

# CODELCO

Corporate Presentation

March 2025

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As an industry standard, Codelco divides its mineral holdings into two categories, reserves and resources. Resources are ore bodies of economic value that have been identified and evaluated through exploration, reconnaissance and sampling. Reserves are the portion of the resource that can be extracted based on an economic, environmental and technological analysis set forth in the mining plan. Reserves and resources are both subdivided further, based on the degree of knowledge that Codelco has of their extent and composition. The system used by Codelco for categorizing mineral ore is according to the Chilean law (N° 20.235), which is in accordance with other systems widely used within the mining industry. The "Comisión Calificadora de Competencias en Recursos y Reservas Mineras" is the independent Chilean entity who regulates this and it is part of the Committee for Mineral Reserves International Reporting Standards (CRISCO).

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# Highlights

- **Reaching our 2024 production guidance** marks a key turning point for CODELCO, signaling the beginning of a gradual production recovery.
- Structural projects **Andina New Transfer System was completed in April** providing a secondary crushing system while Salvador Inca Pit and El Teniente projects' portfolio are in the commissioning phase, nearing the start of production.
- CODELCO showcases its **robust access to financial markets**, exemplified by its January 2025 issuance of US\$1.5 billion, alongside alternative sources such as the \$532 million MIGA-backed climate finance loan secured in 2024.
- CODELCO enhanced its strategy for **impactful public-private partnerships**
  - In May 2024, **CODELCO and SQM reached an agreement** to develop the lithium business in the Atacama salt flat.
  - In December 2024, **CODELCO acquired 10% stake in Quebrada Blanca** for US\$520 million.
  - In February 2025, **CODELCO and Anglo American signed a MOU** to promote the development of the Andina-Los Bronces mining district.



# Leading with sustainability, innovation, and operational excellence

## OUR PURPOSE

To be a pillar for  
**sustainable  
development** in **Chile**  
and **worldwide**



## OUR VALUES

We **look out** for one  
another

We foster a culture of  
**respect**

We deliver results with  
**excellence &  
innovation**

We value  
**collaboration**

We build a **sustainable  
future**



## OUR MISSION



Maximize Codelco's  
**economic, environmental,  
and social value** and its  
**contribution** to the State in  
a **sustainable** manner  
through its operations and  
partnerships in **copper and  
lithium mining**, and their  
byproducts

## OUR STRATEGIC OBJECTIVES



### Production

1.7 million tonnes of copper p.a.

### Safety

Zero fatalities

### Sustainability

Social and environmental goals

### Competitiveness

Second cost quartile

### Growth

Copper exploration campaigns +  
develop our lithium business

### People

Strengthen corporate culture

# CODELCO is the world's largest copper producer...

## Copper resources

**165**

million tons

**7.8%**

of the world

## Copper reserves

**47**

million tons

**4.7%**

of the world

**1.4**

million tons

**Attributable copper  
production 2024**

*Includes output from  
associated companies*

**\$16.5Bn**

**Revenues**

LTM as to September  
2024

**7**

**Mines,  
3 smelters,  
3 refineries**

**BBB+/Baa1**

**Highly rated  
mining company**

S&P / Moody's  
CODELCO is a state-owned company



# Optimizing our wealth of resources to foster a prosperous future

## CHUQUICAMATA UNDERGROUND



RAMPED UP 2019

- Extends life mine in **41 years**
- Expected annual production at full-capacity **230kt**

## ANDINA NEW TRANSFER SYSTEM



RAMPED UP 2024

- Extends life mine in **30 years**
- Expected annual production at full-capacity **200kt**

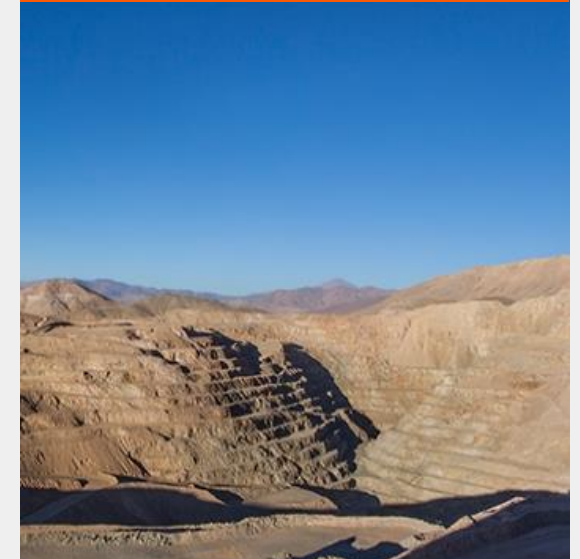
## EL TENIENTE PROJECTS



RAMPING UP FIRST HALF 2025

- Extends life mine in **43 years**
- Expected annual production at full-capacity **260kt**

