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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)

**(1) CONTINUING CONNECTED TRANSACTION IN RELATION TO
CITIC COPPER CONCENTRATE OFFTAKE AGREEMENT
AND
(2) CMN COPPER CONCENTRATE OFFTAKE AGREEMENT**

CITIC Copper Concentrate Offtake Agreement

The Board is pleased to announce that, pursuant to the Shareholders' Agreement, the Seller (a wholly owned subsidiary of the JV Company) and the Buyer entered into the CITIC Copper Concentrate Offtake Agreement on 11 January 2016, pursuant to which the Seller will sell, and the Buyer will purchase, the Buyer's Offtake Entitlement to the Product under the Shareholders' Agreement.

As the Buyer controls more than 10% of the total number of issued shares of the JV Company, it is a substantial shareholder of the JV Company. The Buyer is therefore a connected person of the Company and the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since (a) the Buyer is a connected person at the subsidiary level (as defined under Chapter 14A of the Listing Rules); (b) the Board has approved the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement; and (c) the Directors (including the independent non-executive Directors) have provided the confirmation set out in the section headed "Board Confirmation" in this announcement, the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but are exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

The Company applied for, and on 21 December 2015 the Stock Exchange granted, a waiver from strict compliance with Rule 14A.53(1) of the Listing Rules such that the Annual Caps could be expressed, instead of fixed monetary amounts, as fixed amounts of the copper contained in the Product to be sold each year over the duration of the CITIC Copper Concentrate Offtake Agreement (being the life of mine of the Las Bambas Project until 2034 based on the current defined resources in the mining plan for the Las Bambas Project).

Somerley Capital Limited, who has been appointed by the Company pursuant to Rule 14A.52 of the Listing Rules as the independent financial adviser to advise the Company on the life-of-mine duration of the CITIC Copper Concentrate Offtake Agreement, has confirmed that the CITIC Copper Concentrate Offtake Agreement requires a longer period and it is normal business practice for agreements of the type of the CITIC Copper Concentrate Offtake Agreement to be of such duration.

CMN Copper Concentrate Offtake Agreement

The Board wishes to announce, on a voluntary basis, that pursuant to the CMN Framework Offtake Agreement, MMG SA and CMN entered into the CMN Copper Concentrate Offtake Agreement on 11 January 2016 to set out the specific terms on and subject to which the sale and purchase of the Product between CMN and MMG SA will be made. The CMN Copper Concentrate Offtake Agreement is not subject to further requirements on announcement, circular, independent financial advice or shareholders' approval under Chapter 14A of the Listing Rules.

INTRODUCTION

As disclosed in the Circular, MMG SA, Elion Holdings and CITIC Metal entered into the Shareholders' Agreement on 13 April 2014. As contemplated by the Shareholders' Agreement, the Buyer assumed all of CITIC Metal's rights and obligations under the Shareholders' Agreement in place of CITIC Metal with effect from 8 July 2014 and is now a shareholder of the JV Company.

Pursuant to the Shareholders' Agreement, among other things:

- (a) subject to (i) the Company obtaining the approval by the requisite majority of relevant shareholders of the Company where required under the Listing Rules; and (ii) the JV Company and its shareholders entering into an offtake agreement in accordance with the terms of the Shareholders' Agreement, each shareholder of the JV Company will be entitled to acquire its Offtake Entitlement, being a portion of the products from the Las Bambas Project equivalent to its shareholding percentage in the JV Company from time to time; and
- (b) for so long as Elion Holdings is a shareholder of the JV Company and is controlled by GUOXIN International Investment Corporation Limited, Elion Holdings has agreed to assign its Offtake Entitlement under the Shareholders' Agreement to each of MMG SA and the Buyer on an equal basis.

Accordingly, the Offtake Entitlement of each of MMG SA and the Buyer is 73.75% and 26.25%, respectively, of the total amount of the Product.

The Board is pleased to announce that pursuant to the Shareholders' Agreement, the Seller (a wholly owned subsidiary of the JV Company and the operator of the Las Bambas Project) and the Buyer entered into the CITIC Copper Concentrate Offtake Agreement on 11 January 2016, pursuant to which the Seller will sell, and the Buyer will purchase, the Buyer's Offtake Entitlement to the Product under the Shareholders' Agreement. The transactions contemplated under the CITIC Copper Concentrate Offtake Agreement are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but are exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules, as further described in this announcement.

