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**MMG LIMITED**  
**五礦資源有限公司**

*(Incorporated in Hong Kong with limited liability)*  
**(STOCK CODE: 1208)**

## ANNOUNCEMENT DUGALD RIVER PROJECT FINANCING - UPDATE

The board of directors (Board) of MMG Limited (MMG) is pleased to announce that it has received an indicative non-binding commitment from China Development Bank Corporation (CDB) to arrange and underwrite the financing of the development and construction of the Dugald River zinc, lead and silver mine located in north-west Queensland, Australia (Dugald River Project) for an amount up to US\$1 billion and for a term of 13 years, subject to further negotiation and execution of a definitive loan agreement on terms satisfactory to CDB and MMG.

The financing arrangements are expected to be completed during Q2 2013.

### **Dugald River Project**

The Dugald River Project is an undeveloped zinc-lead-silver deposit located in north-west Queensland, approximately 235km south-east of MMG's Century zinc-lead-silver mine in Queensland, Australia. The Dugald River Project is considered to be one of the world's known largest, high grade undeveloped zinc-lead-silver deposits. The project will develop an underground mine accessed by two declines (North and South), with an expected long mine life in excess of 20 years with the ore body still open at depth.

The Dugald River Project is expected to process an average 2.0 million tonnes of ore per annum to initially produce 200,000 to 220,000 tonnes of zinc in concentrate, 27,000 to 30,000 tonnes of lead in concentrate and 0.9 million ounces of silver in concentrate per annum.

When in operation, zinc and lead concentrate will be produced and transported by road to Cloncurry. A rail load-out facility at Cloncurry will be constructed where concentrate will be transported via train to Townsville where it will be shipped or sold to local smelters.

The project is expected to be commissioned in the second half of 2015 with the first concentrate shipment from the Dugald River Project being expected to take place in late 2015.

By order of the Board  
**MMG Limited**  
**Andrew Gordon Michelmore**  
*CEO and Executive Director*

Hong Kong, 27 March 2013

*As at the date of this announcement, the Board comprises nine directors, of which two are executive directors, namely Mr. Andrew Gordon Michelmore and Mr. David Mark Lamont, four are non-executive directors, namely Mr. Wang Lixin (Chairman), Mr. Jiao Jian, Mr. Xu Jiqing and Mr. Gao Xiaoyu; and three are independent non-executive directors, namely Dr. Peter William Cassidy, Mr. Anthony Charles Larkin and Mr. Leung Cheuk Yan.*