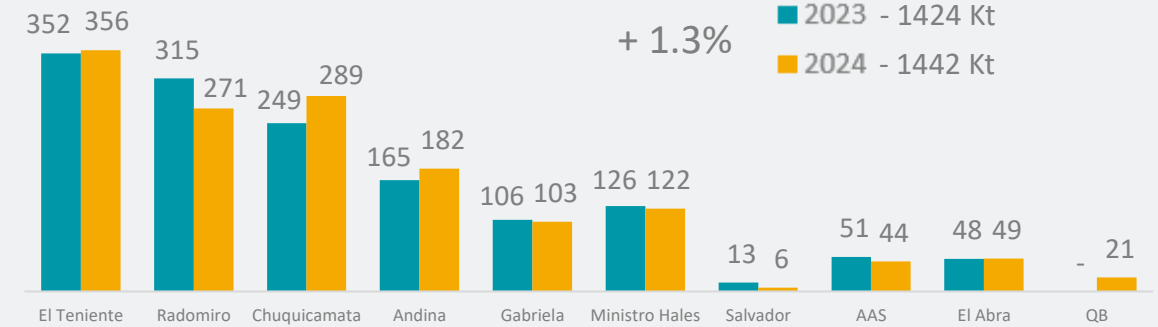
## RAJO INCA OPEN PIT



- Extends life mine in **38 years**
- Expected annual production at full-capacity **75kt**

# CODELCO Reaches Turning Point by Meeting Production Guidance

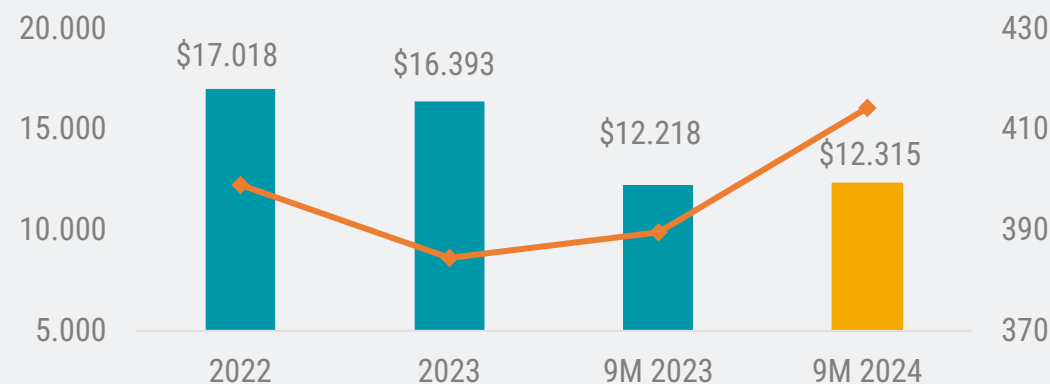
## Production (Kt)



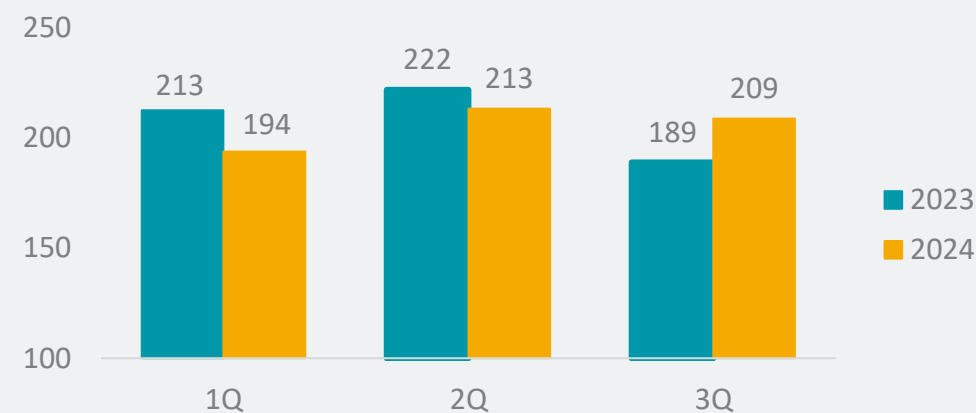


# Leverage is improving driven by the copper price hike

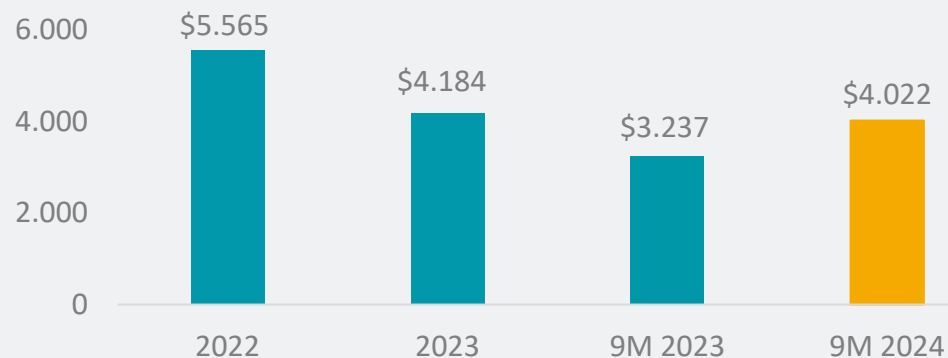
## Revenues (\$ million) and Copper Price (c/lb)



