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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)

MINERAL RESOURCES AND ORE RESERVES STATEMENT AS AT 30 JUNE 2017

This announcement is made by MMG Limited (Company or MMG and, together with its subsidiaries, the Group) pursuant to rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (Listing Rules) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIV A of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (Board) is pleased to report the Group's updated Mineral Resources and Ore Reserves Statement as at 30 June 2017 (Mineral Resources and Ore Reserves Statement).

The highlights of the Mineral Resources and Ore Reserves Statement as at 30 June 2017 include:

- The Group's Mineral Resources (contained metal) have increased for lead (3%) and have decreased for copper (10%), zinc (10%), silver (10%), gold (14%) and molybdenum (3%).
- The Group's Ore Reserves (contained metal) have increased for zinc (28%), lead (41%), silver (2%) and molybdenum (1%) and decreased for copper (6%) and gold (11%).
- Mineral Resources tonnes at Kinsevere and Dugald River have increased by 4.5Mt and 3.9Mt respectively.
- Ore Reserves tonnes at Dugald River and Rosebery increased by 10.3Mt and 0.2Mt respectively.
- Las Bambas Mineral Resources tonnes have decreased by 250Mt.
- Las Bambas Ore Reserves tonnes have decreased by 0.5Mt.
- Mineral Resources and Ore Reserves for Golden Grove and Avebury have been removed from the Mineral Resources and Ore Reserves Statement due to divestment of these assets.

All data reported here is on a 100% asset basis, with MMG's attributable interest shown against each asset within the Mineral Resources and Ore Reserves tables (pages 4 to 8).



MMG Limited
MINERAL RESOURCES AND ORE RESERVES STATEMENT
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MINERAL RESOURCES AND ORE RESERVES STATEMENT

A copy of the executive summary of the Mineral Resources and Ore Reserves Statement is annexed to this announcement.

The information referred to in this announcement has been extracted from the report titled Mineral Resources and Ore Reserves Statement as at 30 June 2017 published on 18 October 2017 and is available to view on www.mmg.com. The Company 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. The Company 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.

By order of the Board
MMG Limited
Jiao Jian
CEO and Executive Director

Hong Kong, 18 October 2017

As at the date of this announcement, the Board comprises nine directors, of which two are executive directors, namely Mr Jiao Jian and Mr Xu Jiqing; three are non-executive directors, namely Mr Guo Wenqing (Chairman), Mr Gao Xiaoyu and Mr Zhang Shuqiang; 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.

**MINERAL RESOURCES AND ORE RESERVES STATEMENT****30 June 2017****EXECUTIVE SUMMARY**

Mineral Resources and Ore Reserves for MMG have been estimated as at 30 June 2017, and are reported in accordance with the guidelines in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 JORC Code) and Chapter 18 of the Listing Rules. Mineral Resources and Ore Reserves tables are provided on pages 4 to 8, which include the 30 June 2017 and 30 June 2016 estimates for comparison. The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources that convert to Ore Reserves. All supporting data is provided within the Technical Appendix, available on the MMG website.

Mineral Resources and Ore Reserves information in this statement has been compiled by Competent Persons (as defined by the 2012 JORC Code). Each Competent Person consents to the inclusion of the information in this report that they have provided in the form and context in which it appears. Competent Persons are listed on page 9.

MMG has established processes and structures for the governance of Mineral Resources and Ore Reserves estimation and reporting. MMG has a Mineral Resources and Ore Reserves Committee that regularly convenes to assist the MMG Governance and Nomination Committee and the Board of Directors with respect to the reporting practices of the Company in relation to Mineral Resources and Ore Reserves, and the quality and integrity of these reports of the Group.

Key changes to the Mineral Resources (contained metal) since the 30 June 2016 estimate have been mostly related to depletion¹ together with lower price assumptions which have impacted Las Bambas and resulted in a net decrease in contained copper metal. The divestment of Golden Grove has also contributed to the global copper metal decrease in Mineral Resources. The contained zinc metal in the Mineral Resources has decreased almost entirely due to the divestment of Golden Grove. The sale of the Avebury asset in Tasmania has resulted in the removal of nickel from the Mineral Resources statement.

