q 16</b> <b>vs</b> <b>3Q 15</b>	<b>3Q 16</b> <b>vs</b> <b>2Q 16</b>	<b>YTD</b>	<b>YTD 16</b> <b>vs</b> <b>YTD 15</b>
Copper cathode (tonnes)	19,869	-4%	-2%	59,843	0%

Kinsevere production for the nine months to 30 September 2016 was 59,843 tonnes of copper cathode, in line with the prior corresponding period, as the operation continues to drive efficiencies and produce well above plant nameplate. The consistently strong performance from the site team was demonstrated by a record for average daily production in the month of September.

Around 62,200 tonnes of ore from the nearby Kalumines deposit, acquired through an offtake agreement, was milled in the third quarter.

Power supply initiatives continue to be implemented to improve the availability of reliable grid supply. During the September quarter 85% of power requirements were sourced from grid power providers and the remainder provided from site based diesel power generation.

Guidance is unchanged at 75,000-80,000 tonnes of copper cathode in 2016 at a C1 cost of US\$1.40-\$1.55/lb.

## SEPON

	3Q 16	3Q 16 vs 3Q 15	3Q 16 vs 2Q 16	YTD	YTD 16 vs YTD 15
Copper cathode (tonnes)	20,046	-17%	14%	55,965	-19%

Sepon produced 20,046 tonnes of copper cathode, down 17% on the corresponding period as the operation moves through the second year of its transition to lower grade and more complex ores.

Production in the third quarter reflects lower grades, with YTD ore milled grades of 3.6% compared to 5.1% in 2015. Copper ore mined in the nine months to September 2016 was 58% higher than the corresponding period in 2015. Mining is now concentrated primarily in the western areas of the lease some 15 to 20km away from the main processing facility.

Copper ore milled was 21% higher in the nine months to September 2016 against the corresponding period in 2015. Further operational improvements have been achieved in the third quarter to maximise plant throughput and therefore copper production from the lower grade, more complex ores. Highlighting this improvement, September production was the strongest month for the year to date.

Increasing strip ratios, lower grades and higher geological complexities associated with deposits in the western areas and the final stages of the Khanong deposit are expected to continue having an impact on the operation going forward and still present a risk to production in the fourth quarter. Consistent with previous disclosure, annual production is expected to be at the lower end of guidance and the upper end of cost guidance. 2016 guidance ranges remain 80,000-85,000 tonnes of copper cathode at a C1 cost of US\$1.10-\$1.25/lb.

## AUSTRALIAN OPERATIONS

	3Q 16	3Q 16 vs 3Q 15	3Q 16 vs 2Q 16	YTD	YTD 16 vs YTD 15
<b>Contained metal in concentrate</b>					
Zinc (tonnes)	26,055	-30%	-9%	84,192	-18%
Lead (tonnes)	6,766	-5%	-11%	21,207	3%
Copper (tonnes)	2,304	-70%	-28%	9,536	-57%

Production of zinc in zinc concentrate was 26,055 tonnes, which was 30% below the prior corresponding period due to lower feed grade at Rosebery. Zinc ore grades at Rosebery continue to decline over time as deeper ore bodies are accessed. Work to further debottleneck and optimise the mill continues to offset this ongoing grade decline. Production of copper in copper concentrate during the September quarter of 2,304 was 70% below the prior corresponding period. This was primarily due to reduced throughput at Golden Grove in line with the strategy to preserve the value of the resource while exploration continues for high grade ore at depth. This strategy was implemented in January 2016 and has reduced throughput from 1.6Mtpa to 1Mtpa with campaign milling introduced to reduce costs.

Production and cost guidance for Golden Grove and Rosebery is unchanged. **Golden Grove:** Production expected to be 45,000-55,000 tonnes of zinc in zinc concentrate and 10,000-12,000 tonnes of copper in copper concentrate in 2016. C1 costs are expected to be US\$0.30-\$0.45/lb for zinc and US\$1.90-\$2.10/lb for copper in 2016. **Rosebery:** 75,000-80,000 tonnes of zinc in zinc concentrate at a C1 cost of US\$0.30-\$0.40/lb and 18,000-22,000 tonnes of lead in lead concentrate in 2016.