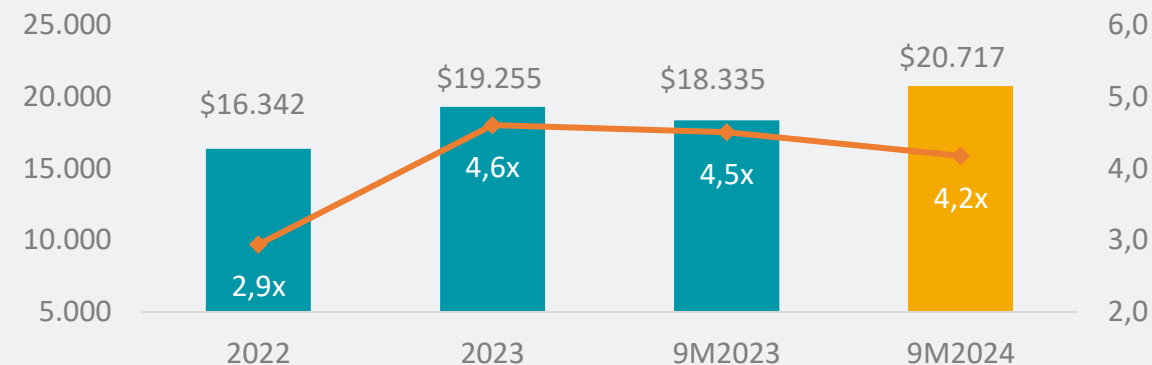
## C1 Cash Cost (c/lb)



