

MMG Corporate Update

February 2017

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- 1. MMG Overview**
- 2. Company Highlights**
- 3. Appendix**
 - a) 4Q 2016 Production Report
 - b) 1H 2016 Interim Results
 - c) Mineral Resources and Ore Reserves



An emerging copper major



Operations in Peru, Africa, Asia and Australia – including the world class Las Bambas asset



Industry leading ramp up at Las Bambas



Headquartered in Melbourne, with dual listing structure on the Hong Kong Exchange and ASX

Company Highlights

- 1 Las Bambas is a transformational and world class copper asset**
- 2 Dugald River is one of the largest and high grade zinc development projects globally**
- 3 Access to long-term debt and majority shareholder support – core competitive advantages**
- 4 A history of operational excellence – continue to raise the bar**
- 5 Core commodities have attractive long-term outlook – copper and zinc**
- 6 Leading international management team with sound corporate governance**

1. MMG Overview



Overview of MMG

MMG is a mid-tier global resources company that mines, explores and develops base metals projects around the world.

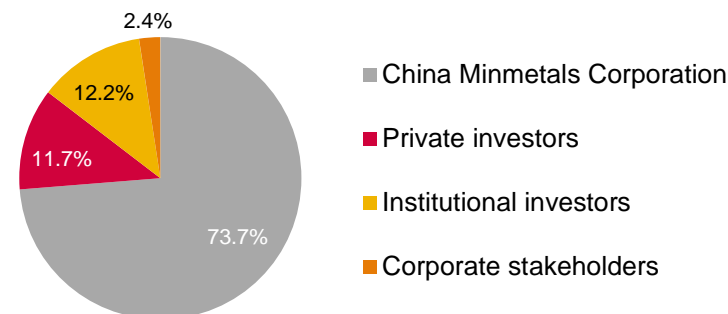
Overview

- Founded in 2009, MMG is a diversified base metals company with four operating mines and one development project located across four continents
- Headquartered in Melbourne (Australia), with a primary listing on the HKEx (1208 HK) and a secondary listing on the ASX (MMG ASX)
- Primary exposure to copper and zinc, with smaller exposures to gold, silver, lead and molybdenum
- MMG's flagship asset, the Las Bambas copper mine, reached commercial production on 1 July 2016 and is expected to be world's seventh largest copper mine by 2017

Capitalisation summary

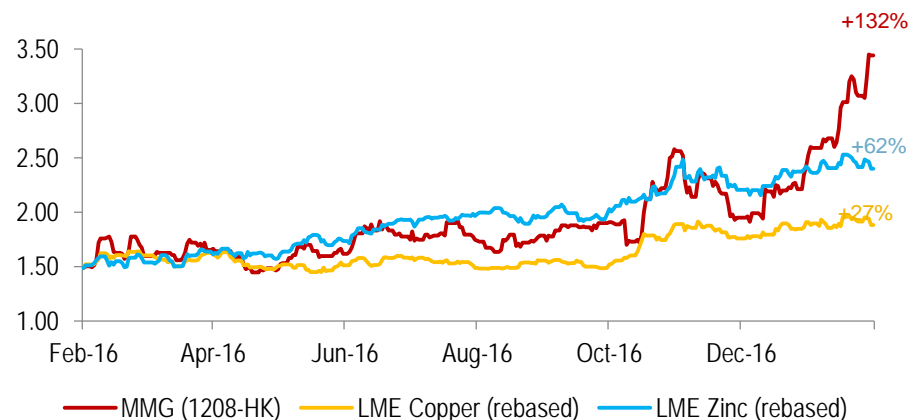
Share Price	HK\$3.44
Shares Outstanding	7,935m
Market Capitalisation	US\$3,518m
Net Debt ³	US\$10,189m
Enterprise Value	US\$13,707m

Shareholder base



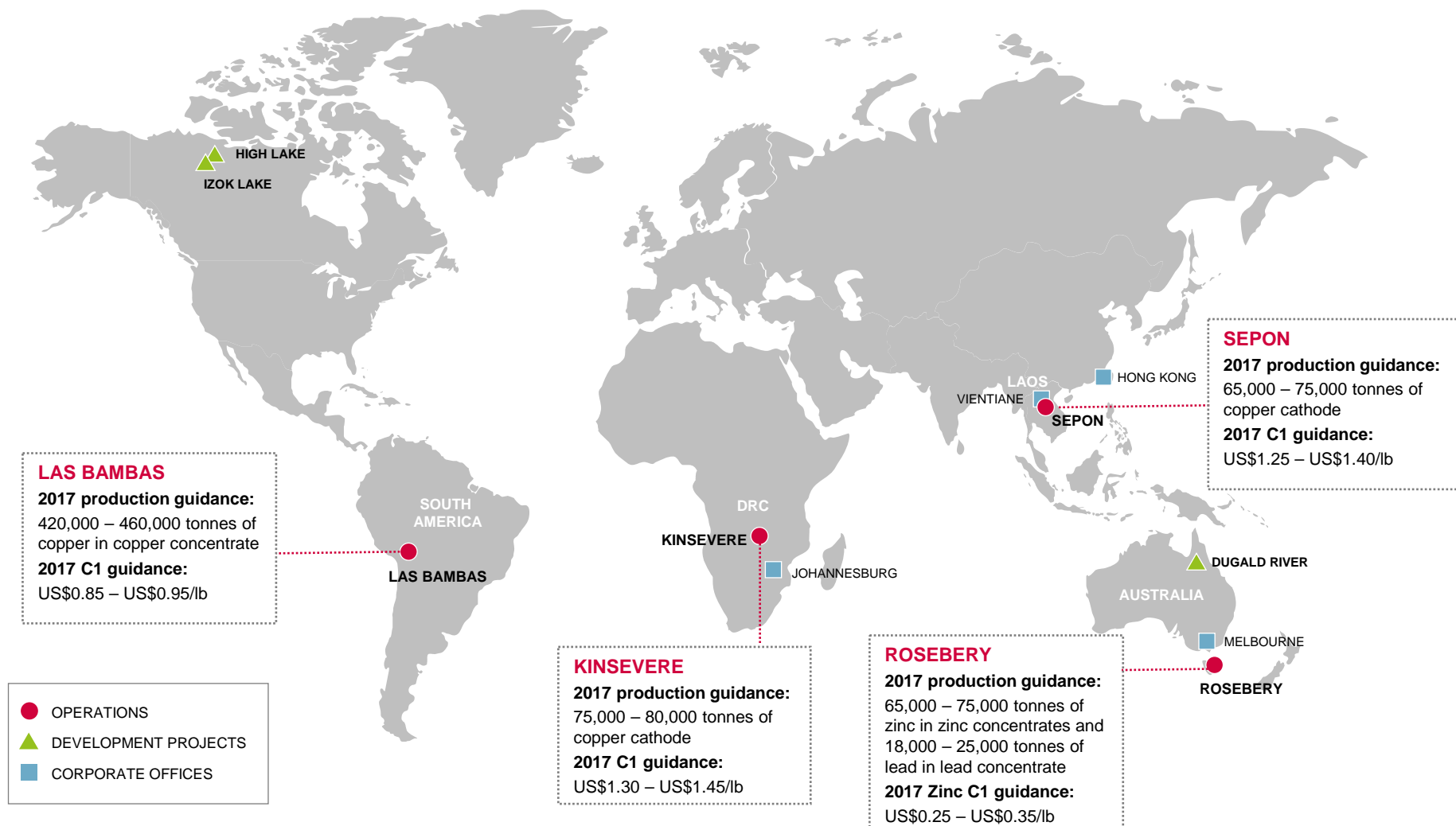
1. Market data as at 24 February 2017
2. Based off closing share price of HK\$2.05 per share and HKDUSD exchange rate of 0.1290 (as at 1 November 2016)
3. Assumes total borrowings (including prepayments) of US\$10,405 million and cash and cash equivalents of US\$216 million (as at 30 June 2016)