The MMG Ore Reserves (contained metal) have increased since the 30 June 2016 statement for zinc and lead principally due to increases at Dugald River and Rosebery. Decreases in Ore Reserves (contained metal) for copper are the result of depletion¹ at Las Bambas, Sepon and Kinsevere combined with the divestment of Golden Grove. Decreases of Indicated Mineral Resources at Sepon have resulted in a reduction of available material for Ore Reserves conversion.

Total tonnes of Mineral Resources and Ore Reserves have decreased with depletion and divestment. In addition, Mineral Resources have also decreased due to copper price assumptions. Las Bambas Mineral Resources and Ore Reserves have decreased by 250Mt and 0.5Mt respectively. Dugald River Mineral Resources and Ore Reserves tonnes have increased by 4Mt and 10Mt respectively. Sepon Mineral Resources and Ore Reserves have decreased by 2.3Mt and 5.5Mt respectively, while Kinsevere Mineral Resources have increased by 4.5Mt and Ore Reserves have decreased by 4.4Mt.

Pages 10 and 11 provide further discussion of the Mineral Resources and Ore Reserves changes.

¹ Depletion in this report refers to material treated by the mill and depleted from the Mineral Resources and Ore Reserves through mining.



MINERAL RESOURCES AND ORE RESERVES STATEMENT

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MINERAL RESOURCES¹

All data reported here is on a 100% asset basis, with MMG's attributable interest shown against each asset within brackets.

Deposit	2017							2016						
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)
Las Bambas (62.5%)														
Ferrobamba Oxide Copper														
Indicated	9.3	2.0						16.8	2.0					
Inferred	0.6	2.5						0.7	1.9					
Total	9.9	2.0						17.4	2.0					
Ferrobamba Primary Copper														
Measured	542	0.64			3.0	0.06	204	529	0.68			3.3	0.06	198
Indicated	546	0.60			2.8	0.05	211	527	0.59			2.7	0.05	191
Inferred	263	0.60			2.4	0.04	158	397	0.57			2.1	0.03	146
Total	1,351	0.62			2.8	0.05	198	1,453	0.62			2.7	0.05	181
Ferrobamba Total	1,361							1,471						
Chalcobamba Oxide Copper														
Indicated	6.1	1.5						6.5	1.5					
Inferred	0.7	1.5						0.9	1.5					
Total	6.8	1.5						7.3	1.5					
Chalcobamba Primary Copper														
Measured	85	0.37			1.1	0.01	148	94	0.40			1.2	0.01	148
Indicated	195	0.67			2.5	0.03	141	196	0.63			2.4	0.03	145
Inferred	36	0.52			1.8	0.02	141	48	0.47			1.6	0.02	131
Total	315	0.57			2.0	0.03	143	338	0.55			1.9	0.02	144
Chalcobamba Total	322							345						
Sulfobamba Primary Copper														
Indicated	85	0.67			4.7	0.02	170	103	0.60			4.1	0.02	162
Inferred	100	0.58			6.5	0.02	119	201	0.44			4.0	0.02	119
Total	184	0.62			5.7	0.02	142	304	0.50			4.0	0.02	133
Sulfobamba Total	184							304						
Oxide Copper Stockpile														
Indicated	5.5	1.0						3.4	0.9					
Total	5.5	1.0						3.4	0.9					
Primary Copper Stockpile														
Measured	0.2	0.85			4.5		148	0.37	0.7			3.1		214
Total	0.2	0.85			4.5		148	0.37	0.7			3.1		214
Las Bambas Total	1,873							2,124						

¹ S.I. units used for metals of value; Cu=copper, Zn=zinc, Pb=lead, Ag=silver, Au=gold, Mo=molybdenum, Ni=nickel.