MMG SA and the Seller have also entered into an offtake agreement on the same terms as those of the CITIC Copper Concentrate Offtake Agreement in accordance with the provisions of the Shareholders' Agreement, pursuant to which the Seller will sell, and MMG SA will purchase, MMG SA's Offtake Entitlement to the Product under the Shareholders' Agreement.

The Board also wishes to announce, on a voluntary basis, that pursuant to the CMN Framework Offtake Agreement, MMG SA and CMN entered into the CMN Copper Concentrate Offtake Agreement on 11 January 2016 to set out the specific terms on and subject to which the sale and purchase of the Product between CMN and MMG SA will be made. The CMN Copper Concentrate Offtake Agreement is not subject to further requirements regarding announcement, circular, independent financial advice or shareholders' approval under Chapter 14A of the Listing Rules.

CITIC COPPER CONCENTRATE OFFTAKE AGREEMENT

The principal terms of the CITIC Copper Concentrate Offtake Agreement are set out below:

- Date** 11 January 2016

- Parties** (a) Minera Las Bambas S.A. (as Seller); and
(b) CITIC Metal Peru Investment Limited (as Buyer).

- Term** From the date of the CITIC Copper Concentrate Offtake Agreement until the end of the mine life of the Las Bambas Project, unless the CITIC Copper Concentrate Offtake Agreement is otherwise terminated or discharged in accordance with its terms, provided that the effectiveness of the CITIC Copper Concentrate Offtake Agreement is subject to the Company complying with all necessary requirements of the Listing Rules.

- Quantity of Product** The portion of the Product to be sold by the Seller Group to the Buyer Group will be 26.25% of the total amount of the Product, being the aggregate of:
 - (a) the Buyer's Offtake Entitlement under the Shareholders' Agreement (being 15.00%); and
 - (b) the Offtake Entitlement of Elion Holdings assigned to the Buyer under the Shareholders' Agreement (being 11.25%).

Pricing

The price at which the Product will be sold shall be:

- (a) calculated based on an agreed percentage of:
 - (i) copper contained in the Product at the daily London Metal Exchange Copper Grade A Cash Settlement Price ; and
 - (ii) silver contained in the Product at the daily LBMA Silver Price; and
 - (iii) gold contained in the Product at the mean of the daily LBMA Gold Price AM and the LBMA Gold Price PM,

in each case as published in the Metal Bulletin, in US Dollars, and averaged over the agreed quotational period;

- (b) less the agreed treatment and refining charges, negotiated on an annual basis, which are consistent with those charges prevailing for comparable copper concentrate sold to smelters in Asia for the relevant year.

Delivery Terms

The Seller shall arrange and pay for shipment of the Product on a CIF basis to the discharging port(s) nominated by the Buyer in accordance with Incoterms®.

Payment Terms

The Provisional Payments and the Final Payment are to be made in US Dollars.

The terms of the CITIC Copper Concentrate Offtake Agreement were arrived at after arm’s length negotiations between the Seller and the Buyer. They are consistent with the relevant provisions in the Shareholders’ Agreement and include international terms for similar quality concentrates.

PROPOSED ANNUAL CAPS

Pursuant to the requirements under Chapter 14A of the Listing Rules, the Company proposes the following annual caps with respect to the CITIC Copper Concentrate Offtake Agreement:

Year	2016 to 2020	2021 to 2025	2026 to 2030	2031 to 2034
Annual Caps (in ‘000 tonnes of copper contained in the copper concentrate)	162	127	103	67

The Annual Caps have been determined with reference to:

- (a) the highest expected annual production volume of copper contained in the Product within each five-year period over the expected life of mine of the Las Bambas Project based on the mining plan;
- (b) a 10% buffer in the event of over-production; and
- (c) the portion of the copper contained in the Product to be sold to the Buyer Group under the CITIC Copper Concentrate Offtake Agreement, being 26.25% of the total copper contained in the Product.

