Dugald River Project

Minex 2017 – Mt Isa

Pierre Malan, General Manager | Dugald River

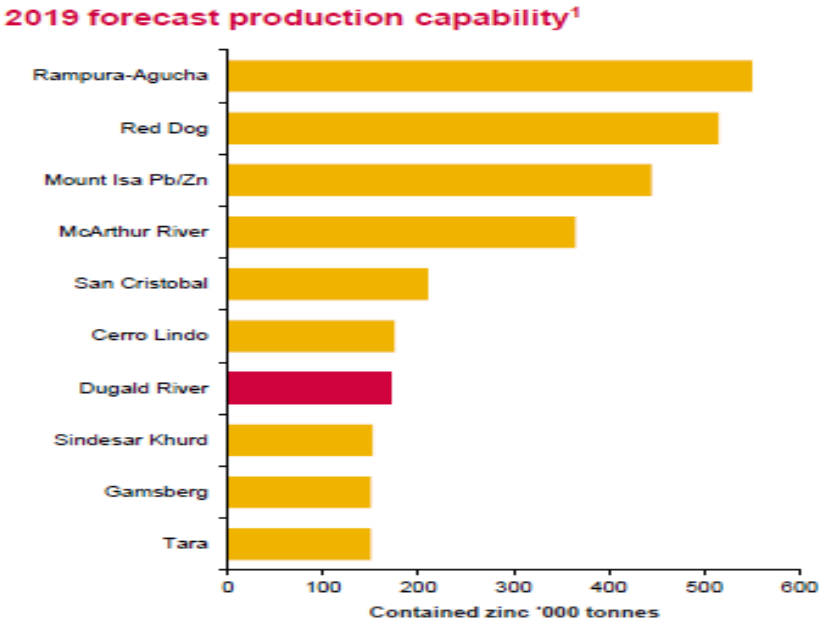
16 May 2017

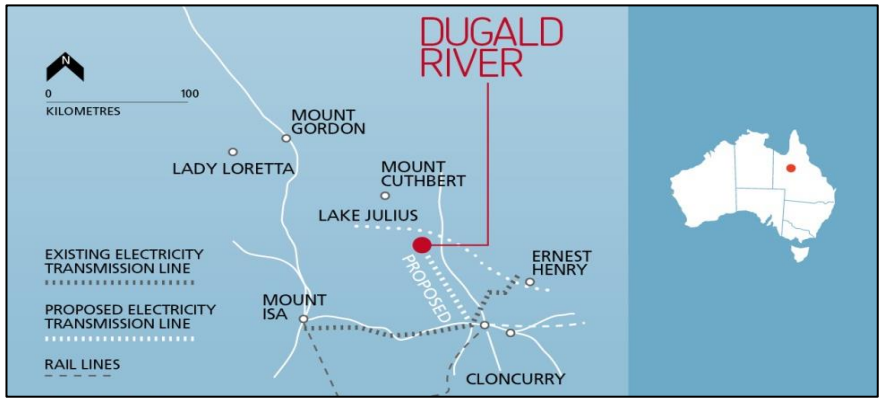
Dugald River – scale, size and life

At full production Dugald River will be one of the ten largest zinc mines globally

Overview

- Wholly-owned zinc deposit located in Queensland
- Highest grade zinc project currently being developed
- Expected to commence first production in 1H CY18
- MMG announced optimised mine plan in June 2016 which supports throughput of 1.7Mtpa
- Large scale and long life – annual production of 170kt Zn over estimated 25 year mine life
- Strong cash flow generation potential – steady state C1 costs of US$0.68 – 0.78/lb
- Remaining capex of US$600 – 620M from July 2015
- Project is 62% complete (as at 30 April 2017) with key milestones tracking in line with schedule





“4th Industrial Revolution”

- Mechanisation & Automation
- Technology Strategy
- Enabling Infrastructure
- Examples
  - Site Data centre
  - Underground systems/application
  - Underground tracking
  - Container tracking

Safety and Health

- 12 month moving average total recordable injury frequency rate of 5.5 as of 30 April 2017
- 1,590 LTI free days as at 30 April 2017

Beyond the statistics …

- Building and embedding good safety culture – awareness and behaviours
  - Safety first - Full 1-day stop work in November 2016
  - Mobilisation / demobilisation of construction contractors
  - Preparing new operational staff

Environment - Air Quality Monitoring

Depositional dust

– Studies indicate that mining activities are not causing unacceptable levels of dust

Volumetric Sampling

– No exceedances of air quality criteria

Noise and vibration monitoring

– No stakeholder complaints received. This supports the quantitative study findings that noise and vibration from mining do not impact neighbours.

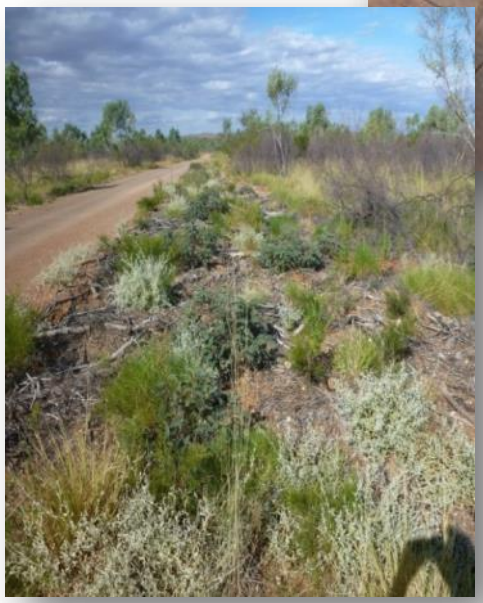
Environment – Land & Biodiversity Monitoring

Fauna

- Purple Necked Rock Wallaby studies (October survey)
- Regional feral animal control program- feral cats
- Carpentarian false antechinus Research program being established 2017-2018

Flora

- Ongoing rehabilitation of previously disturbed areas
- Expansion of weed management program (completed November) including removal of Kapok bush



Construction progress to date

Completed:

- Village expansion from 100 permanent rooms to 400
- Over 30km of underground haulage advance since 2012
- More than 145km of diamond drilling
- Installation of all 3 new primary ventilation fans
- Energisation of HV transmission line and 220kv substation
- All earthworks, civil works and structural steelwork
- Installation of primary crusher, SAG & Ball mills and regrind mills
- Installation of all flotation cells equipment
- TSF earthworks to final level (to end life of mine 2040)

Construction Progress

Photo 1 – Permanent Village Accommodation

Construction Progress

Photo 2 – HV transmission line stringing by helicopter

Construction Progress

Photo 3 – 220Kv Substation with Transformers

Construction Progress

Photo 4 – Primary Crusher

Construction Progress

Photo 5 - Reclaim tunnel earthworks

Construction Progress

Photo 6 – Ball and Sag mill installed

Construction Progress

Photo 7 – Process plant flotation cells installed

Construction Progress

Photo 8 – Reagent building and warehouse structural steelwork installed

Construction Progress

Photo 9 - Paste plant foundations complete

Construction Progress

Photo 10 – HV Workshop Structural Steelworks being installed

Construction Progress

Photo 11 – Tailings Storage Facility dam stage 2 liner installation