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MINERAL RESOURCES

Deposit	2017							2016						
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)
Kinsevere (100%)														
Oxide Copper														
Measured	3.0	4.4						3.1	4.6					
Indicated	13.6	3.0						13.7	3.1					
Inferred	2.8	2.3						3.5	2.4					
Total	19.4	3.1						20.3	3.2					
Transition Mixed Copper Ore														
Measured	0.27	2.7						0.7	3.4					
Indicated	1.4	2.3						2.0	3.0					
Inferred	0.12	2.1						0.2	2.2					
Total	1.8	2.4						2.9	3.0					
Primary Copper														
Measured	0.40	2.5						0.4	3.1					
Indicated	23.8	2.2						18.5	2.6					
Inferred	2.2	1.7						2.2	2.0					
Total	26.4	2.2						21.2	2.5					
Copper Stockpiles														
Measured														
Indicated	7.9	2.5						6.8	2.4					
Total	7.9	2.5						6.8	2.4					
Kinsevere Total	55.5							51.2						
Sepon (90%)														
Oxide Gold														
Measured														
Indicated	1.5					3.1		1.6					3.0	
Inferred	0.21					2.3		0.4					2.1	
Total	1.7					3.0		2.0					2.8	
Partial Oxide Gold														
Measured														
Indicated	1.1					4.3		1.3					4.2	
Inferred	0.05					3.2		0.1					2.9	
Total	1.1					4.3		1.3					4.1	
Primary Gold														
Indicated	7.1					3.9		7.8					4.0	
Inferred	0.11					3.0		0.1					3.5	
Total	7.2					3.9		7.9					4.0	
Supergene Copper														
Indicated	5.5	4.7						12.9	3.5					
Inferred	1.5	3.3						0.3	3.5					
Total	7.0	4.4						13.3	3.5					
Primary Copper														
Indicated	7.1	1.0						5.0	1.2					
Inferred	5.2	1.2						3.3	1.1					
Total	12.2	1.1						8.4	1.2					
Copper Stockpiles														
Measured														
Indicated	6.1	1.4						5.7	1.6					
Total	6.1	1.4						5.7	1.6					
Sepon Total	25.4							38.6						



MINERAL RESOURCES AND ORE RESERVES STATEMENT

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MINERAL RESOURCES

Deposit	2017							2016						
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)
Dugald River (100%)														
Primary Zinc														
Measured	8.1		13.1	2.4	70			5.5		14.2	2.0	64		
Indicated	28.9		12.3	2.3	40			27.1		12.9	2.2	50		
Inferred	27.8		11.4	1.9	10			28.5		12.0	1.7	13		
Total	64.8		12.0	2.2	31			61.1		12.6	1.9	34		
Primary Copper														
Inferred	4.4	1.8				0.2		4.4	1.8				0.2	
Total	4.4	1.8				0.2		4.4	1.8				0.2	
Zinc Stockpiles														
Measured	0.23		10.8	1.7	49									
Dugald River Total	69.4							66.0						
Rosebery (100%)														
Rosebery														
Measured	6.0	0.26	9.3	3.3	118	1.4		5.4	0.25	8.1	2.9	107	1.3	
Indicated	6.2	0.26	7.9	2.6	112	1.3		5.7	0.25	7.6	2.6	102	1.2	
Inferred	6.5	0.30	7.4	2.7	90	1.4		11.2	0.26	8.0	2.7	95	1.4	
Total	18.6	0.27	8.2	2.9	106	1.4		22.4	0.26	7.9	2.7	100	1.3	
Rosebery Total	18.6							22.4						
High Lake (100%)														
High Lake														
Measured														
Indicated	7.9	3.0	3.5	0.3	83	1.3		7.9	3.0	3.5	0.3	83	1.3	
Inferred	6.0	1.8	4.3	0.4	84	1.3		6.0	1.8	4.3	0.4	84	1.3	
Total	14.0	2.5	3.8	0.4	84	1.3		14.0	2.5	3.8	0.4	84	1.3	
Izok Lake (100%)														
Izok Lake														
Measured														
Indicated	13.5	2.4	13.3	1.4	73	0.2		13.5	2.4	13.3	1.4	73	0.2	
Inferred	1.2	1.5	10.5	1.3	73	0.2		1.2	1.5	10.5	1.3	73	0.2	
Total	14.6	2.3	13.1	1.4	73	0.2		14.6	2.3	13.1	1.4	73	0.2	



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MINERAL RESOURCES AND ORE RESERVES STATEMENT

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ORE RESERVES¹

All data reported here is on a 100% asset basis, with MMG's attributable interest shown against each asset within brackets.