Share price performance (last 12 months¹) Rebased to MMG (HK\$)



Overview of portfolio

We have a globally diversified portfolio of base metals producing and development projects



Emerging base metals player positioned for growth

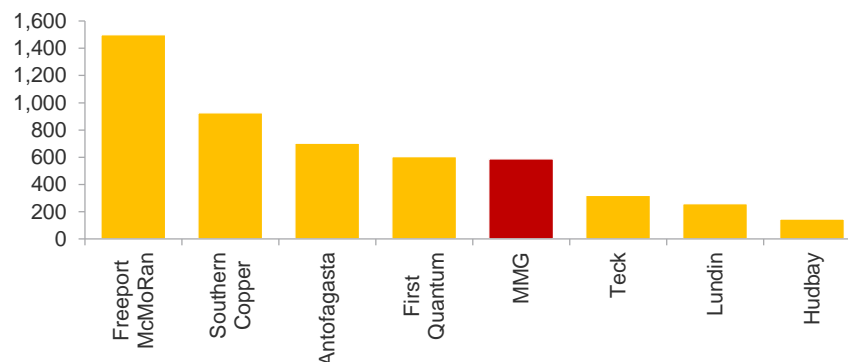
With the support of our majority shareholder, MMG's objective is to be valued as one of the world's top, mid-tier miners by 2020.

Overview

- Continue to squeeze efficiencies from operations
- Maintain tight cost focus to deliver shareholder returns
- Las Bambas – commercial production achieved on 1 July 2016, with significant growth options
- Dugald River – committed to developing project to deliver high quality exposure to zinc at a time of shrinking global supply
- Will seek to improve share market liquidity and reduce gearing
- Well positioned to invest in growth

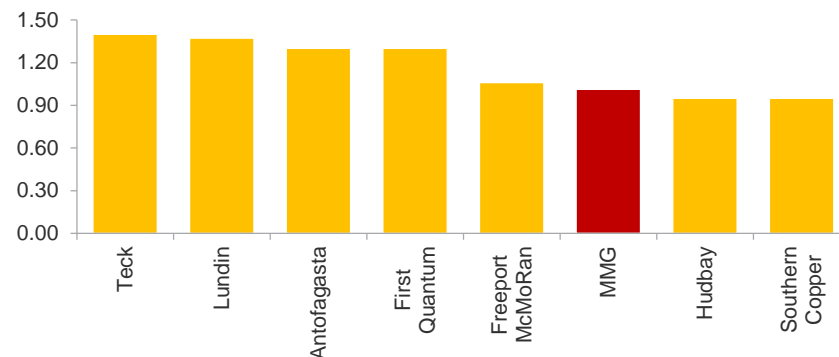
2017 copper production guidance¹

Kt, Cu



2017 copper C1 cash cost guidance^{1, 2}

US\$/lb Cu



1. Represents mid-point of 2017 peer company guidance.

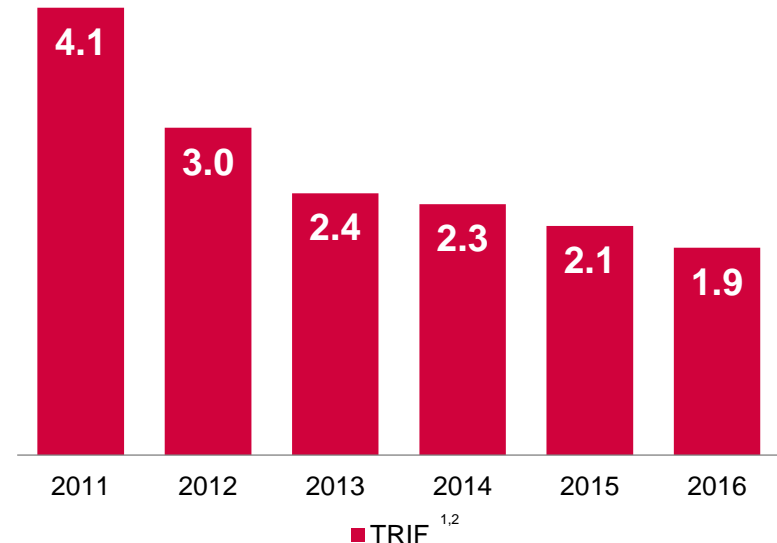
2. Cash costs shown including by-product credits. Southern Copper and Hudbay do not provide cash cost guidance so based on most recent actuals.