## EBITDA (\$ million)

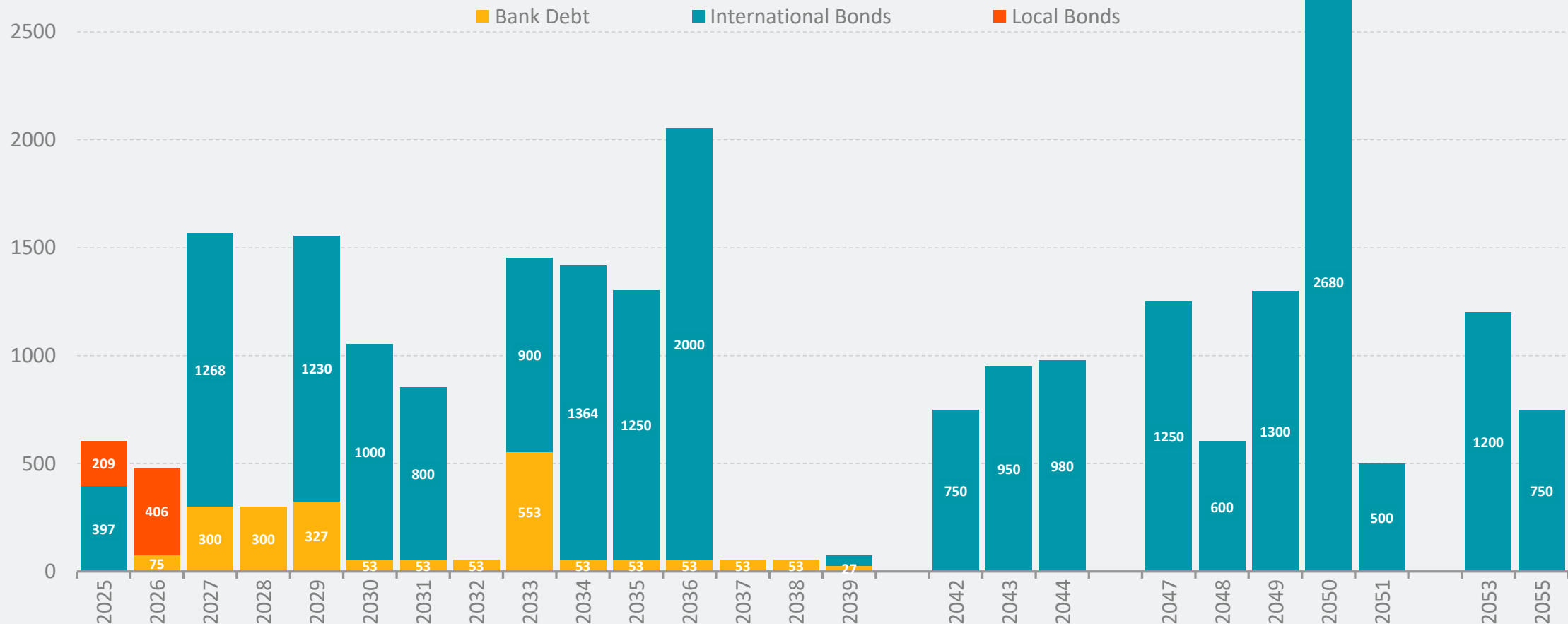


## Net Financial Debt (\$ million) and Leverage (%)



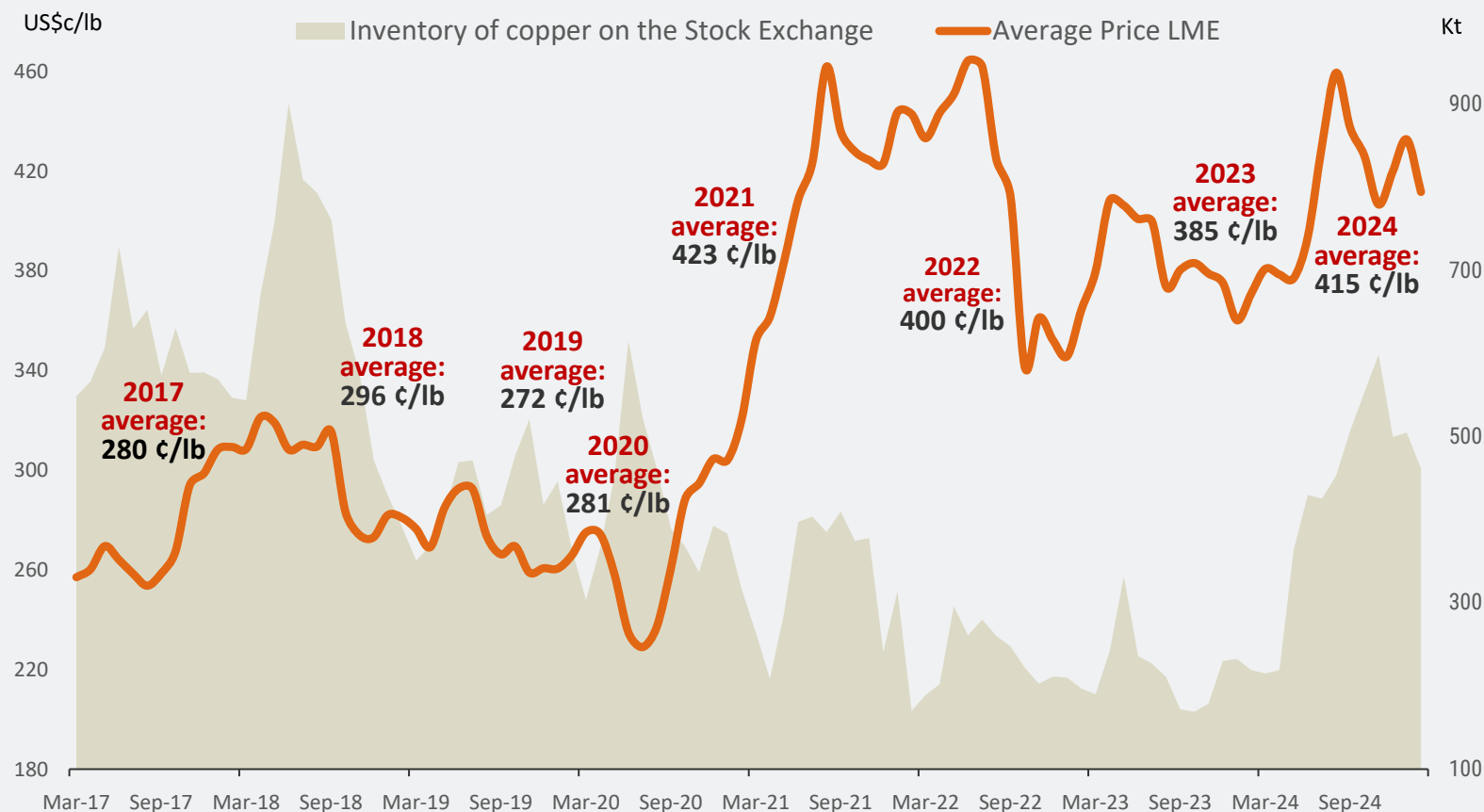
# CODELCO's well-distributed debt and low upcoming maturities position it strongly for future challenges