Deposit	2017							2016						
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)
Las Bambas (62.5%)														
Ferrobamba														
Primary Copper														
Proved	497	0.68			3.2	0.06	206	492	0.71			3.4	0.07	201
Probable	326	0.71			3.6	0.06	207	340	0.71			3.5	0.06	202
Total	823	0.69			3.4	0.06	207	832	0.71			3.5	0.06	201
Chalcobamba														
Primary Copper														
Proved	59	0.53			1.8	0.02	141	53	0.51			1.7	0.02	151
Probable	143	0.72			2.7	0.03	132	136	0.75			2.8	0.03	135
Total	202	0.66			2.5	0.03	134	188	0.68			2.5	0.03	140
Sulfobamba														
Primary Copper														
Proved														
Probable	60	0.80			5.9	0.03	161	66	0.78			5.5	0.03	176
Total	60	0.80			5.9	0.03	161	66	0.78			5.5	0.03	176
Primary Copper Stockpile														
Proved	0.17	0.85			4.5		148	0.37	0.72			3.1		214
Total	0.17	0.85			4.5		148	0.37	0.72			3.1		214
Las Bambas Total	1,085							1,086						
Kinsevere (100%)														
Oxide Copper														
Proved	2.6	4.5						2.9	4.5					
Probable	8.1	3.5						9.8	3.5					
Total	10.7	3.7						12.7	3.7					
Copper Stockpiles														
Proved														
Probable	2.5	3.6						4.9	2.2					
Total	2.5	3.6						4.9	2.2					
Kinsevere Total	13.2							17.6						
Sepon (90%)														
Supergene Copper														
Probable	3.5	4.7						8.0	3.5					
Total	3.5	4.7						8.0	3.5					
Primary Copper														
Probable	0.35	1.1						2.3	0.84					
Total	0.35	1.1						2.3	0.84					
Copper Stockpiles														
Probable	5.6	1.4						4.6	1.7					
Total	5.6	1.4						4.6	1.7					
Sepon Total	9.4							14.9						

¹ S.I. units used for metals of value; Cu=copper, Zn=zinc, Pb=lead, Ag=silver, Au=gold, Mo=molybdenum.



MINERAL RESOURCES AND ORE RESERVES STATEMENT

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ORE RESERVES

Deposit	2017							2016						
	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)	Au (g/t)	Mo (ppm)
Dugald River (100%)														
Primary Zinc														
Proved	7.9		11.8	2.1	62			4.6		12.3	1.7	55		
Probable	24.9		11.9	2.2	39			17.8		12.1	2.0	48		
Total	32.8		11.9	2.2	44			22.5		12.2	2.0	50		
Dugald River Total	32.8							22.5						
Rosebery (100%)														
Proved	3.8	0.25	9.0	3.4	119	1.4		3.2	0.25	8.8	3.1	110	1.3	
Probable	1.8	0.21	7.6	3.0	131	1.3		2.2	0.22	7.5	3.0	118	1.3	
Total	5.6	0.24	8.6	3.3	123	1.4		5.4	0.24	8.3	3.0	113	1.3	
Rosebery Total	5.6							5.4						