Our values: we mine for progress

We place safety at the centre of everything we do and we believe that nothing is so important that it cannot be done safely

- Safety our first value – TRIF¹ of 1.9 per million hours worked in 2016 represents lowest yearly TRIF ever recorded
- Fatality of contracted driver engaged by Las Bambas mine in Peru, following a road accident in July 2016. Fatality of contractor at Las Bambas mine site following uncontrolled release of water in December 2016
- Member of International Council on Mining and Metals (ICMM) – committed to ICMM 10 principles of Sustainable Development
- In 2015, MMG's TRIF safety performance was the 4th highest of all ICMM members globally. Average TRIF for ICMM members was 5.13 per million hours worked
- Global partnership with UNICEF for child rights/health, committed development partner with national governments
- US\$63.5 million investment in social development programs in 2015 – focus on Lao PDR, DRC and Peru

Safety performance



1. Total Recordable Injury Frequency per million hours worked

2. Las Bambas safety data incorporated into MMG from January 2015



WE THINK
SAFETY FIRST



WE RESPECT
EACH OTHER



WE WORK
TOGETHER



WE DO WHAT
WE SAY



WE WANT TO
BE BETTER

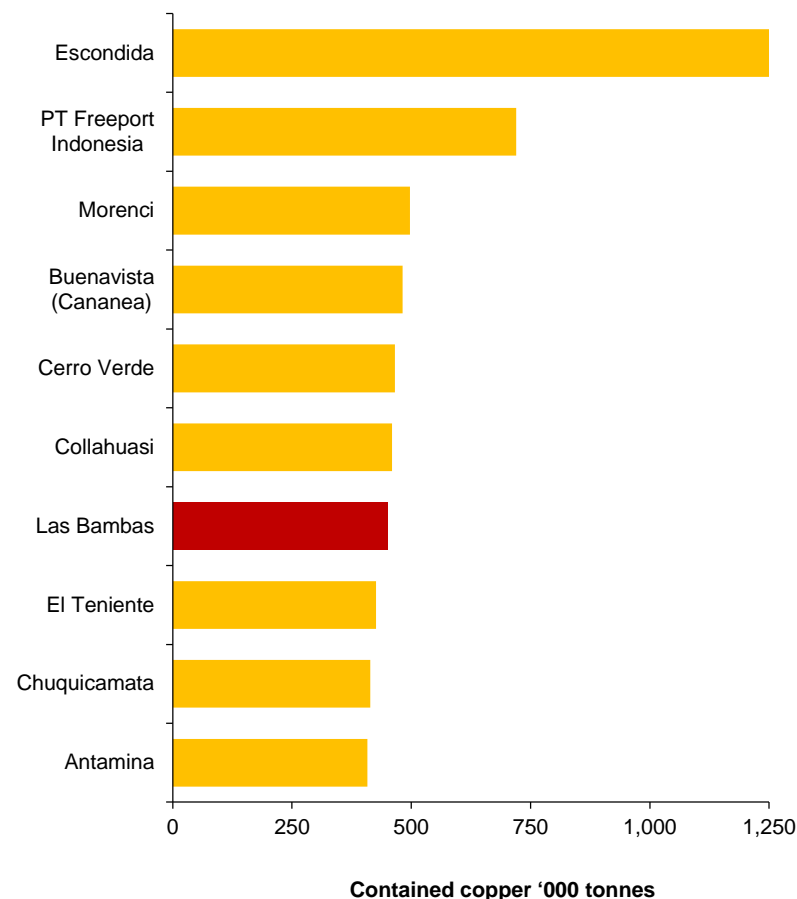
2. Company Highlights

Las Bambas is a transformational world class copper asset

Overview

- Largest greenfield copper development in the past 10 years
- Targeting 2 million tonnes of copper in copper concentrate production over first 5 years
- Total project acquisition and construction cost of ~US\$9.7 billion
- Ownership: 62.5% MMG (operator), 22.5% Guoxin, 15.0% CITIC Metal
- 2016 production of 330,227 tonnes of copper in copper concentrate
- 2017 production guidance: 420,000 – 460,000 tonnes copper in copper concentrate
- Long life asset: initial 20+ year mine life producing copper, gold, silver and molybdenum
- Over 2 billion tonnes in copper ore resources
- Exploration upside exists with only ~10% of the tenement explored

2017 forecast production capability¹



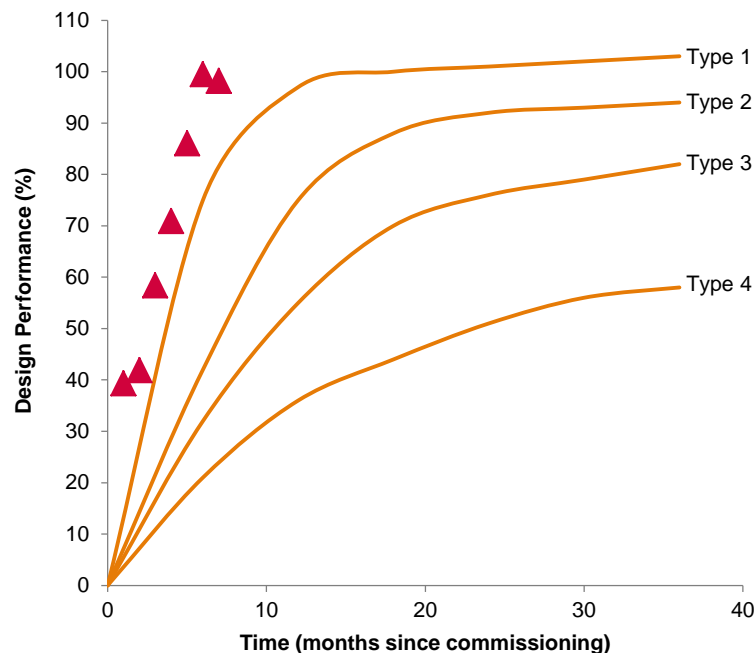
Source: Wood Mackenzie Base Metals Markets Tool (Q4 2016)