As of February 2025 (US\$ million)\*



\*Excludes leaseings

# Demand resilience and supply constraints have driven copper prices to current levels, though market volatility persists

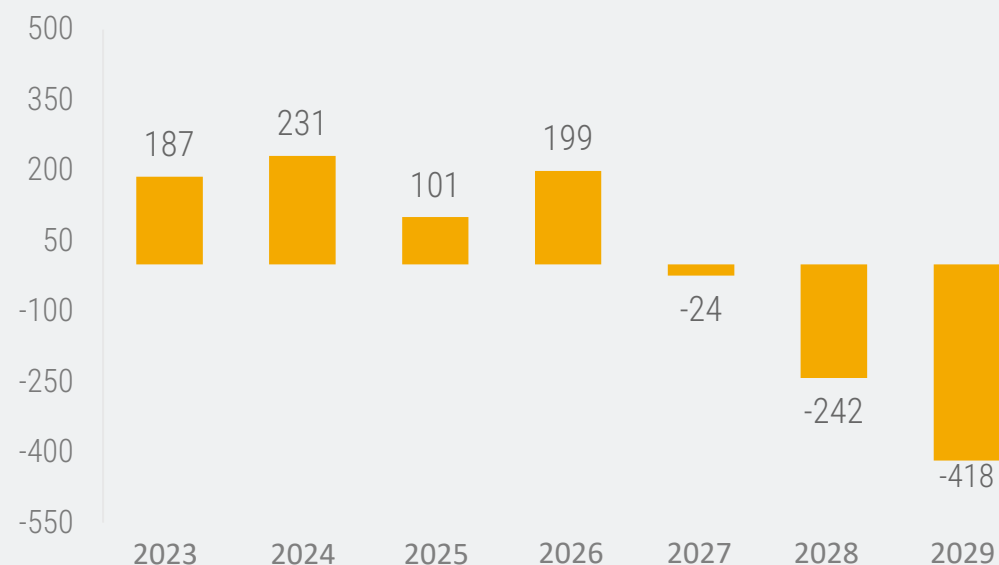


- In 2024, copper prices rose in the first half but fell in the second due to **rate cut delays, geopolitical uncertainty, and increased inventories in Asia**.
- 2024 ended with global **inventories doubling** compared to 2023, though they **remain low relative to consumption**.
- However, copper is a long run industry and **copper price is well above the marginal cost of producers**.



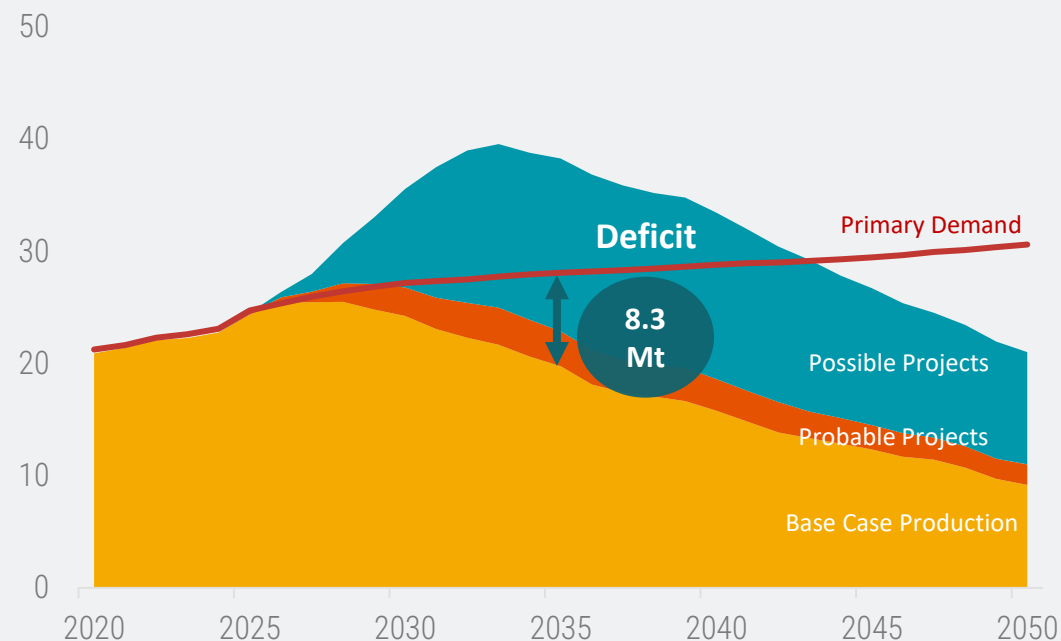
# While the market is currently balanced, significant deficits are anticipated in the near future

Refined copper market balance  
(Kt)



- The market has been more balanced in recent years, but is expected to shift toward a **deficit, with supply growth (~2%) falling short of demand from 2027 onward (~2,5%)**

Long-term refined copper market balance  
(Mt)



- To satisfy 2035 demand, **35% of the possible projects and all probable projects** must be developed.