An extensive drilling program has been underway at Golden Grove in 2016 and is expected to conclude in early 2017 to increase the knowledge of Xantho Extended. Recent infill drilling at Xantho Extended has returned promising intersections near current mine workings. These indicate the potential to upgrade and extend resources further in the near mine area..

## CENTURY

Care and maintenance of major infrastructure at Century's operational sites at Lawn Hill and Karumba commenced and mine closure activities continued.

## DUGALD RIVER

The project is now 28% complete and on target for first concentrate production in the first half of 2018. Key milestones during the third quarter were 1,483m of lateral development, 30,623m of diamond drilling and 199m of vertical shaft development completed. The permanent village expansion to 400 persons is substantially complete and operational, 75% of process equipment has been delivered to site, high voltage transmission line pole installation has commenced and the tailings storage facility embankment construction is 80% complete.

As previously disclosed, the expected remaining cost of the project from July 2015 to first shipment of concentrate has been reduced by up to US\$150 million – from US\$750 million to US\$600-620 million<sup>4</sup> plus interest costs. This is the result of an improved development plan and savings secured through strategic sourcing in the mining construction downturn.

Since receiving conditional approval of the updated development plan in July 2015, MMG has further improved project value by:

- reducing project capital cost and ongoing mining unit cost;
- enabling increased production and improved mill utilisation;
- targeting ore with higher geological confidence and lower risk; and
- increasing productivity through better mine and operations planning.

As a result, the optimised mine plan will support a 1.7 Mtpa operation with annual production of around 170,000 tonnes of zinc in zinc concentrate, plus by-products. This confirms Dugald River's position within the world's top ten zinc mines when operational. The mine will operate over an estimated 25 years while the ore body remains open at depth. At this stage MMG expects to achieve C1 costs of US\$0.68-0.78/lb when at a steady state of operation.

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<sup>4</sup> US\$600-620 million cost to complete from Board approval of the updated development plan in July 2015 to first shipment of concentrate in 2018.

## GEOSCIENCE AND DISCOVERY

The focus of mine district exploration was mainly at Las Bambas and Kinsevere 50 kilometre radius (Rad50), while new discovery programs were active in North America, Australia and Zambia.

Within 50 kilometre radius of the Kinsevere mine, further drilling at NW Mashi confirms that the primary sulphide copper mineralisation remains open to the northwest at depth, with further fences along strike planned. Twinned diamond holes on previous RC drilling have highlighted high grade zones in the central portion of the Sokoroshe 2 oxide copper orebody. At Las Bambas, ground geophysical survey and soil sampling are on-going between the Sulfobamba and Chalcobamba deposits, and around the Ferrobamba Pit. Limited exploration was carried out at Sepon due to the wet season.

Scout diamond drilling has been carried out at a new discovery zinc program in Australia during the third quarter. A 7-hole drilling program is in progress at McArthur Basin in the Northern Territory. The program aims to test a number of priority targets following an airborne gravity survey flown early this year.

## CORPORATE UPDATE

### **RETIREMENT OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER**

During the quarter, Mr Andrew Michelmore advised the Board of his intention to retire from his position as the Chief Executive Officer and an Executive Director of the Company during the year 2017. The Board will review its succession process and following that will formally commence the identification of a suitable replacement Chief Executive Officer and Executive Director. The Chairman of the Board, Mr Jiao Jian, will lead the process to assess both internal and external candidates.

Mr Michelmore has agreed he will stay on until mid-2017 to oversee the ongoing ramp up of Las Bambas, the implementation of other key strategic initiatives, and an orderly succession process.

### **M&A UPDATE**

During the quarter MMG progressed portfolio management initiatives, including the sale of the Avebury mine in Tasmania for A\$25m. The Avebury mine has been on care and maintenance since 2009 and MMG believes that this transaction provides the best opportunity to restart the mine.

An expression of interest process for the Golden Grove operation commenced with significant interest and an outcome is expected to be determined by the end of 2016. The expression of interest process for the Century mine assets also progressed as MMG seeks economic opportunities for the significant infrastructure remaining at the Lawn Hill site, pipeline and Karumba port.