1. Only includes mines producing copper as primary commodity

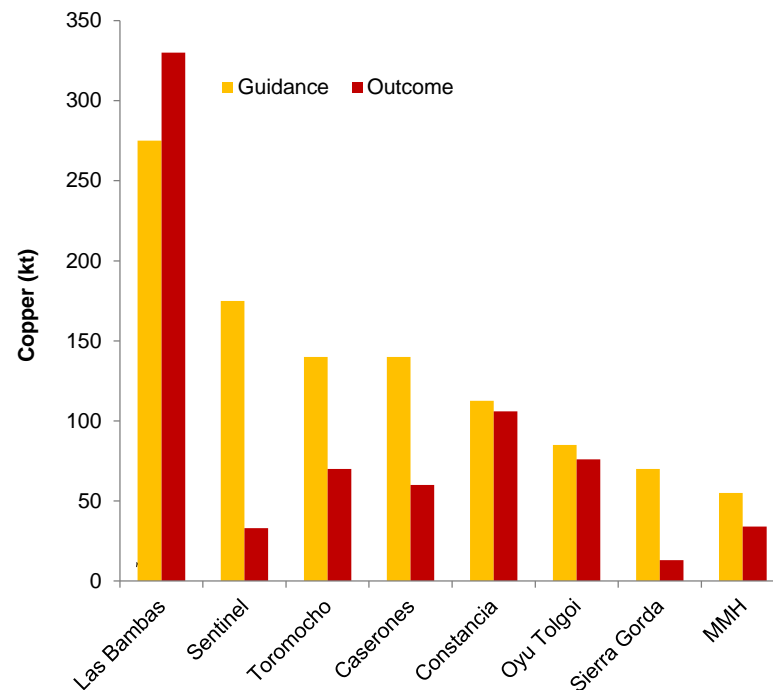
1 Las Bambas – successful development

Las Bambas reached 97% of design capacity in 6 months, coming in ahead of schedule and below cost guidance

McNulty curve for plant ramp up²



1st year production for greenfield copper project³ (guidance vs actual)



1. Production volumes include expected pre and post-commercial production volumes at Las Bambas

2. McNulty and MMG data

3. Large-scale greenfield copper development projects since 2013. Mid-point of guidance shown

MMG Values – We do what we say

1 Las Bambas – low cost position

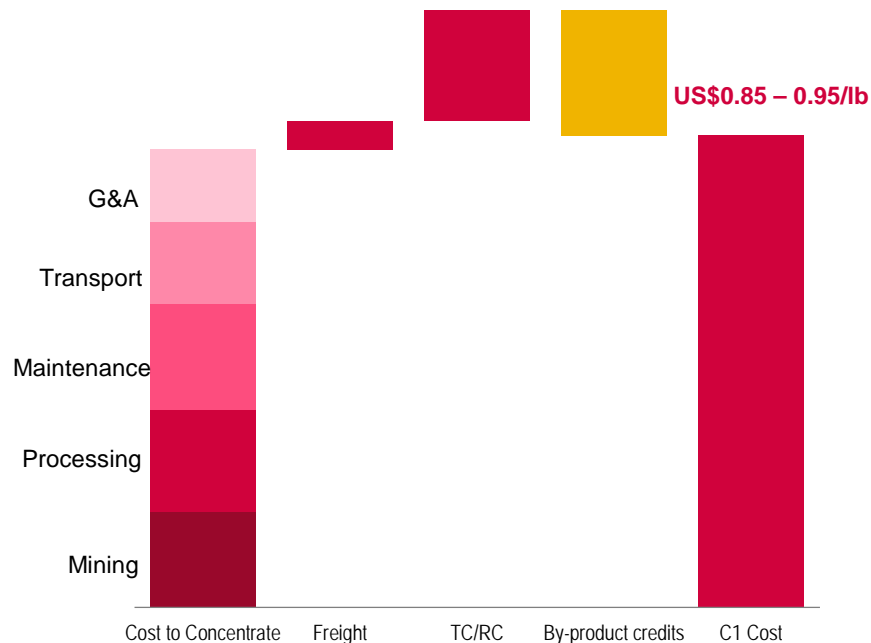
Bottom quartile costs achieved within 6 months
progressing towards steady state C1 cost target of
US\$0.85 – 0.95/lb in 2017

Transport / logistics

- Transport logistics chain identified as a key project risk¹
- All trucking operations were suspended twice during 2H16 due to separate safety and community unrest issues.
- Transport capability delivered in line with rapid mine ramp up (740 tonnes per day of concentrate in January 2016, 3,000 tonnes per day in June 2016 and up to 5,000 tonnes per day in Nov/Dec 2016 to reduce inventory build up at site)
- Regional unrest is likely to continue in Peru and may lead to temporary transport disruptions from time to time. Surplus trucking capacity will be maintained on stand-by so that any short term disruptions do not impact mine production.

1. Temporary disruptions to the logistics chain from time to time are expected

Breakdown of 2017 C1 cost guidance

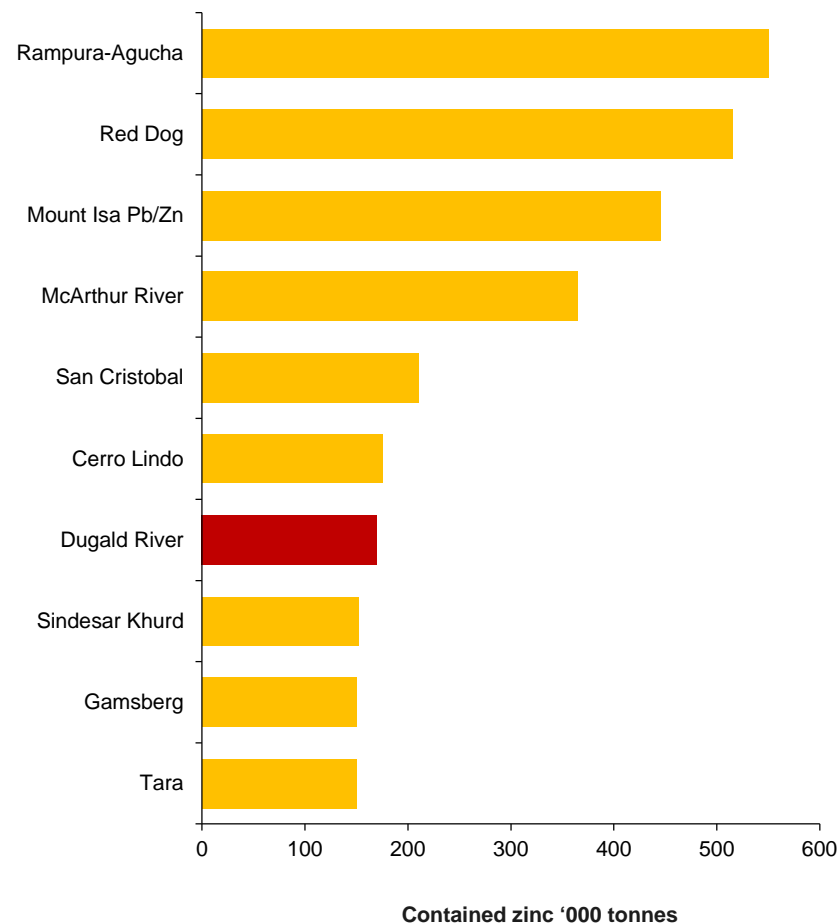


At full production Dugald River will be one of the ten largest zinc mines globally