# Demand uncertainty rises over trade disputes, but energy transition spend continues to be supportive in the long run

## Traditional Market Expansion

88%

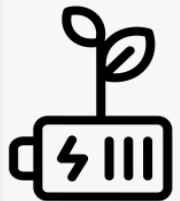
Share of Total Demand



## Energy Transition

12%
























Share of Total Demand



- Demand in the **developed world will remain robust**, driven by rising of living standards
- **Developing economies**, still have significant potential to boost copper consumption driven by urbanization and infrastructure development
- **China's organic growth presents** a challenge for the industry due to its high baseline
- **Southeast Asia and India's potential copper demand** set to rise as electricity access grows

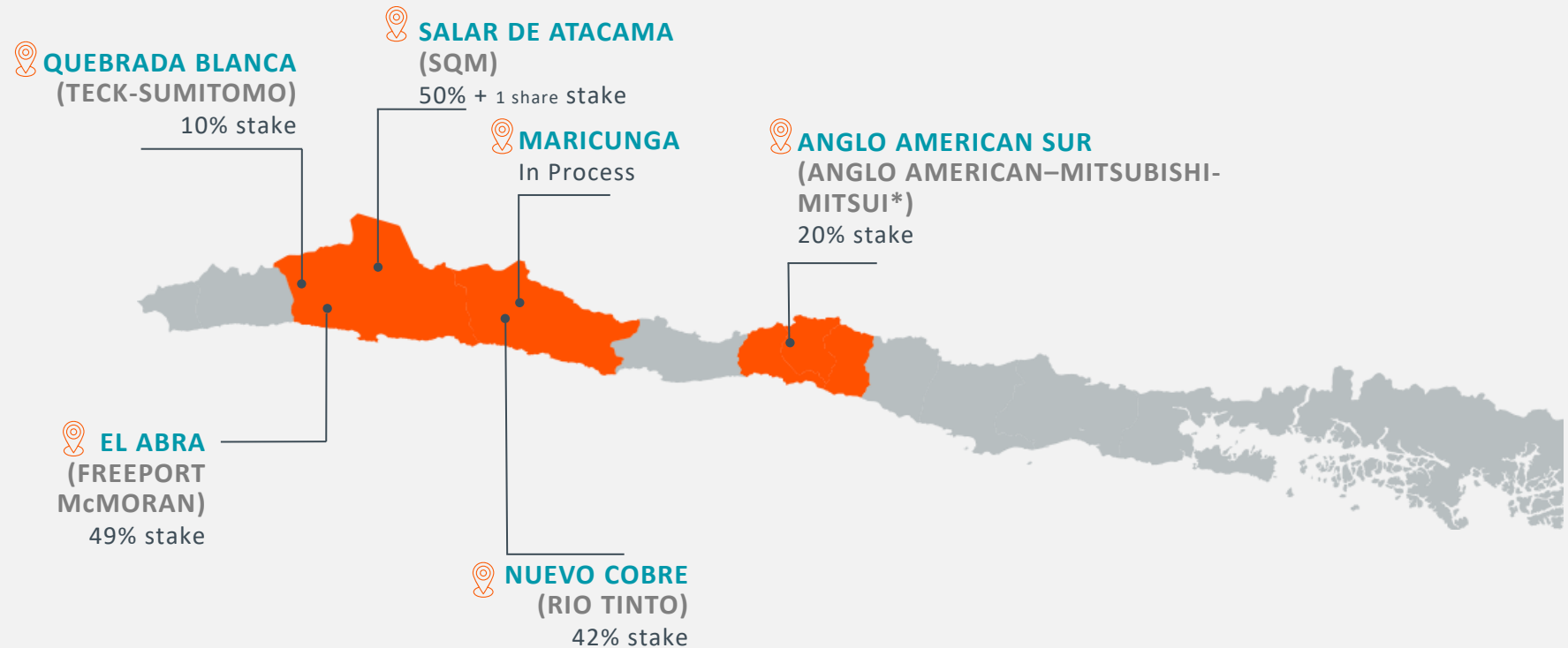
- **EV's require up to 3x** more copper than a traditional combustion engine vehicle
- **Electrification of industry**
- **Wind and solar energy generation** require more copper than gas-fired power and have lower capacity, needing greater installations to match fossil fuel output
- **Energy storage**
- **Data Centers for AI**