MINERAL RESOURCES AND ORE RESERVES STATEMENT

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COMPETENT PERSONS

Deposit	Accountability	Competent Person	Professional Membership	Employer
MMG Mineral Resources and Ore Reserves Committee	Mineral Resources	Rex Berthelsen ¹	FAusIMM(CP)	MMG
MMG Mineral Resources and Ore Reserves Committee	Ore Reserves	Nan Wang ¹	MAusIMM(CP)	MMG
MMG Mineral Resources and Ore Reserves Committee	Metallurgy: Mineral Resources / Ore Reserves	Reinhardt Viljoen ¹	MAusIMM	MMG
Las Bambas	Mineral Resources	Rex Berthelsen ¹	FAusIMM(CP)	MMG
Las Bambas	Ore Reserves	Yao Wu ¹	MAusIMM	MMG
Las Bambas	Metallurgy: Mineral Resources / Ore Reserves	Amy Lamb ¹	MAusIMM	MMG
Sepon	Mineral Resources	Chevaun Gellie ¹	MAusIMM	MMG
Sepon	Ore Reserves	Jodi Wright ¹	MAusIMM(CP)	MMG
Sepon	Metallurgy: Mineral Resources / Ore Reserves	Kevin Rees	MAusIMM	MMG
Kinsevere	Mineral Resources	Douglas Corley ¹	MAIG R.P.Geo.	MMG
Kinsevere	Ore Reserves	Jodi Wright ¹	MAusIMM(CP)	MMG
Kinsevere	Metallurgy: Mineral Resources / Ore Reserves	Nigel Thiel ¹	MAusIMM(CP)	MMG
Rosebery	Mineral Resources	Anna Lewin	MAusIMM(CP)	MMG
Rosebery	Ore Reserves	Karel Steyn ¹	MAusIMM	MMG
Rosebery	Metallurgy: Mineral Resources / Ore Reserves	Kevin Rees	MAusIMM(CP)	MMG
Dugald River	Mineral Resources	Douglas Corley ¹	MAIG R.P.Geo.	MMG
Dugald River	Ore Reserves	Karel Steyn ¹	MAusIMM	MMG
Dugald River	Metallurgy: Mineral Resources / Ore Reserves	Nigel Thiel ¹	MAusIMM(CP)	MMG
High Lake, Izok Lake	Mineral Resources	Allan Armitage	MAPEG ² (P.Geo)	Formerly MMG

The information in this report that relates to Mineral Resources and Ore Reserves is based on information compiled by the listed Competent Persons, who are Members or Fellows of the Australasian Institute of Mining and Metallurgy (AusIMM), the Australian Institute of Geoscientists (AIG) or a Recognised Professional Organisation (RPO) and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 JORC Code). Each of the Competent Persons has given consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

¹ Participants in the MMG Long-Term Incentive Plans which may include Mineral Resources and Ore Reserves growth as a performance condition

² Member of the Association of Professional Engineers and Geoscientists of British Columbia

**MINERAL RESOURCES AND ORE RESERVES STATEMENT****30 June 2017****SUMMARY OF SIGNIFICANT CHANGES****MINERAL RESOURCES**

Mineral Resources as at 30 June 2017 have changed since the 30 June 2016 estimate for a number of reasons with the most significant changes outlined in this section.

Mineral Resources (contained metal) have increased for lead (3%) while a decrease has occurred for zinc (10%), copper (10%), gold (14%), silver (10%) and molybdenum (3%).

Variations to Mineral Resources (contained metal) on an individual site basis are discussed below:

Increases:

Increases to the Mineral Resources (contained metal) for lead (19%) and zinc (2%) at Dugald River are due to a significant update of the Mineral Resource model from a major drilling campaign completed since the last model. No depletion has occurred at Dugald River during the reporting period.

Decreases:

The decreases in Mineral Resources (contained metal) are due to:

- divestment¹ of Golden Grove (copper, zinc, lead, silver, gold);
- divestment² of Avebury (nickel);
- depletion, drilling and modelling at Sepon (copper 18%);
- depletion, lower metal price and higher cost assumptions at Las Bambas (copper 9%); and
- three factors at Rosebery (copper 11%, zinc 14%, lead 12%, silver 11% and gold 13%) – 80% of tonnes as a result of a determination that the Inferred material around remnant stopes in the upper mine area has no foreseeable prospects for eventual economic extraction and the remaining 20% as a result of depletion and cut-off grade increases.

¹ Golden Grove divested Mineral Resources (metal) = 380kt copper, 1156 kt zinc, 89kt lead, 28Moz silver and 650koz gold.

² Avebury divested Mineral Resource (metal) = 260kt nickel

**MINERAL RESOURCES AND ORE RESERVES STATEMENT****30 June 2017****ORE RESERVES**

Ore Reserves as at 30 June 2017 (contained metal) have increased for zinc (28%), lead (41%), silver (2%) and molybdenum (1%) and decreased for copper (6%) and gold (11%).