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 1.7 Mtpa
- Large scale and long life – annual production of 170 kt 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 45% complete (as at 31 December16) with all major contractors mobilised on site and key milestones tracking in line with schedule

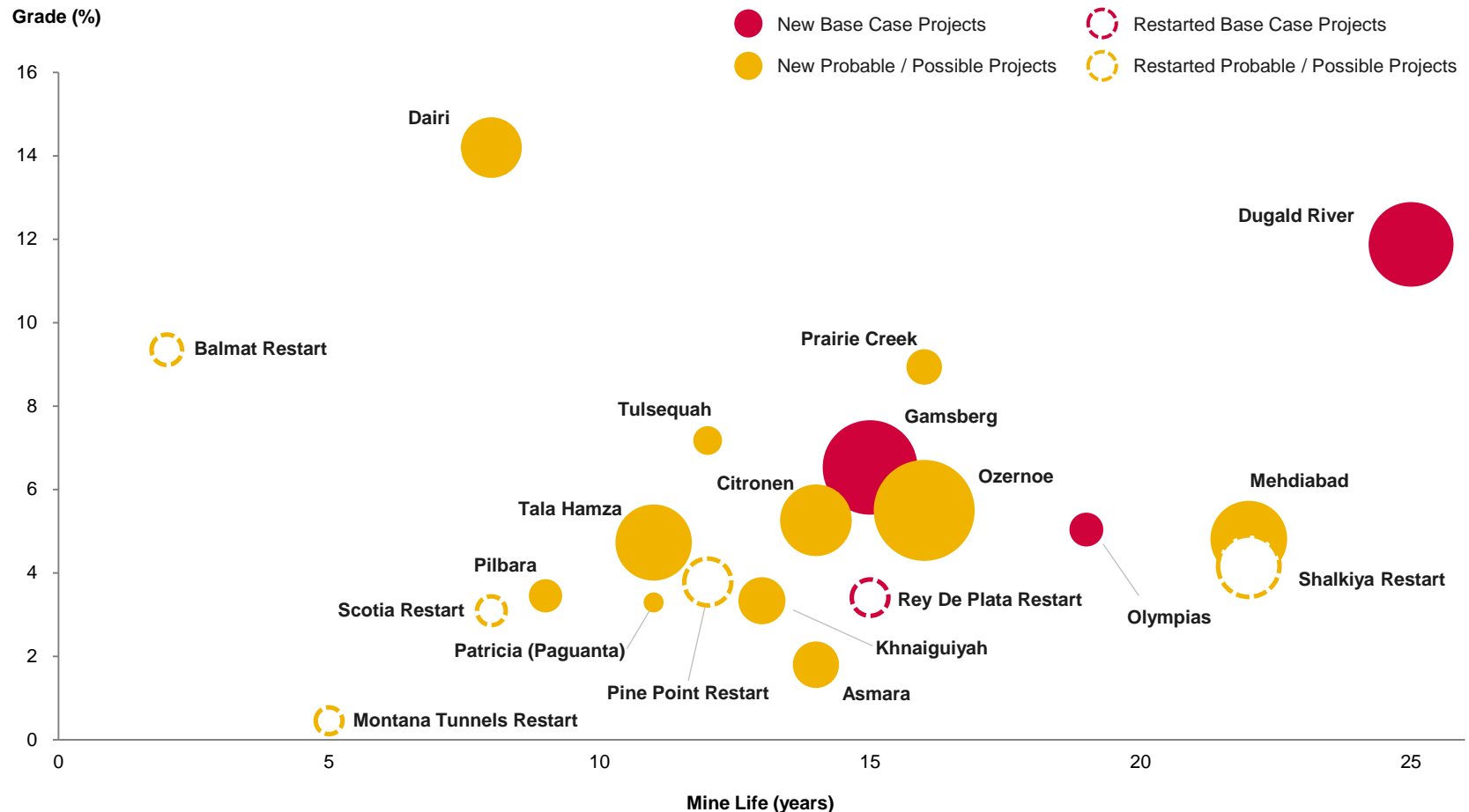
2019 forecast production capability¹



Source: a selection of top 12 zinc producers from the Wood Mackenzie Base Metals Markets Tool (Q4 2016)