# Demand uncertainty rises over trade disputes, but energy transition spend continues to be supportive in the long run

Probable Projects	Capacity (ktpa)	Country	Start Date	Company	Risks	Greenfield	Brownfield
El Teniente - NML	410		2025		Reformulation; technical aspects (geomechanics)		
Antamina Extension	405		2029				
Cobre Panama Restart	350		2026		Local opposition; political interference in the judicial process		
Kansanshi S3	250		2025		Energy Access, transport infrastructure		
Grasberg Kucing Liar	230		2029		Changes to governmental norms; lack of smelter capacity		
MARA	225		2029	GLENCORE	Political stability		
Reko Diq	220		2029		Political stability; terrorism; financing		
Spence Oxides Extension	200		2027		Financing		
Malmyzh	158		2025		Rusia sanctions; equipment availability; export route; financing		
Carrapateena Block Cave Expansion	121		2026		Financing		
Tenke Fungurume Expansion	100		2025		Energy Access, transport infrastructure		
Qulong Phase 2	100		2025				



# Developing our partnerships is at the center of our strategy



\* Holds 9.5% through Becrux

# A key pillar in our partnership strategy is lithium: alongside copper, driving the green energy transition

## ATACAMA

Codelco and SQM are progressing in the conditions required to fulfill the agreement, securing regulatory approvals in six jurisdictions and working with indigenous communities in the Salar de Atacama to complete the consultation process within 2025

## MARICUNGA

Codelco is **advancing in the partner selection process**, expecting binding offers next month and finalizing selection by 2Q25

## PEDERNALES

The Pedernales salt flat represents a **fully owned asset**, where Codelco is advancing exploration efforts and preparing for future development with a strategic partner



# Quebrada Blanca: We acquired a 10% interest, further strengthening our copper portfolio

- Quebrada Blanca is a tier-1 copper asset with a vast resource base
- The acquisition will add approximately 25,000 to 30,000 tons of copper to Codelco's annual production
- Codelco retains key rights: preferred dividends and non-funding interest
- Starting point of a long-term relationship between Codelco and Teck for exploring further business opportunities