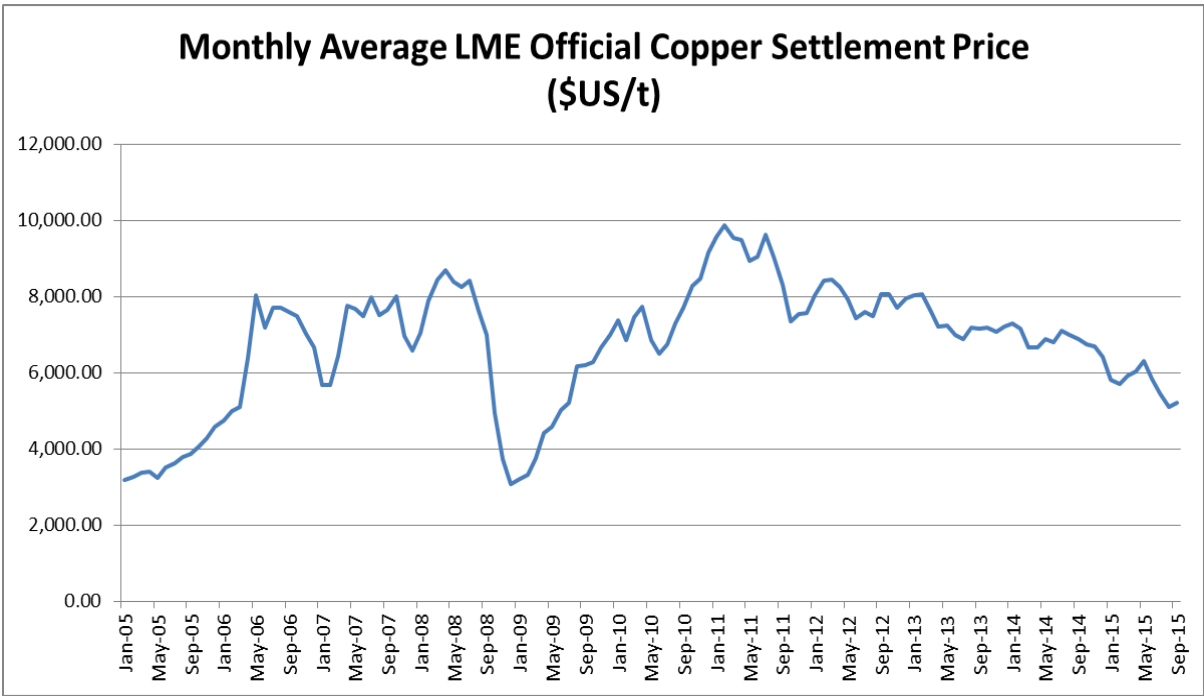
The Company proposes to express the Annual Caps solely in terms of the quantity of copper contained in the Product, since the content of copper in the Product (expected to range between 30% to 40%) is expected to be the most significant element of value in the Product compared to the content of silver (expected to range between 0.01% to 0.02%) and that of gold (expected to range between 0.0001% to 0.0004%) in the Product.

Pursuant to Rule 14A.53(1) of the Listing Rules, the Company must set annual caps for the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement and such annual caps must be expressed in monetary terms. The Company applied for, and on 21 December 2015 the Stock Exchange granted, a waiver from strict compliance with Rule 14A.53(1) of the Listing Rules such that the Annual Caps could be expressed, instead of fixed monetary amounts, as fixed amounts of the copper contained in the Product to be sold each year over the duration of the CITIC Copper Concentrate Offtake Agreement (being the life of mine of the Las Bambas Project until 2034 based on the current defined resources in the mining plan for the Las Bambas Project), on condition that the following disclosure is included in this announcement to illustrate how the change in assumptions outside the control of the Company will affect the monetary value of the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement.

As mentioned above, the price of the Product sold to the Buyer Group will be calculated using metal prices quoted on the London Metal Exchange or other relevant London markets. In this regard, the most important metal price is copper price, which changes on a daily basis and can vary significantly up and down from month to month. Such variations are outside the control of the Company but will affect the monetary value of the transactions under the CITIC Copper Concentrate Offtake Agreement.

The following graph illustrates the movement of the monthly average of the copper prices (which is expected to be the most significant element of value in the Product) quoted on the London Metal Exchange during the period of January 2005 to September 2015:

Graph 1: Monthly average of copper prices quoted on the London Metal Exchange for January 2005 to September 2015 (US\$/tonne)



As shown in the graph above, the monthly average of the copper prices quoted on the London Metal Exchange has been as low as US\$3,071.98 per tonne and as high as US\$9,867.58 per tonne between January 2005 and September 2015. Given the volatility of the historical copper prices quoted on the London Metal Exchange, it would not be meaningful for the Company to choose and use one historical copper price as the baseline price to form the assumptions for annual monetary caps since the prices in the future used for calculating the selling prices of copper concentrate to be sold to the Buyer Group under the CITIC Copper Concentrate Offtake Agreement may differ significantly from such baseline price. It would also not be meaningful for the Company to use the highest historical price as the baseline price as there have been repeated instances of highest historical prices in recent years.