1. Only includes mines producing zinc and lead as primary commodities

Dugald River is a large, long life and high grade zinc project



Source: Wood Mackenzie Base Metals Cost data (Q4 2016) and MMG estimates

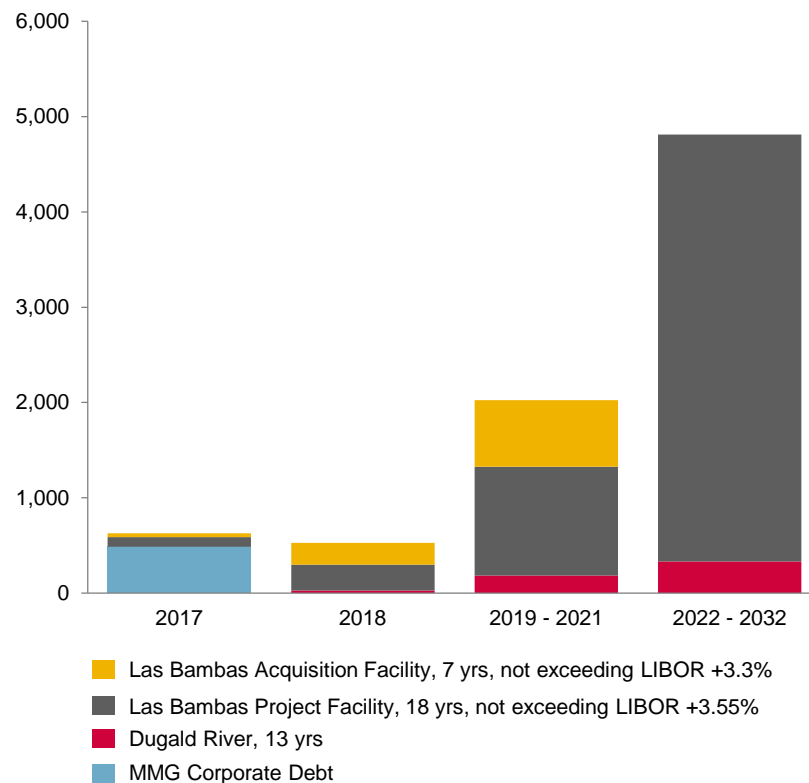
Note: Grade shown reflects average over life of mine and mine life reflects production profiles as per Wood Mackenzie estimates. Bubble size represents average annual zinc production. Dashed lines reflect restarted projects

A core competitive advantage of MMG remains its access to long-term debt from Chinese banks and funding support from its majority shareholder (CMC¹)

- MMG's capital structure has a number of competitive advantages:
 - Long dated, low cost debt sourced from Chinese government supported banks
 - Debt servicing capacity benefits from attractive interest rates and long dated principal repayments in existing facilities
 - Support from majority shareholder, CMC, including loans and guarantees
- Capital markets flexibility through primary listing on HKEx and secondary listing on ASX
- Debt repayment has commenced:
 - US\$300m of proceeds from Rights Issue used for early prepayment of corporate facility in December 2016
 - Proceeds from sale of Golden Grove (~US\$210m) will also be used to repay corporate debt facilities maturing in 2017

Amortisation schedule

US\$ million

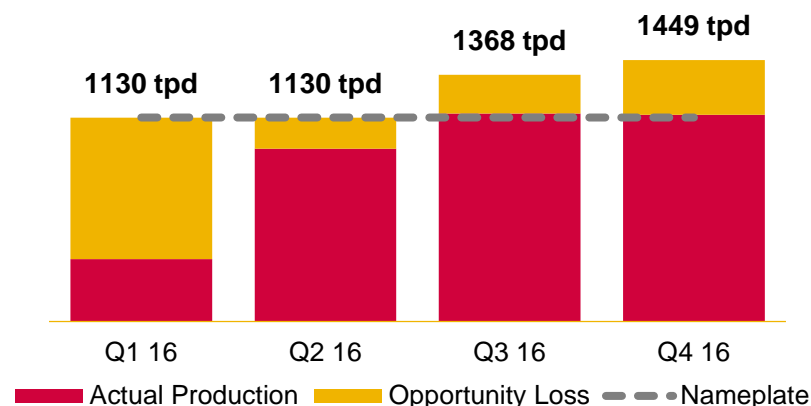


Operating approach is based on improving output by maximising asset utilisation

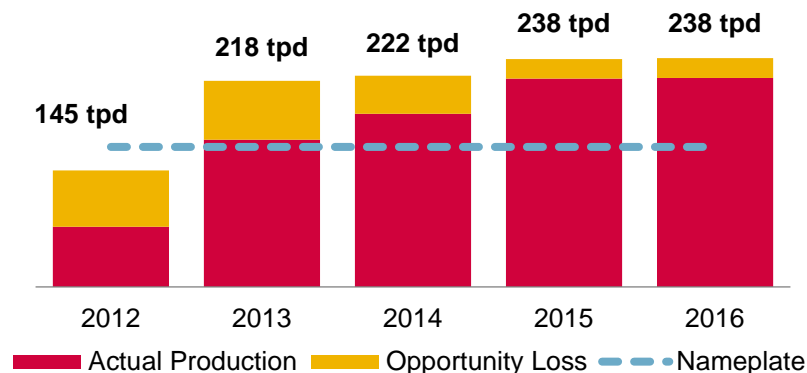
Summary

- **Squeeze the assets:** operating approach targets consistent improvement in utilisation
- **Continue to raise the bar:** improved Maximum Sustainable Production Rates (MSPR) each year
- **Las Bambas:** Ramp up of greenfield project ahead of industry practice
 - H1 2016 represented ramp up to nameplate capacity, and operating slightly above in H2
 - Opportunity loss is now being measured against a target higher than nameplate as MSPR improved in Q3 and Q4
- **Kinsevere:** Sustaining high utilisation of the MSPR (i.e. minimal opportunity loss)
 - Maintained maximum asset utilisation to deliver another record annual production, well above nameplate capacity

Las Bambas Asset Utilisation vs. MSPR



Kinsevere Asset Utilisation vs. MSPR



5 Executive team – global experience



Chief Executive Officer
Mr Jerry Jiao

- Vice-President of China Minmetals Corporation (CMC)
- Chairman of China Minmetals Non-ferrous Metals Company Limited (CMN)
- President of CMN
- Director of Hunan Nonferrous Metals Holding Group Co., Ltd. (HNG)



Chief Financial Officer
Mr Ross Carroll

- 25+ years of experience in the Natural Resources sectors
- CEO and MD Macmahon Holdings
- CFO Woodside Petroleum
- Senior financial roles BHP Billiton



Chief Operating Officer
Mr Marcelo Bastos

- 30+ years mining experience in iron ore, gold, copper and nickel.
- CEO BHP Billiton Mitsubishi Alliance
- President BHP Billiton Nickel West
- President BHP Billiton Cerro Matoso Nickel
- Senior operations roles Vale



EGM China & Strategy
Mr Xu Jiqing

- Director of CMNH and Jiangxi Tungsten
- Director Copper Partners Investment and HNG
- Vice President and CFO of China Minmetals Non-Ferrous



EGM Stakeholder Relations
Mr Troy Hey

- 20+ years of government, media, community and investor relations
- General Manager Media and Reputation Foster's Group.
- Group Manager Public Affairs WMC Resources



EGM Business Support
Mr Greg Travers

- Executive General Manager Services and Strategic Planning Myer Limited
- 7+ years BHP Billiton
- 6+ years Pratt Group
- 11+ years WMC Resources

Why invest in MMG?