Source:  
Teck.com



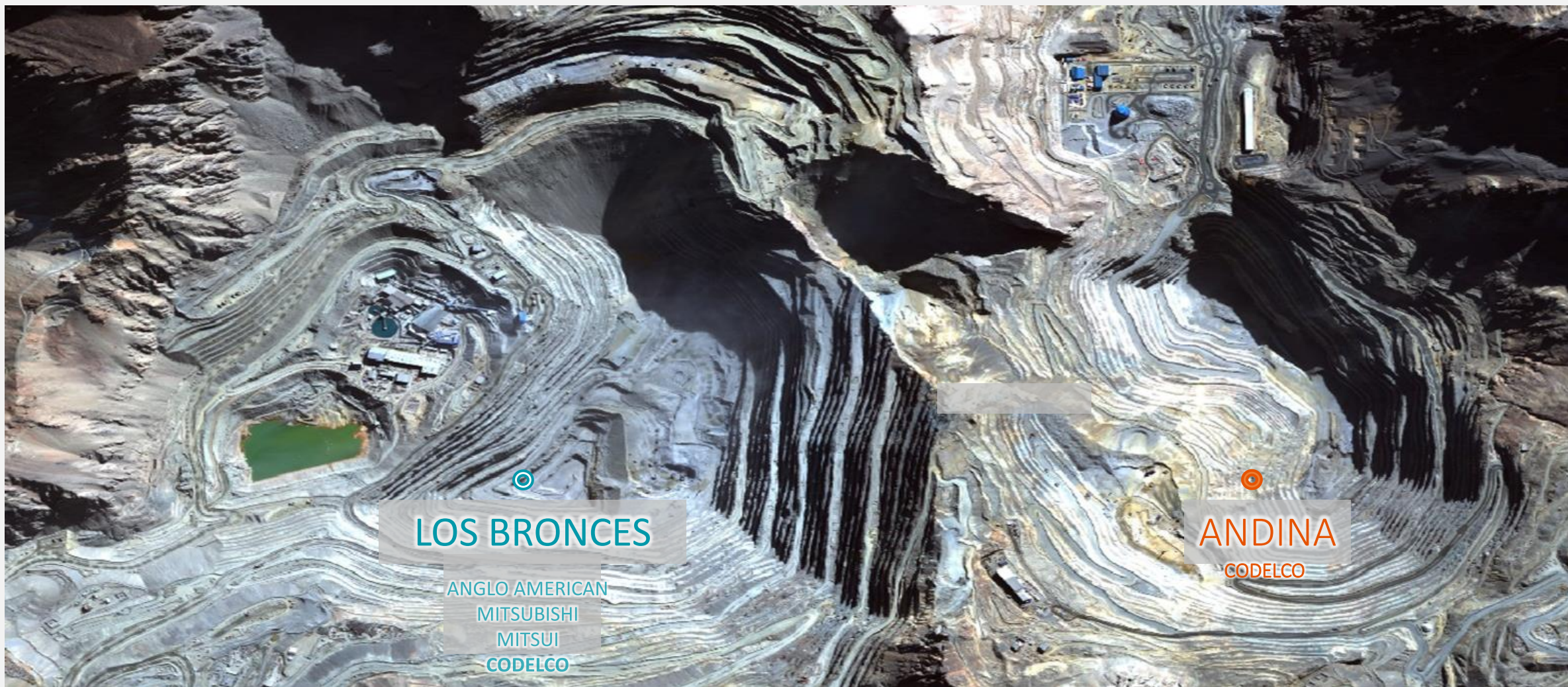
# Nuevo Cobre: Rio Tinto as JV partner

- Codelco and Rio Tinto became partners in Nuevo Cobre in 2023
- Permitting approval is undergoing to enable a drilling campaign that includes over 360 drillholes





# MOU with Anglo American: Maximizing Value of Andina and Los Bronces Districts



# Developing a Joint Mine Plan: Unlocks Significant Value



## INCREMENTAL PRODUCTION

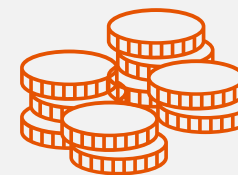
120,000 tons of copper per year  
(average for over 20 years)<sup>1</sup>

<sup>1</sup> Codelco share will be almost 75,000 tons per year  
(60,000 tons for Andina and 15,000 tons for Los Bronces 20% stake)



## LOW CAPEX

Minimal additional capex



## POTENTIAL VALUE UNLOCKED

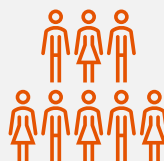
Incremental value  
estimated in at least US\$  
5.0 billion<sup>2</sup>

<sup>2</sup> Incremental value (pre-tax) during the joint mine plan  
to be shared 50/50 between Codelco and Anglo  
American Sur



## ASSETS

Both companies will retain  
ownership of their key assets



## ESG

Safeguard all existing social and  
environmental commitments



## COLLABORATION

Leverage the expertise of  
two well known major  
companies



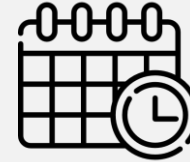
# Key Principles of the MOU



**VALUE  
MAXIMIZATION**



**SCHEME OF  
EQUALS**



**DEFINED  
SCOPE AND  
TERM OF THE  
AGREEMENT**



**OPTIONALITY TO  
DEVELOP  
UNDERGROUND  
PROJECTS**



## PATH FORWARD TO BINDING AGREEMENT IN 2025



Due diligence



Definitive agreements

## KEY TASKS AFTER CLOSING BINDING AGREEMENT



Joint Mine Plan preparation



Environmental Permits

# Progress has been made in meeting our sustainability goals

## LOWER CARBON FOOTPRINT



We have achieved a 21% reduction in GHG emissions, completing 30% of our 2030 target

## LOWER WATER FOOTPRINT



North District desalination plant has 60% progress and is expected to begin in May 2026

## HUMAN RIGHTS



Codelco lead the 2024 Human Rights Assessment, conducted by PUC\* and the International Labor Organisation

## LOWER EMISSIONS OF PARTICULATE MATTER



We have reduced PM10 emissions by 8%, completing 32% of our 2030 target, along with a 10% year-over-year improvement in air quality in the Calama region

All our mines, smelters and refineries have the Copper Mark certification

\* Pontifical Catholic University of Chile (PUC) is one of the most prestigious universities in Chile

# CODELCO IS DEVELOPING A SUSTAINABLE BUSINESS THROUGH ITS OWN OPERATIONS AND PUBLIC-PRIVATE PARTNERSHIPS

1

Copper structural projects are ramping-up, **ensuring long-term mineral reserves**, and enabling future production growth through plant expansions

2

Achieving our 2024 production guidance sets the foundation for **continued growth**, with structural projects progressively coming online to reach the 2030 production target

3

Public-private partnerships in copper and lithium unlock CODELCO's potential to become a major and robust player in the global green transition

4

Building economic, environmental, and social value to increase **CODELCO's contribution to the State**

5

Keeping **sustainability at the core** of our corporate strategy





# CODELCO

Corporate Presentation

March 2025

# And during the last five decades, has made significant contributions to Chile

Contribution to the  
Chilean treasury

**158**

**US\$ billion**

**8%** of total fiscal income

Production  
related expenses

**193**

**US\$ billion**

With local suppliers

Exports

**452**

**US\$ billion**

**19%** of total exports

Capital investment

**96**

**US\$ billion**

**5%** of total investments