### **FINANCIAL RESULTS**

MMG reported its half year results on 16 August 2016 for the period ended 30 June 2016, with a reported loss (after tax) of US\$93m reflecting the difficult market conditions and planned transition as production profile shifts from zinc to copper.

Revenue was down US\$527.7 million (47%) on 2015 to US\$586.1 million due to lower zinc sales volumes as a result of the Century mine closure, lower copper production at Sepon and lower average realised prices for all commodities except gold.

## **MINERAL RESOURCES & ORE RESERVES STATEMENT**

On 18 October 2016 MMG released its Mineral Resources and Ore Reserves Statement (MROR) as at 30 June 2016.

Mineral Resources (contained metal) have increased for molybdenum by 4%, remains unchanged for gold and nickel, and decreased for copper by 1%, zinc by 2%, lead by 6% and silver by 5%. Ore Reserves (contained metal) have increased for copper by 6%, silver by 2% and molybdenum by 7% and decreased for zinc by 10%, lead by 11% and gold by 5%.

Las Bambas Mineral Resources and Ore Reserves have increased by 117Mt and 7Mt respectively. The Las Bambas Mineral Resources addition has partially offset Group metal reductions which are mostly due to depletion, cut-off grade changes and drilling results at MMG's operations.

Ore Reserves (contained metal) have increased principally due to the increase at Las Bambas along with additions at Kinsevere. Decreases in Ore Reserves contained metal are mostly the result of depletion at Century, Golden Grove and Rosebery.

# CORPORATE DETAILS

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A teleconference will be held at 13:00 AEDT /10:00 Hong Kong time on Friday 21 October 2016 to review the report and offer an opportunity to ask questions.

For details please contact Corporate Affairs below.

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## MMG LIMITED

### EXECUTIVE COMMITTEE

Andrew MICHELMORE, Chief Executive Officer and Executive Director

Ross CARROLL, Chief Financial Officer

XU Jiqing, Executive General Manager China and Strategy and Executive Director

Marcelo BASTOS, Chief Operating Officer

Troy HEY, Executive General Manager Stakeholder Relations

Greg TRAVERS, Executive General Manager Business Support

### IMPORTANT DATES\*

Late January 2017 – 4Q16 Quarterly Production Report

*\* Subject to Change*

Throughout this report figures in italics indicate that this figure has been adjusted since it was previously reported.

# APPENDIX

## GUIDANCE SUMMARY

	Current 2016 guidance	Previous 2016 guidance	2015 Actual
<b>LAS BAMBAS</b>			
Copper – production	250,000 – 300,000 tonnes <sup>6</sup>	250,000 – 300,000 tonnes <sup>6</sup>	n/a
Copper – C1 costs	US\$1.00 – US\$1.10 / lb <sup>7</sup>		
<b>KINSEVERE</b>			
Copper – production	75,000 – 80,000 tonnes	75,000 – 80,000 tonnes	80,169 tonnes
Copper – C1 costs	US\$1.40 – US\$1.55 / lb	US\$1.40 – US\$1.55 / lb	US\$1.48 / lb
<b>SEPON</b>			
Copper – production	80,000 – 85,000 tonnes	80,000 – 85,000 tonnes	89,253 tonnes
Copper – C1 costs	US\$1.10 – US\$1.25 / lb	US\$1.10 – US\$1.25 / lb	US\$1.06 / lb
<b>ROSEBERY</b>			
Zinc – production	75,000 – 80,000 tonnes	75,000 – 80,000 tonnes	92,104 tonnes
Zinc – C1 costs	US\$0.30 – US\$0.40 / lb	US\$0.30 – US\$0.40 / lb	US\$0.30 / lb
Lead – production	18,000 – 22,000 tonnes	18,000 – 22,000 tonnes	21,312 tonnes
<b>GOLDEN GROVE</b>			
Copper – production	10,000 – 12,000 tonnes	10,000 – 12,000 tonnes	26,048 tonnes
Copper – C1 costs	US\$1.90 – US\$2.10 / lb	US\$1.90 – US\$2.10 / lb	US\$1.83 / lb
Zinc – production	45,000 – 55,000 tonnes	45,000 – 55,000 tonnes	55,131 tonnes
Zinc – C1 costs	US\$0.30 – US\$0.45/lb	US\$0.30 – US\$0.45/lb	US\$0.30 / lb

<sup>6</sup> Production volumes include expected pre and post-commercial production volumes at Las Bambas. <sup>7</sup> Optimisation of the plant and processes will continue through the second half 2016 with the guidance provided for C1 cost from date of Commercial Production, being 01 July 2016. MMG expects C1 costs to be within the range of US\$0.80-\$0.90/lb once the plant is at a steady state in future.