The following analysis is prepared for the purpose of illustrating how different copper prices affect the monetary value of the transactions under the CITIC Copper Concentrate Offtake Agreement.

As mentioned above, the Annual Caps have been determined with reference to, among other things, the highest expected annual production volume of copper contained in the Product within each five-year period over the expected life of mine of the Las Bambas Project based on the mining plan. Table 1 below sets out the expected production volume of copper contained in the Product over the Life of Mine based on the mining plan of the Las Bambas Project:

Table 1: Expected production volume of copper contained in the Product over the life of mine of the Las Bambas Project (Note 1)

	2016	2017	2018	2019	2020	2021	2022
Production ^(Note 2)	561	459	369	395	369	271	324
	2023	2024	2025	2026	2027	2028	2029
Production ^(Note 2)	412	439	298	229	209	148	356
	2030	2031	2032	2033	2034		
Production ^(Note 2)	235	224	154	232	163		

Notes:

- (1) *The expected production volume of copper contained in the Product over the life-of-mine of the Las Bambas Project set out in the table is taken from the Circular and is based on the mining plan of the Las Bambas Project which is supported by the competent person's report prepared by Runge Asia Limited trading as RungePincocK Minarco, effective as of 1 January 2014 as disclosed in the Circular.*
- (2) *In thousands of tonnes of copper contained in the copper concentrate.*

Table 2 below sets out the monetary value of the Annual Caps (expressed in millions of US\$) based on various copper prices at regular intervals between the range of US\$2,500/t and US\$20,000/t:

Table 2: Monetary value of the Annual Caps based on different copper prices

Annual Cap for	2016 to 2020	2021 to 2025	2026 to 2030	2031 to 2034
Annual Cap (in '000 tonnes of copper contained in the copper concentrate)	162	127	103	67
Copper price US\$/t				
2,500	391.0	306.0	248.0	162.0
5,000	782.0	613.0	497.0	323.0
7,500	1,172.0	919.0	745.0	485.0
10,000	1,563.0	1,226.0	994.0	647.0
12,500	1,954.0	1,532.0	1,242.0	808.0
15,000	2,345.0	1,838.0	1,491.0	970.0
17,500	2,736.0	2,145.0	1,739.0	1,131.0
20,000	3,127.0	2,451.0	1,988.0	1,293.0

Notes:

- (1) *The copper prices used in the table are solely for illustration purposes only. They do not represent the Company's forecast of the copper price at any point of time in the future.*
- (2) *The monetary value of the Annual Caps is calculated as follows:*

$$A \times B$$

where:

A = the Annual Cap for that year/period (in '000's tonnes contained copper); and

B = copper price used x 96.50% (being the assumed payable copper percentage applicable to the copper contained in the Product).

Neither the value of silver and gold contained in the copper concentrate nor the treatment and refining charges have been taken into account in the analysis as they are insignificant in the total monetary value of the Annual Caps. Further, as the treatment and refining charges are deductions to be made to the selling price of the copper concentrate, they will offset the value of silver and gold to be paid for.

As can be seen from the above analysis, the monetary transaction values under the CITIC Copper Concentrate Offtake Agreement will vary significantly depending on the global copper prices, which are outside the control of the Company, irrespective of the quantity of the Product to be sold to the Buyer. The Company therefore considers that it would not be appropriate for the Annual Caps to be set based on the monetary value of the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement, and the appropriate alternative basis for determining such annual caps would be the fixed amount of copper contained in the Product to be sold to the Buyer each year over the life-of-mine duration of the CITIC Copper Concentrate Offtake Agreement which, in turn, is determined based on the expected annual production of copper contained in the Product over the life of mine of the Las Bambas Project.

REASONS FOR AND BENEFITS OF THE CITIC COPPER CONCENTRATE OFFTAKE AGREEMENT

It is typical in the mining industry for partners in a joint venture formed to explore or exploit a mine to take a share of the offtake from the mine. It is also common practice for such offtake arrangements to be for the life of the mine. The CITIC Copper Concentrate Offtake Agreement helps the Seller secure long-term sales revenue, thereby reducing its business risk given the volatility in global commodity demand.