Variations to Ore Reserves (contained metal) on an individual site basis are discussed below:

Increases:

- Dugald River Ore Reserves have increased (10.3Mt) resulting from conversion of Mineral Resources by infill drilling, modelling, and increased planned mill throughput. These changes have resulted in an increase in zinc (42%), lead (62%) and silver (30%) metal in Ore Reserves. No depletion has occurred at Dugald River in 2017.
- Rosebery Ore Reserves have increased (0.2Mt), more than replacing depletion due to drilling and Mineral Resources conversion. There is an increase of copper (5%), zinc (8%), lead (11%), silver (13%) and gold (14%) metal compared to 2016 Ore Reserves.

Decreases:

A net reduction in Ore Reserves (metal) for copper and gold due to:

- depletion at all producing operation;
- a further reduction at Sepon due to a decrease in Indicated Mineral Resources available for conversion, combined with depletion has resulted in a reduction of copper metal of 34%;
- a further reduction at Kinsevere due to removal of uneconomic stockpiles. This change combined with depletion has resulted in a 15% reduction of copper metal for the site;
- a further reduction at Las Bambas due to a small reduction (0.02% Cu) in copper grade; and
- divestment¹ of Golden Grove accounts for almost all the reduction in gold metal (300koz).

¹ Golden Grove divested Ore Reserves (metal) = 82kt copper, 247 kt zinc, 32kt lead, 7.7Moz silver and 300koz gold.



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KEY ASSUMPTIONS

PRICES AND EXCHANGE RATES

The following price and foreign exchange assumptions, set according to the relevant MMG Standard as at January 2017, have been applied to all Mineral Resources and Ore Reserves estimates. Price assumptions for all metals have changed from the 2016 Mineral Resources and Ore Reserves statement.

Table 1 : Price (real) and foreign exchange assumptions

	Ore Reserves	Mineral Resources
Cu (US\$/lb)	2.96	3.40
Cu (US\$/lb) (Sepon only)	2.73	3.28
Zn (US\$/lb)	1.19	1.43
Pb (US\$/lb)	0.95	1.14
Au US\$/oz	1200	1400
Ag US\$/oz	17.5	20.4
Mo (US\$/lb)	8.3	9.5
USD:CAD	1.18	
AUD:USD	0.80	As per Ore Reserves
USD:PEN	3.10	



MINERAL RESOURCES AND ORE RESERVES STATEMENT

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CUT-OFF GRADES

Mineral Resources and Ore Reserves cut-off values are shown in Table 2 and Table 3 respectively.

Table 2 : Mineral Resources cut-off grades

Site	Mineralisation	Likely Mining Method ¹	Cut-Off Value	Comments
Las Bambas	Oxide Copper	OP	1% Cu	Cut-off is applied as a range that varies for each deposit and mineralised rock type at Las Bambas. <i>In-situ</i> copper Mineral Resources constrained within US\$3.40/lb Cu pit shell.
	Primary Copper	OP	0.16 – 0.5% Cu	
Sepon	Oxide Gold	OP	0.9 – 1.7 g/t Au	Approximate cut-off grades shown in this table. Variable cut-off grade based on a net value calculation which accounts for costs, recoveries and metal prices within US\$1,400/oz pit shells.
	Partial Oxide	OP	1.7 – 4.2 g/t Au	
	Primary Gold	OP	1.3 – 2.6 g/t Au	
	Supergene Copper – Carbonate	OP	1.4 – 1.6% Cu	Approximate cut-off grades shown in this table. Variable cut-off grade based on a net value calculation which accounts for costs, recoveries and metal prices within US\$3.28/lb pit shells.
	Supergene Copper - Chalcocite	OP	1.5 – 1.6 % Cu	
	Primary Copper	OP	0.5 – 0.6% Cu	
Kinsevere	Oxide Copper & Stockpiles	OP	0.6% ASCu ²	<i>In-situ</i> copper Mineral Resources constrained within a US\$3.40/lb Cu pit shell.
	Transition Mixed Copper	OP	1.1% TCu ³	
	Primary Copper	OP	0.8% TCu ³	
Rosebery	Rosebery (Zn, Cu, Pb, Au, Ag)	UG	A\$166/t NSR ⁴	Remnant upper mine areas A\$179/t NSR ⁴
Dugald River	Primary Zinc (Zn, Pb, Ag)	UG	A\$134/t NSR ⁴	
	Primary Copper	UG	1%Cu	
High Lake	Cu, Zn, Pb, Ag, Au	OP	2.0% CuEq ⁵	CuEq ⁵ = Cu + (Zn×0.30) + (Pb×0.33) + (Au×0.56) + (Ag×0.01); based on Long-Term prices and metal recoveries at Au:75%, Ag:83%, Cu:89%, Pb:81% and Zn:93%.
High Lake Izok Lake	Cu, Zn, Pb, Ag, Au Cu, Zn, Pb, Ag, Au	UG	4.0% CuEq ⁵	CuEq ⁵ = Cu + (Zn×0.30) + (Pb×0.33) + (Au×0.56) + (Ag×0.01); based on Long-Term prices and metal recoveries at Au:75%, Ag:83%, Cu:89%, Pb:81% and Zn:93%.
		OP	4.0% ZnEq ⁶	ZnEq ⁶ = Zn + (Cu×3.31) + (Pb×1.09) + (Au×1.87) + (Ag×0.033); prices and metal recoveries as per High Lake.