## Las Bambas

		QUARTER ENDED					YEAR-TO-DATE	
		SEPT 2015	DEC 2015	MAR 2016	JUN 2016	SEPT 2016	SEPT 2016	SEPT 2015
Ore mined - copper	tonnes	-	-	9,004,791	12,703,776	12,569,173	34,277,740	-
Ore milled - copper	tonnes	-	-	8,884,888	12,447,024	12,525,051	33,856,963	-
<b>COPPER</b>								
Ore mined - grade	%	-	-	0.65	0.95	1.05	0.91	-
Ore milled - grade	%	-	-	0.65	0.91	1.05	0.90	-
Recovery	%	-	-	54.3	76.6	80.8	74.1	-
<b>Production</b>								
Copper concentrate	tonnes	-	-	101,482	259,170	287,534	648,186	-
Grade	%	-	-	31	34	37	35	-
Containing	tonnes	-	-	31,470	87,142	106,123	224,736	-
<b>Sales</b>								
Total concentrate sold	tonnes	-	-	71,585	152,185	219,436	443,206	-
Payable metal in product sold	tonnes	-	-	26,947	46,493	75,020	121,513	-

## KINSEVERE

		QUARTER ENDED					YEAR-TO-DATE	
		SEPT 2015	DEC 2015	MAR 2016	JUN 2016	SEPT 2016	SEPT 2016	SEPT 2015
Ore mined - copper	tonnes	582,601	767,121	549,036	543,149	459,799	1,551,985	1,419,247
Ore milled - copper	tonnes	570,007	572,906	555,433	610,318	541,727	1,707,477	1,611,000
<b>COPPER</b>								
Ore mined - grade	%	4.2	4.6	4.1	3.7	3.7	3.9	3.4
Ore milled - grade	%	3.7	3.7	3.6	3.7	3.9	3.7	3.8
Recovery	%	95.1	94.3	95.9	90.1	92.6	92.8	97.0
<b>Production</b>								
Contained metal produced - cathode	tonnes	20,680	20,394	19,680	20,293	19,869	59,843	59,775
<b>Sales</b>								
Total product sold - cathode	tonnes	20,760	20,434	19,671	20,342	19,877	59,890	59,806
Payable metal in product sold - cathode	tonnes	20,760	20,434	19,671	20,342	19,877	59,890	59,806

## SEPON

		QUARTER ENDED					YEAR-TO-DATE	
		SEPT 2015	DEC 2015	MAR 2016	JUN 2016	SEPT 2016	SEPT 2016	SEPT 2015
Ore mined - copper	tonnes	230,691	623,910	873,200	516,362	550,166	1,939,727	1,223,917
Ore mined - gold	tonnes	-	-	-	-	-	-	-
Ore milled - copper	tonnes	540,190	598,358	568,857	590,061	671,253	1,830,170	1,518,143
Ore milled - gold	tonnes	-	-	-	-	-	-	-
<b>COPPER</b>								
Ore mined - grade	%	2.7	3.4	4.1	3.9	4.1	4.0	4.5
Ore milled - grade	%	5.0	4.2	3.8	3.5	3.6	3.6	5.1
Recovery	%	89.1	81.3	85.0	86.2	83.5	84.8	87.9
<b>Production</b>								
Contained metal produced - cathode	tonnes	24,062	20,559	18,377	17,542	20,046	55,965	68,694
<b>Sales</b>								
Total product sold - cathode	tonnes	23,744	20,324	19,526	17,328	19,504	56,358	68,428
Payable metal in product sold - cathode	tonnes	23,744	20,324	19,526	17,328	19,504	56,358	68,428