Further, given the significant capital commitments and investment risk borne by the Buyer in respect of the acquisition and the development of the Las Bambas Project, the Buyer is provided with an assured right to a portion of the production of the Las Bambas Project through the CITIC Copper Concentrate Offtake Agreement.

MMG SA is likewise provided with an assured right to the remainder of the production of the Las Bambas Project through its own offtake agreement entered into with the Seller on 11 January 2016, which is on the same terms as those of the CITIC Copper Concentrate Offtake Agreement.

BOARD CONFIRMATION

The Directors, including the independent non-executive Directors, have confirmed they are of the opinion that (a) the CITIC Copper Concentrate Offtake Agreement was entered into in the ordinary and usual course of business of the Company; (b) the terms of the CITIC Copper Concentrate Offtake Agreement (including the Annual Caps) are fair and reasonable; (c) the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement will be on normal commercial terms; and (d) the entry into by the Company of the CITIC Copper Concentrate Offtake Agreement is in the interests of the Company and its shareholders as a whole.

The Board has approved the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement. Since the terms of the CITIC Copper Concentrate Offtake Agreement are, pursuant to the Shareholders' Agreement, identical to the terms of the offtake agreement between the Seller and MMG SA which may, in turn, have a bearing on the terms of the CMN Copper Concentrate Offtake Agreement, the Interested Directors, being Jiao Jian, Gao Xiaoyu and Xu Jiqing, each holding or having held position(s) at CMN and/or CMNH, have abstained from voting on the Board resolution approving the CITIC Copper Concentrate Offtake Agreement in order to avoid any possible conflict of interest issue.

IMPLICATIONS UNDER THE LISTING RULES

As the Buyer controls more than 10% of the total number of issued shares of the JV Company, it is a substantial shareholder of the JV Company. The Buyer is therefore a connected person of the Company and the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Since (a) the Buyer is a connected person at the subsidiary level (as defined under Chapter 14A of the Listing Rules); (b) the Board has approved the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement; and (c) the Directors (including the independent non-executive Directors) have provided the confirmation set out in the section headed "Board Confirmation" in this announcement, the transactions contemplated under the CITIC Copper Concentrate Offtake Agreement are subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but are exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

Rule 14A.52 of the Listing Rules provides that the period for the written agreement for a continuing connected transaction must not exceed three years except in special circumstances where the nature of the transaction requires a longer period. The Company believes that due to the large-scale and long-term nature of the Las Bambas Project, the life of which is currently expected to be in excess of 20 years with the possibility to be extended, special circumstances exist that justify the life-of-mine duration of the CITIC Copper Concentrate Offtake Agreement. Somerley Capital Limited, who has been appointed by the Company pursuant to Rule 14A.52 of the Listing Rules as the independent financial adviser to advise the Company on the life-of-mine duration of the CITIC Copper Concentrate Offtake Agreement, has confirmed that the CITIC Copper Concentrate Offtake Agreement requires a longer period and it is normal business practice for agreements of the type of the CITIC Copper Concentrate Offtake Agreement to be of such duration, taking into account (among other things) the long-term revenue flow for the Group secured by the CITIC Copper Concentrate Offtake Agreement, the significant capital investment by the Buyer in the Las Bambas Project, the benefits associated with the marketing of copper concentrates in China by the Buyer, the existing offtake arrangements between the Group and its customers and certain comparable transactions in relation to the supply of metal products involving other companies listed on the Stock Exchange and principally engaged in the mining, processing and production of metal products identified.

INFORMATION ABOUT THE GROUP

The Group is engaged in the exploration, development and mining of zinc, copper, gold, silver and lead deposits around the world.

INFORMATION ABOUT THE BUYER

The Buyer is wholly owned by CITIC Metal, a main business entity in the resources and energy sector of CITIC Group Corporation, one of China's largest transactional conglomerates engaged in financial services (including banking, securities, insurance and trust services), resources and energy, real estate and civil infrastructure, engineering contracting, manufacturing and other businesses. The Buyer is CITIC Metal's investment platform for the Las Bambas Project. CITIC Metal is principally engaged in the import and distribution of niobium products, iron ore, coal, and non-ferrous metals such as copper and concentrate, trading of steel products, and investment in diversified areas.

