

金川集团国际资源有限公司
Jinchuan Group International Resources Co. Ltd



1H 2023 Results Presentation

August 2023



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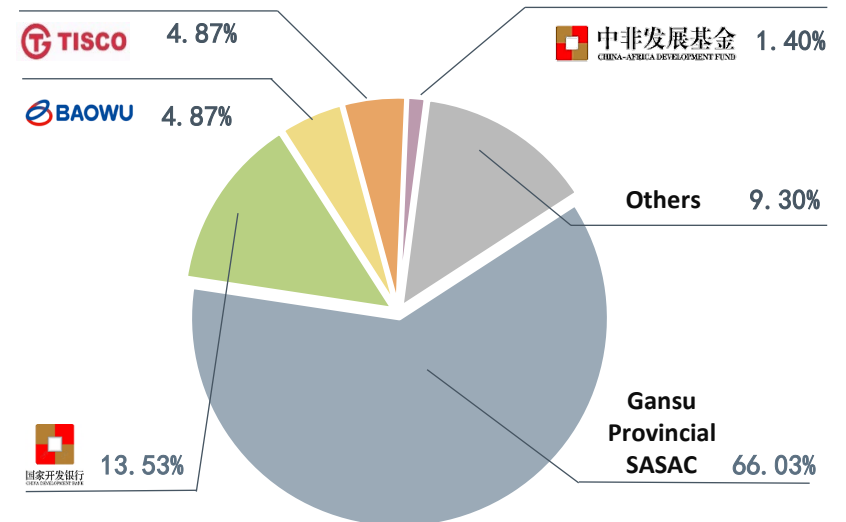
Overview - Jinchuan Group

- In 2022, Jinchuan Group was rated as the fourth largest cobalt and nickel producer in the world. Its annual production of copper ranked fourth in China and its PGM output ranked first in Asia.
- Impressive annual capacity:
 - 230,000 tons of nickel
 - 1.1 million tons of copper
 - 17,000 tons of cobalt
 - 10,000 kilograms of Platinum Group Metals(PGM)
 - 30 tons of gold
 - 600 tons of silver
 - 200 tons of selenium
 - 5.6 million tons of chemical products
- Owns world's 3rd largest Cu-Ni sulfide deposit and serves as both China's largest and world's leading nickel and cobalt production base and PGM refining center.
- With a global presence across 12 mineral deposits, and engage in the exploration, mining, refining, and processing of nickel, copper, cobalt, and PGM.
- Located in Jinchang city, Gansu province, is renowned as the "Nickel Capital of China."