**GOLDEN GROVE**

		QUARTER ENDED					YEAR-TO-DATE	
		SEPT	DEC	MAR	JUN	SEPT	SEPT	SEPT
		2015	2015	2016	2016	2016	2016	2015
Ore mined - copper sulphide	tonnes	206,619	86,218	118,739	138,011	140,517	397,267	586,619
Ore mined - copper oxide	tonnes	151,026	-	37,153	-	-	37,153	348,710
Ore mined - zinc	tonnes	128,867	216,725	120,009	39,147	76,079	235,234	323,959
Ore milled - copper sulphide	tonnes	193,716	139,147	106,390	119,749	142,170	368,310	570,095
Ore milled - copper oxide	tonnes	140,926	90,070	79,164	-	-	79,164	478,678
Ore milled - zinc	tonnes	124,165	228,666	85,949	78,985	45,356	210,290	301,209
<b>COPPER SULPHIDE</b>								
Ore mined - grade	%	2.8	3.5	2.6	2.4	1.5	2.2	2.7
Ore milled - grade	%	2.7	3.4	2.6	2.5	1.6	2.2	2.6
Recovery	%	87.7	90.2	86.2	90.2	83.6	86.9	85.4
<b>Production</b>								
Copper concentrate	tonnes	22,345	21,309	12,702	13,622	10,201	36,525	62,636
Grade	%	20.7	19.9	18.9	19.7	18.6	19.1	19.8
Containing	tonnes	4,621	4,241	2,399	2,682	1,900	6,981	12,414
<b>Sales</b>								
Total product sold	tonnes	20,776	34,896	20,040	19,837	10,911	50,789	61,179
Payable metal in product sold	tonnes	4,275	6,956	3,745	3,809	2,029	9,583	11,877
<b>COPPER OXIDE</b>								
Ore mined - grade	%	2.4	-	2.1	-	-	2.1	2.8
Ore milled - grade	%	2.4	2.4	2.0	-	-	2.0	2.8
Recovery	%	71.3	83.0	68.7	-	-	68.7	55.5
<b>Production</b>								
Copper concentrate	tonnes	11,963	8,643	6,029	-	-	6,029	38,316
Grade	%	20.0	21.1	18.4	-	-	18.4	19.8
Containing	tonnes	2,387	1,822	1,112	-	-	1,112	7,572
<b>Sales</b>								
Total product sold	tonnes	5,124	-	-	-	-	-	34,097
Payable metal in product sold	tonnes	974	-	-	-	-	-	6,522
<b>ZINC</b>								
Ore mined - grade	%	13.6	11.9	12.6	12.8	13.0	12.8	11.8
Ore milled - grade	%	13.3	11.8	13.2	11.7	15.4	13.1	11.8
Recovery	%	88.0	90.2	86.3	90.2	85.9	87.5	86.2
<b>Production</b>								
Zinc concentrate	tonnes	29,307	48,783	19,889	16,848	12,306	49,044	62,569
Grade	%	49.7	50.0	49.0	50.1	48.6	49.3	49.1
Containing	tonnes	14,569	24,391	9,755	8,436	5,978	24,169	30,740
<b>Sales</b>								
Total product sold	tonnes	20,610	40,345	30,233	21,277	18,040	69,550	61,142
Payable metal in product sold	tonnes	8,706	16,845	12,748	8,880	7,497	29,125	25,677
<b>OTHER METALS</b>								
<b>Production</b>								
HPM Lead concentrate	tonnes	5,178	6,300	2,601	3,164	1,577	7,343	14,315
Grade:								
Lead	%	37.2	34.2	35.5	27.5	32.5	31.4	32.8
Copper	%	6.3	9.3	7.7	11.3	6.1	8.9	8.3
Silver	g/t	2,111	2,176	3,081	2,151	1,918	2,431	2,123
Gold	g/t	30.5	38.8	27.9	41.6	64.3	41.6	31.8
Containing lead	tonnes	1,927	2,157	924	869	512	2,305	4,689
<b>Sales</b>								
HPM Lead concentrate	tonnes	6,079	4,915	4,238	4,148	3,726	12,113	11,569
Payable metal in product sold:								
Gold	oz	8,939	6,365	5,104	5,177	8,985	19,266	20,739
Silver	oz	515,680	466,868	363,803	401,449	257,490	1,022,742	1,067,669
Lead	tonnes	1,885	1,701	1,356	1,286	1,006	3,648	3,642