CMN COPPER CONCENTRATE OFFTAKE AGREEMENT

The principal terms of the CMN Copper Concentrate Offtake Agreement are set out below:

- Date** 11 January 2016
- Parties** (a) MMG SA (as seller); and
(b) CMN (as purchaser).
- Pricing** The price at which the Product will be sold by MMG SA to CMN shall be:
- (a) calculated based on an agreed percentage of:
 - (i) copper contained in the copper concentrate at the daily London Metal Exchange Copper Grade A Cash Settlement Price; and
 - (ii) silver contained in the copper concentrate at the daily LBMA Silver Price; and
 - (iii) gold contained in the copper concentrate at the mean of the daily LBMA Gold Price AM and the LBMA Gold Price PM,in each case as published in the Metal Bulletin, in US Dollars, and averaged over the agreed quotational period;
 - (b) less the agreed treatment and refining charges, negotiated on an annual basis, which are consistent with those charges prevailing for comparable copper concentrate sold to smelters in Asia for the relevant year.
- Delivery Terms** MMG SA shall arrange and pay for shipment of the Product on a CIF basis to the discharging port(s) nominated by CMN in accordance with Incoterms®.
- Payment Terms** The Provisional Payment and the Final Payment are to be made in US Dollars.

The terms of the CMN Copper Concentrate Offtake Agreement were arrived at after arm's length negotiations between MMG SA and CMN. They are consistent with the terms of the CMN Framework Offtake Agreement and include international terms for similar quality concentrates.

The CMN Copper Concentrate Offtake Agreement has been reviewed and approved by the Directors (including the independent non-executive Directors but excluding the Interested Directors).

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires.

Annual Caps the maximum aggregate annual amount of copper contained in the Product to be sold by the Seller Group to the Buyer Group under the CITIC Copper Concentrate Offtake Agreement

Board	the board of Directors
Buyer	CITIC Metal Peru Investment Limited, a company incorporated in Hong Kong with limited liability, a wholly owned subsidiary of CITIC Metal and a shareholder of the JV Company
Buyer Group	the Buyer and its affiliate(s) nominated by the Buyer pursuant to the CITIC Copper Concentrate Offtake Agreement from time to time
CIF	has the meaning defined in Incoterms®
Circular	the circular of the Company dated 30 June 2014 in relation to, among other things, the acquisition of the Las Bambas Project by the Company and the Shareholders' Agreement
CITIC Copper Concentrate Offtake Agreement	the offtake agreement dated 11 January 2016 and entered into between the Buyer and the Seller pursuant to the Shareholders' Agreement in relation to the sale and purchase of the Product from the Las Bambas Project
CITIC Metal	CITIC Metal Co., Ltd., a company incorporated in the People's Republic of China with limited liability and a former shareholder of the JV Company
CMC	中國五礦集團公司 (China Minmetals Corporation), formerly known as 中國五金礦產進出口總公司 (China National Metals and Minerals Import and Export Corporation), a state-owned enterprise incorporated on 7 April 1950 under the laws of the People's Republic of China and the ultimate controlling shareholder of the Company
CMCL	中國五礦股份有限公司(China Minmetals Corporation Limited), a joint stock limited company incorporated on 16 December 2010 under the laws of the People's Republic of China and owned as to approximately 87.538% by CMC and as to approximately 0.846% by 中國五金製品有限公司 (China National Metal Products Co., Ltd.), a wholly owned subsidiary of CMC. CMC has an attributable interest of approximately 88.384% directly in CMCL as at the date of this announcement