Las Bambas project delivered with industry leading ramp up. Long life, world top 10 copper mine in the first quartile of the cost curve



Strong growth pipeline – Dugald River zinc mine to commence production in 1H18 and actively pursuing further accretive growth opportunities



Access to long-term debt and majority shareholder support – core competitive advantages



Track record of operational excellence



Leading international management team

Appendix

A. 4Q 2016 Production Report

Key highlights from 4Q 2016 Production Report

Key highlights

- Total copper production of 503,510 tonnes in 2016 vs. guidance of 415,000–477,000 tonnes. Zinc production was 119,575 tonnes vs. guidance of 120,000–135,000 tonnes.
- Las Bambas produced 330,227 tonnes of copper in copper concentrate.
- Kinsevere delivered a record year in 2016 for safety, volume and cost. This was the third consecutive production record for Kinsevere.
- Sepon 4Q16 production was its strongest for 2016, up 10% on pcg and 12% on 3Q16.
- Australian operations delivered their strongest quarter for the year in 4Q16.
- Cost improvement initiatives continue across all sites, group and support functions.
- MMG expects to produce 560,000–615,000 tonnes of copper and 65,000–72,000 tonnes of zinc in 2017.
- Guidance excludes Golden Grove which is expected to be sold effective 1 January 2017, subject to final approvals.

4Q 2016 production summary

	4Q 16	4Q 16 vs 4Q 15	4Q 16 vs 3Q 16	YTD	YTD 16 vs YTD 15
COPPER CATHODE (tonnes)					
Kinsevere	20,807	2%	5%	80,650	1%
Sepon	22,527	10%	12%	78,492	-12%
Total	43,334	6%	9%	159,142	-6%

COPPER (contained metal in concentrate, tonnes)

Las Bambas	105,491	N/A	-1%	330,227	N/A
Golden Grove	4,101	-32%	116%	12,194	-53%
Rosebery	505	-24%	25%	1,948	-34%
Total	110,097	1537%	2%	344,369	1088%

ZINC (contained metal in concentrate, tonnes)

Golden Grove	13,959	-43%	134%	38,128	-31%
Rosebery	21,424	4%	7%	81,447	-12%
Total	35,383	-21%	36%	119,575	-19%

LEAD (contained metal in concentrate, tonnes)

Golden Grove	1,658	-23%	224%	3,963	-42%
Rosebery	7,103	33%	14%	26,005	22%
Total	8,761	17%	29%	29,968	6%

Las Bambas

Copper – production 420,000 – 460,000 tonnes

Copper – C1 costs US\$0.85 – 0.95 / lb

Kinsevere

Copper – production 75,000 – 80,000 tonnes

Copper – C1 costs US\$1.30 – 1.45 / lb

Rosebery

Zinc – production 65,000 – 72,000 tonnes

Zinc – C1 costs US\$0.25 – 0.35 / lb

Lead – production 18,000 – 25,000 tonnes

Sepon

Copper – production 65,000 – 75,000 tonnes

Copper – C1 costs US\$1.25 – 1.40 / lb

Kinsevere – sustained improvements

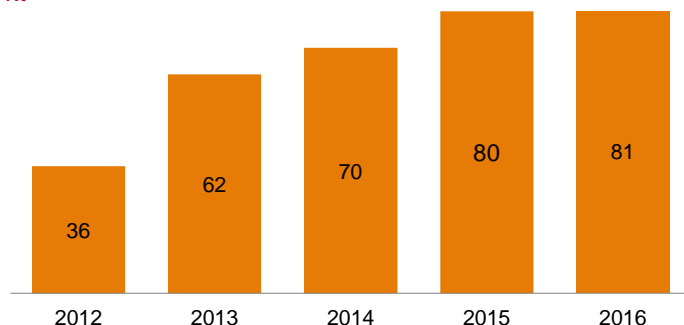
- Production up 1% to 80,650 tonnes of copper cathode in 2016
- 2016 was a record year for safety, volume and cost
- Operational efficiencies, stable electricity, increases to mill throughput
- 10% of power sourced from diesel in 2016 down from 26% in 2015
- C1 cost improvement driven by continued high production rates, stable grid power availability and a strong focus on efficiency

Financials

US\$ million	FY16*	FY15	%
Revenue		418.1	
EBITDA ¹		131.8	
EBIT		(58.3)	
EBITDA margin (%)		32	
Production	80,650	80,169	1%
C1 costs – copper (US\$ / lb)	1.30	1.48	(12%)

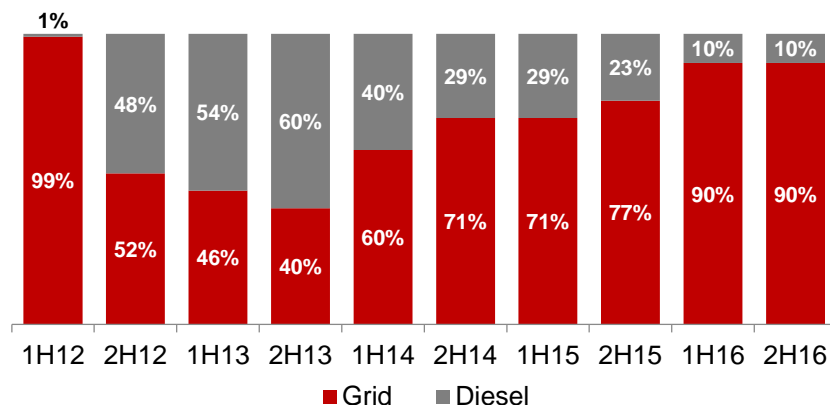
* FY16 financials released on 8 March 2017