**ROSEBERY**

		QUARTER ENDED					YEAR-TO-DATE	
		SEPT	DEC	MAR	JUN	SEPT	SEPT	SEPT
		2015	2015	2016	2016	2016	2016	2015
Ore mined	tonnes	247,617	232,082	227,957	225,638	238,075	691,669	665,434
Ore milled	tonnes	228,448	246,455	236,150	239,138	234,496	709,784	652,118
<b>ZINC</b>								
Ore mined - grade	%	10.1	9.4	8.9	9.2	8.8	9.0	11.8
Ore milled - grade	%	10.9	9.5	9.6	9.5	9.7	9.6	12.2
Recovery	%	90.3	88.1	87.9	88.1	87.3	88.1	90.1
<b>Production</b>								
Zinc concentrate	tonnes	41,775	37,348	35,697	35,281	36,023	107,001	131,039
Grade	%	53.9	55.3	55.6	57.3	55.7	56.1	54.5
Containing	tonnes	22,526	20,654	19,832	20,113	20,078	60,023	71,449
<b>Sales</b>								
Total product sold	tonnes	38,770	34,628	39,521	36,658	32,587	108,767	124,715
Payable metal in product sold	tonnes	17,922	16,532	19,221	17,781	15,972	52,974	57,551
<b>LEAD</b>								
Ore mined - grade	%	2.4	2.6	2.8	3.4	3.1	3.1	3.0
Ore milled - grade	%	2.9	2.8	3.1	3.5	3.4	3.3	3.2
Recovery	%	80.2	78.5	80.0	80.2	78.8	79.7	77.0
<b>Production</b>								
Lead concentrate	tonnes	7,887	8,699	9,495	11,017	10,322	30,834	24,929
Grade	%	66.2	61.3	62.1	61.3	60.6	61.3	64.1
Containing	tonnes	5,225	5,332	5,899	6,749	6,254	18,902	15,980
<b>Sales</b>								
Total product sold	tonnes	5,617	10,865	9,618	8,842	9,761	28,220	21,962
Payable metal in product sold	tonnes	3,362	6,325	5,539	5,175	5,564	16,277	13,029
<b>COPPER</b>								
Ore mined - grade	%	0.4	0.4	0.3	0.3	0.3	0.3	0.5
Ore milled - grade	%	0.4	0.4	0.3	0.3	0.3	0.3	0.5
Recovery	%	75.3	64.3	68.4	63.1	64.4	63.5	66.6
<b>Production</b>								
Copper concentrate	tonnes	3,473	3,751	2,955	2,916	2,330	8,201	11,577
Grade	%	20.5	17.7	18.1	17.5	17.4	17.6	19.6
Containing	tonnes	714	663	534	505	405	1,443	2,274
<b>Sales</b>								
Total product sold	tonnes	3,407	3,374	2,782	3,033	2,737	8,552	11,645
Payable metal in product sold	tonnes	624	593	469	503	454	1,427	2,157
<b>OTHER METALS</b>								
Ore milled grade - gold	g/t	1.7	1.3	1.3	1.2	1.4	1.3	1.8
Ore milled grade - silver	g/t	83.4	81.4	96.0	86.6	98.0	93.7	97.9
Recovery - gold	%	25.6	26.8	29.3	27.1	33.4	29.9	27.6
<b>Production</b>								
Gold dore	oz	4,748	4,638	4,824	4,382	5,534	14,740	16,562
Containing - gold	oz	3,132	2,872	2,898	2,563	3,432	8,894	10,469
Containing - silver	oz	1,457	1,604	1,630	1,590	1,895	5,115	5,387
<b>Sales</b>								
Total product sold	oz	5,957	4,264	5,389	4,385	4,699	14,473	17,463
Payable metal in product sold - gold	oz	7,809	7,143	8,160	6,842	7,611	22,613	27,159
Payable metal in product sold - silver	oz	372,143	484,127	589,891	467,595	479,285	1,536,771	1,383,594