



Media statement

Khoemacau Copper Mining to be acquired by MMG Limited

Commitments to continuing investment, growth and sustainability

Gaborone, 21 November 2023: Khoemacau Copper Mining (“Khoemacau”) announced today that the shareholders of the parent company of Khoemacau have reached an agreement to sell 100% of their interests to MMG Limited (“MMG”).

MMG is a global resources company that mines, explores and develops copper and other base metals projects on four continents, and is headquartered in Melbourne, Australia. MMG currently operates the Dugald River zinc mine and the Rosebery polymetallic mine in Australia, the Kinsevere copper mine in the DRC, the Las Bambas Mine in southern Peru, in addition to their Izok Corridor development project in northern Canada. In 2022, MMG produced 305,053 tonnes of copper and 224,551 tonnes of zinc.

MMG is listed on the Hong Kong Stock Exchange (HKEx 1208) and has an enterprise value of approximately US\$10 billion. MMG employs over 4500 people globally, of which over 90% are nationals within each respective operating jurisdiction. MMG’s 68% shareholder is China Minmetals Corporation, China’s largest metals and minerals group.

MMG has extensive operating and project delivery expertise across a range of underground and open pit mining operations in various jurisdictions, and is committed to the highest standards of safety, responsibility, and sustainability across all these operations. This is consistent with Khoemacau’s prioritisation of sustainability with its particular focus on safety, health, community and the environment. MMG applies the principles of good corporate governance as set out in the Corporate Governance Code of the Hong Kong Listing Rules, and as a member of the International Council on Mining and Metals (“ICMM”) is aligned with their sustainable mining principles.

Over the last 12 years, the current shareholders have advanced the Khoemacau project from exploration and discovery through to the development of a sustainable, long-life operation. Over this period approximately US\$1bn has been deployed on this development.

With a pre-feasibility study on the Khoemacau expansion and a solar power project now completed, the focus now turns to the feasibility study as the pathway to increased production capacity from 3.65Mtpa to 8.15Mtpa, and subsequently an increase in payable copper from c.60ktpa to c.130ktpa. This, along with extensive exploration opportunities across the license area, positions Khoemacau for an exciting new phase in its development.

Khoemacau CEO Johan Ferreira commented: “We would like to thank the current owners, who as custodians of Khoemacau over many years, successfully transformed the company from a development idea to a fully-fledged operating copper mine. Having successfully completed the ramp up of the Zone 5 / Boseto operations, the company will now be focused on the expansion study, which will seek to double production. We are excited by Khoemacau’s future with MMG, who share our vision for the expansion and have the capacity to support the significant investment needed to realise Khoemacau’s full potential, working with our team. This will ensure that Khoemacau will continue to be a safe, successful, highly profitable mining business for many decades to come, delivering employment, community benefits and economic development in Botswana. We would also like to thank our

employees, the Botswana government and other stakeholders for their support during this sale process.”

MMG Chairman Jiqing Xu commented: “The addition of Khoemacau to MMG’s international portfolio delivers on our growth strategy and vision – to build a global diversified minerals and metals company and create opportunities for all stakeholders – including our shareholders, employees and communities. Khoemacau has significant expansion potential and we look forward to working with the current team to make Khoemacau’s potential a reality”.

The sale is subject to certain conditions precedent and approvals and is expected to close in the first half of 2024.

For further queries:

Alan Fine

alan@rasc.co.za

+27 83 250 0757

Charmane Russell

charmane@rasc.co.za

+27 82 372 5816

www.khoemacau.com