Copper cathode production kt



1. EBITDA includes revenue, operating expenses and other income and expense items

Power utilisation



Sepon – transition to tail of proven Cu resources

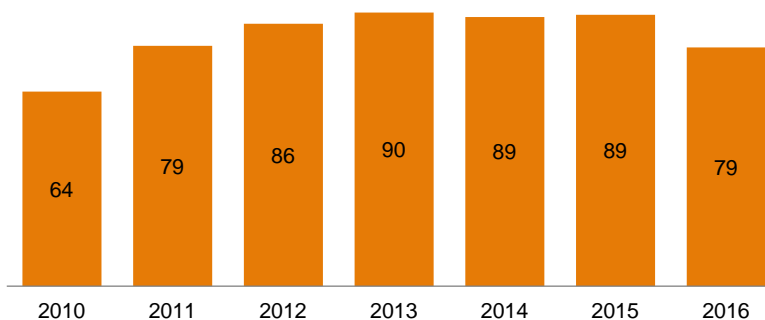
- Transition to lower grade and more complex ores. 2016 ore milled grades of 3.7% vs. 4.9% in 2015.
- Focus on operational efficiencies and cost controls to offset higher mining and processing. Copper ore mined was 61% higher in 2016 than in 2015.
- Ore variability continues
- Milling grades converge towards reserve grade
- Expect to produce 65 – 75 kt of copper cathode at a C1 of US\$1.24 – 1.40/lb in 2017

Financials

US\$ million	FY16*	FY15	%
Revenue		496.9	
EBITDA ¹		248.8	
EBIT		134.4	
EBITDA margin (%)		50	
Production	78,492	89,253	(12%)
C1 costs – copper (US\$ / lb)	1.32	1.07	23%

* FY16 financials released on 8 March 2017

Copper cathode production kt

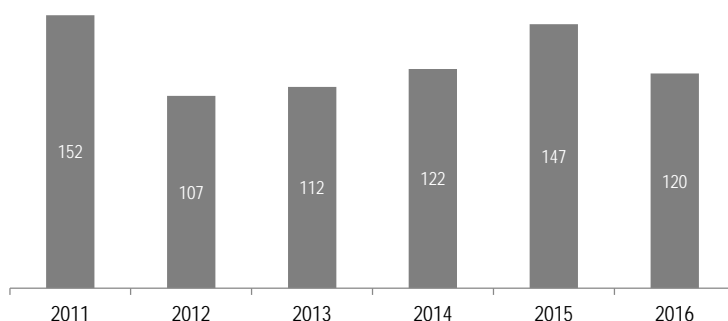


1. EBITDA includes revenue, operating expenses and other income and expense items

- Production of 14,142 tonnes of copper in copper concentrate, down 50% on 2015 due to reduced throughput strategy at Golden Grove (reduced throughput from 1.6 Mtpa to 1 Mtpa to preserve value of the resource while exploration continues)
- Production of zinc in zinc concentrate down 19% on 2015 due to lower ore grades at Rosebery, with deeper ore bodies being accessed
- C1 cost reduction at Rosebery due to strong 4Q production and higher by-product credits as a result of higher prices
- Golden Grove sold to EMR for US\$210m, settlement to occur in 1Q17. Sale process for Century mine assets ongoing

Zinc in zinc concentrate production

kt



1. EBITDA includes revenue, operating expenses and other income and expense items

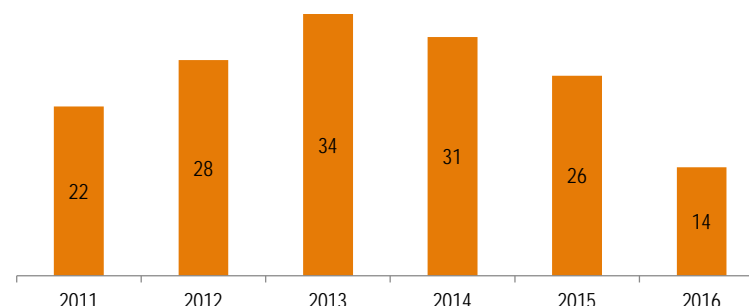
Financials

US\$ million	FY16*	FY15	%
Revenue		422.3	
EBITDA ¹		98.6	
EBIT		(12.6)	
EBITDA margin (%)		23	-
Production			
Zinc (tonnes)	119,575	147,235	(19)
Lead (tonnes)	29,968	28,159	6
Copper (tonnes)	14,142	28,984	(51)
C1 costs – Rosebery zinc (US\$/lb)	0.12	0.30	(60)
C1 costs – GG copper (US\$/lb)	1.78	1.83	(3)

* FY16 financials released on 8 March 2017

Copper in copper concentrate production

kt



C. Mineral Resources & Ore Reserves

Mineral Resources

Copper and zinc Mineral Resources of 16.1Mt and 13.1Mt respectively

Mineral Resources – Contained Metal (100% asset basis)

As at 30 June 2016

Project	Copper	Zinc	Lead	Silver	Gold	Molybdenum	Nickel
	<i>kt</i>	<i>kt</i>	<i>kt</i>	<i>moz</i>	<i>moz</i>	<i>kt</i>	<i>kt</i>
Las Bambas	12,787			189	2.7	352.4	
Kinsevere	1,439						
Sepon	651				1.4		
Dugald River	79	7,719	1,178	66			
Rosebery	58	1,768	611	72	0.9		
Golden Grove	380	1,156	89	28	0.6		
Century							
High Lake	347	536	50	37	0.6		
Izok Lake	342	1,910	209	34	0.1		
Avebury							259.9
Total	16,083	13,089	2,137	426	6.3	352.4	259.9

The information referred to in this presentation has been extracted from the report titled Mineral Resources and Ore Reserves Statement as at 30 June 2016 published on 18 October 2016 and is available to view on www.mmgroup.com. MMG confirms that it is not aware of any new information or data that materially affects the information included in the Mineral Resources and Ore Reserves Statement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the Mineral Resources and Ore Reserves Statement continue to apply and have not materially changed. MMG confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Mineral Resources and Ore Reserves Statement

Ore Reserves

Copper and zinc Ore Reserves of 8.8Mt and 3.4Mt respectively

Ore Reserves – Contained Metal (100% asset basis)

As at 30 June 2016

Project	Copper	Zinc	Lead	Silver	Gold	Molybdenum
	<i>kt</i>	<i>kt</i>	<i>kt</i>	<i>moz</i>	<i>moz</i>	<i>kt</i>
Las Bambas	7,710			119	2.0	205.2
Kinsevere	577					
Sepon	379					
Dugald River		2,736	440	36	0.0	
Rosebery	13	447	165	20	0.2	
Golden Grove	82	222	29	8	0.3	
Total	8,761	3,405	634	183	2.5	205.2

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**WE MINE FOR
PROGRESS**