¹ OP = Open Pit, UG = Underground

² ASCu = Acid Soluble Copper

³ TCu = Total Copper

⁴ NSR = Net Smelter Return

⁵ CuEq = Copper Equivalent

⁶ ZnEq = Zinc Equivalent



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Table 3 : Ore Reserves cut-off grades

Site	Mineralisation	Mining Method	Cut-Off Value	Comments
Las Bambas	Primary Copper Ferrobamba	OP	0.19 – 0.27%Cu	Range based on rock type recovery.
	Primary Copper Chalcobamba		0.21 – 0.27%Cu	
	Primary Copper Sulfobamba		0.24 – 0.26% Cu	
Sepon	Supergene Copper ¹	OP	1.1% Cu	Approximate cut-off grades shown in this table. Variable cut-off grade based on net value script. Low grade float refers to stockpile reclaim.
	Supergene Copper ¹ - low grade float ²		0.9% Cu	
	Primary Copper		0.5% Cu	
Kinsevere	Copper Oxide	OP	0.9% ASCu ³	Approximate cut-off grades shown in this table. Variable cut-off grade based on net value script.
		OP	0.9% ASCu ³	Stockpile reclaim.
Rosebery	(Zn, Cu, Pb, Au, Ag)	UG	A\$166 NSR ⁴ /t	
Dugald River	Primary Zinc	UG	A\$134 NSR ⁴ /t	

¹ Supergene copper refers to carbonate and chalcocite ore types.

² Low grade float refers to stockpile reclaim

³ ASCu = Acid Soluble Copper

⁴ NSR = Net Smelter Return



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PROCESSING RECOVERIES

Average processing recoveries are shown in Table 4. More detailed processing recovery relationships are provided in the Technical Appendix.

Table 4: Processing Recoveries

Site	Product	Recovery						Concentrate Moisture Assumptions
		Copper	Zinc	Lead	Silver	Gold	Mo	
Las Bambas	Copper Concentrate	86%	-	-	69%	64%		10%
	Molybdenum Concentrate						55%	5%
Rosebery	Zinc Concentrate		87%		9%	6%		8%
	Lead Concentrate		7%	80%	39%	13%		7%
	Copper Concentrate	67%			43%	36%		8%
	Doré ¹ (gold and silver)				0.2%	28%		
Dugald River	Zinc Concentrate	-	86%		30%	-		10%
	Lead Concentrate	-		75%	27%	-		12%
Sepon	Copper Cathode	83%	-	-	-	-		-
Kinsevere	Copper Cathode	85% (95% ASCu ²)	-	-	-	-		-

The Technical Appendix published on the MMG website contains additional Mineral Resources and Ore Reserves information (including the Table 1 disclosure).

¹ Silver in Rosebery doré is calculated as a constant ratio to gold in the doré. Silver is set to 0.17 against gold being 20.7

² ASCu = Acid Soluble Copper