CMN	五礦有色金屬股份有限公司 (China Minmetals Non-ferrous Metals Company Limited), a joint stock limited company incorporated on 27 December 2001 under the laws of the People's Republic of China and owned as to approximately 99.999% directly by CMNH and approximately 0.001% directly by CMCL as at the date of this announcement. CMN is a controlling shareholder of the Company, holding indirectly approximately 73.69% of the total number of fully paid shares of the Company in issue as at the date of this announcement
CMN Framework Offtake Agreement	the framework offtake agreement dated 27 June 2014 and entered into between CMN and MMG SA in relation to the sale by MMG SA to CMN, its subsidiaries and affiliates from time to time (excluding the Group) of the Product to be purchased by MMG SA from the JV Company
CMN Copper Concentrate Offtake Agreement	the sales agreement dated 11 January 2016 and entered into between MMG SA and CMN in relation to the specific terms on and subject to which the sale and purchase of the Product between CMN and MMG SA will be made
CMNH	五礦有色金屬控股有限公司 (China Minmetals Non-ferrous Metals Holding Company Limited), a joint stock limited company incorporated on 22 December 2009 under the laws of the People's Republic of China and a wholly owned subsidiary of CMCL. CMNH is a controlling shareholder of CMN, holding directly approximately 99.999% of CMN as at the date of this announcement
Company	MMG Limited, a company incorporated on 29 July 1998 in Hong Kong with limited liability, the securities of which are listed and traded on the Main Board of the stock exchange operated by the Stock Exchange and the Australian Securities Exchange
Director(s)	the director(s) of the Company
Elion Holdings	Elion Holdings Corporation Limited, a company incorporated in Hong Kong with limited liability, a subsidiary of GUOXIN International Investment Corporation Limited and a shareholder of the JV Company

Final Payment	the final payment made in accordance with usual market practice for the sale of metal products whereby the balance of the value of the entire shipment, based on the final weights, assays and prices as determined in accordance with the terms of the CITIC Copper Concentrate Offtake Agreement or the CMN Copper Concentrate Offtake Agreement (as the case may be), is paid by the relevant buyer or seller under such agreement (as the case may be, having regard to the amount of the Provisional Payment) to the other party within 5 to 10 days of receipt of the relevant seller's final invoice
Group	the Company and its subsidiaries from time to time
Hong Kong	the Hong Kong Special Administrative Region of the People's Republic of China
Incoterms®	the latest edition of the International Chamber of Commerce official rules for the interpretation of trade terms which at the date of this announcement is the 2010 edition (Incoterms® 2010)
Interested Directors	Jiao Jian, Gao Xiaoyu and Xu Jiqing, each a Director
JV Company	MMG South America Management Company Limited, a company incorporated on 11 February 2014 in Hong Kong with limited liability and a subsidiary of the Company as at the date of this announcement
Las Bambas Project	the development, construction and operation of the copper mines, processing facilities and associated infrastructure at the Las Bambas copper project located in the Apurimac region in Peru, together with all activities and infrastructure associated with the transportation and export of products from such mines
Listing Rules	The Rules Governing the Listing of Securities on the Stock Exchange
MMG SA	MMG South America Company Limited, a company incorporated on 4 May 1990 in Hong Kong with limited liability, a wholly owned subsidiary of the Company and a shareholder of the JV Company
Offtake Entitlement	a maximum of the percentage of the total amount of Product which each of the Buyer, Elion Holdings and MMG SA are entitled to take pursuant to the terms of the Shareholders Agreement

Product	the copper concentrate produced by the Seller at the Las Bambas Project
Provisional Payment(s)	the provisional payment(s) which is/are made under the CITIC Copper Concentrate Offtake Agreement or the CMN Copper Concentrate Offtake Agreement (as the case may be) in accordance with usual market practice for the sale of metal products whereby agreed percentage amount(s) of between 90% and 100% of the estimated value of the entire shipment in aggregate, based on shipped weights, the relevant seller's provisional assays and prices of the relevant commodities as at an agreed date, is/are paid by the relevant buyer after receiving a full set of original documents which are issued by the relevant seller promptly after shipment including bills of lading, certificate of insurance, the relevant seller's weight and moisture certificate and assay certificate, the relevant seller's provisional invoice and the relevant seller's certificate of origin
Seller	Minera Las Bambas S.A., a wholly owned subsidiary of the JV Company
Seller Group	the JV Company and its subsidiaries from time to time
Shareholders' Agreement	the subscription and shareholders' agreement dated 13 April 2014 and entered into between the JV Company, the Company, MMG SA, GUOXIN International Investment Corporation Limited, Elion Holdings and CITIC Metal, as amended from time to time
Stock Exchange	The Stock Exchange of Hong Kong Limited
US Dollars or US\$	United States dollars, the lawful currency of the United States of America

By order of the Board

MMG Limited

Andrew Gordon Michelmore

CEO and Executive Director

Hong Kong, 11 January 2016

As at the date of this announcement, the Board comprises eight directors, of which two are executive directors, namely Mr Andrew Gordon Michelmore 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.