Awards & Credentials



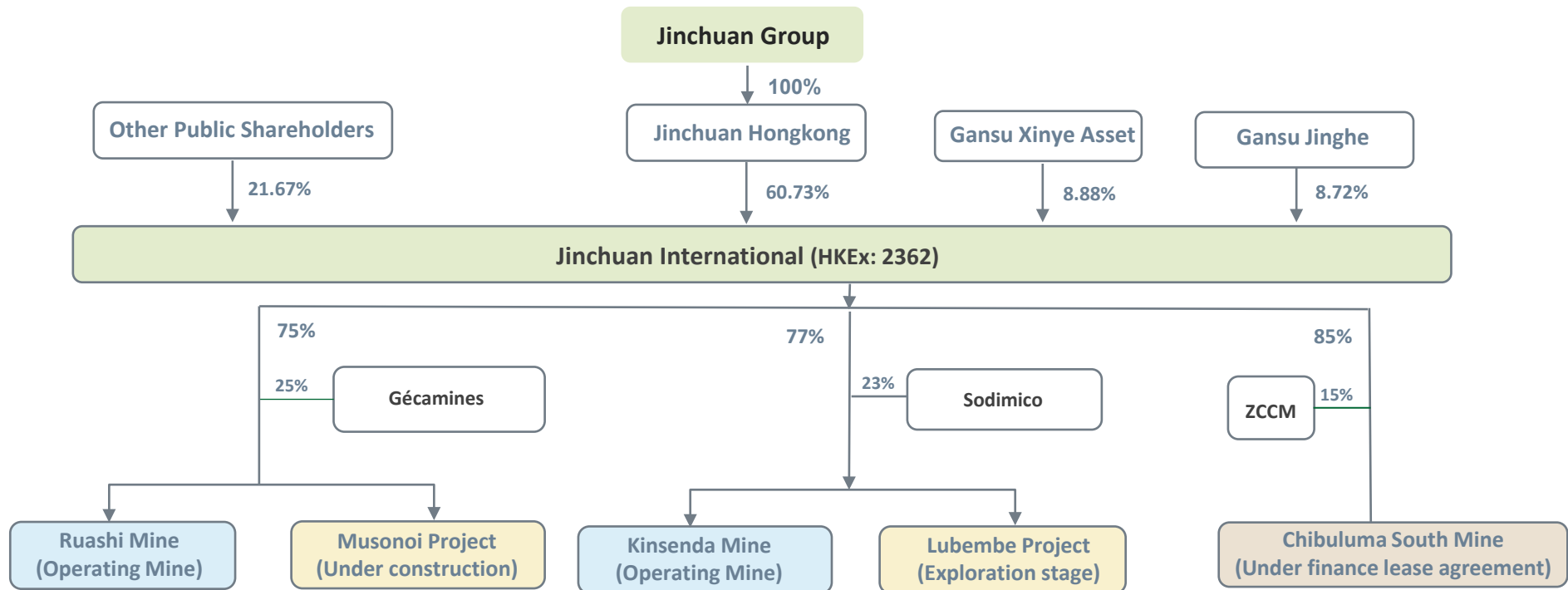
Shareholding structure





Overview - Jinchuan International

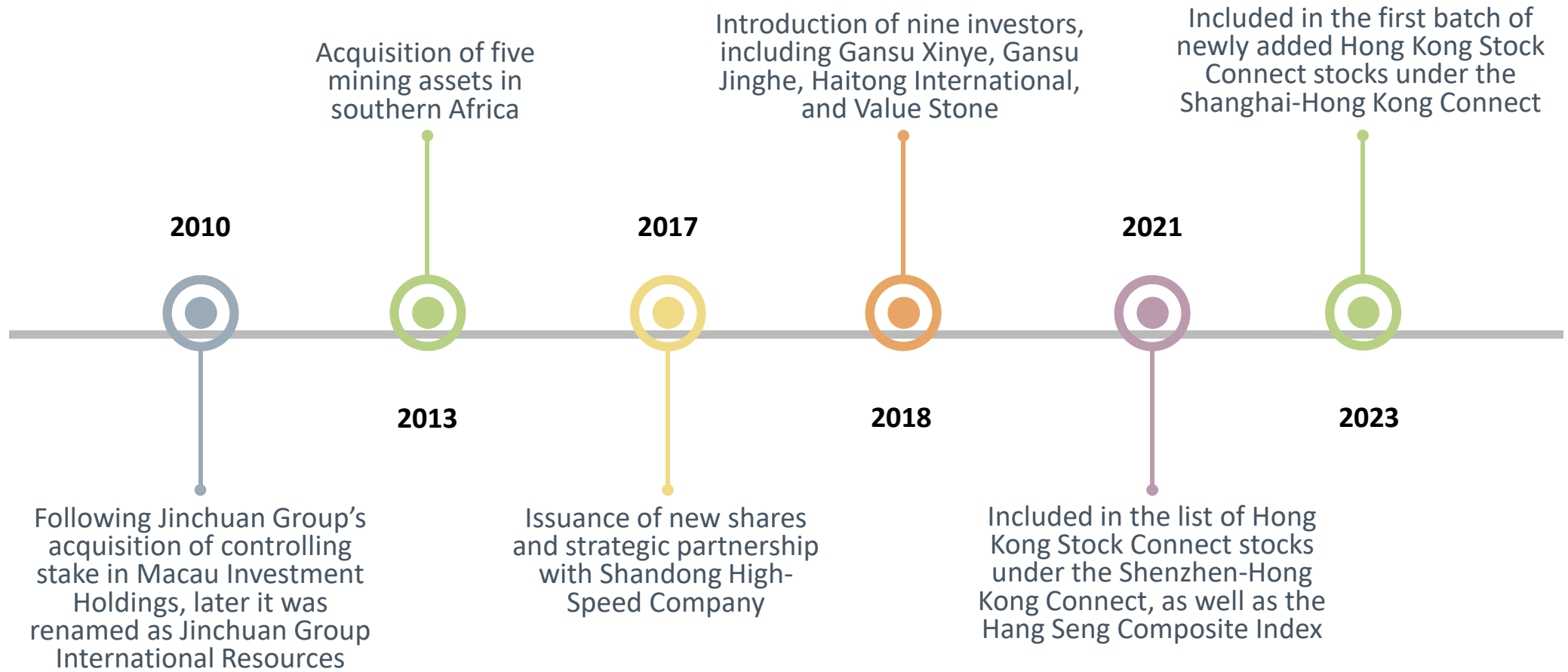
- Jinchuan Group International Resources Co. Ltd (JCI) is a subsidiary of Jinchuan Group and serves as the flagship platform for the group's overseas resource development. It is listed on the main board of the Hong Kong Stock Exchange (stock code: 2362.HK).
- Leveraging strong support from Jinchuan Group, JCI actively builds a multinational business focused on mining development and operations. With significant holdings in Africa, JCI possesses large-scale, high-grade copper and cobalt metal resource mines, engaging in the exploration, extraction, and trading of base metal resources.



(As of 30 June 2023)



Timeline - Jinchuan International





Reserves and Resources

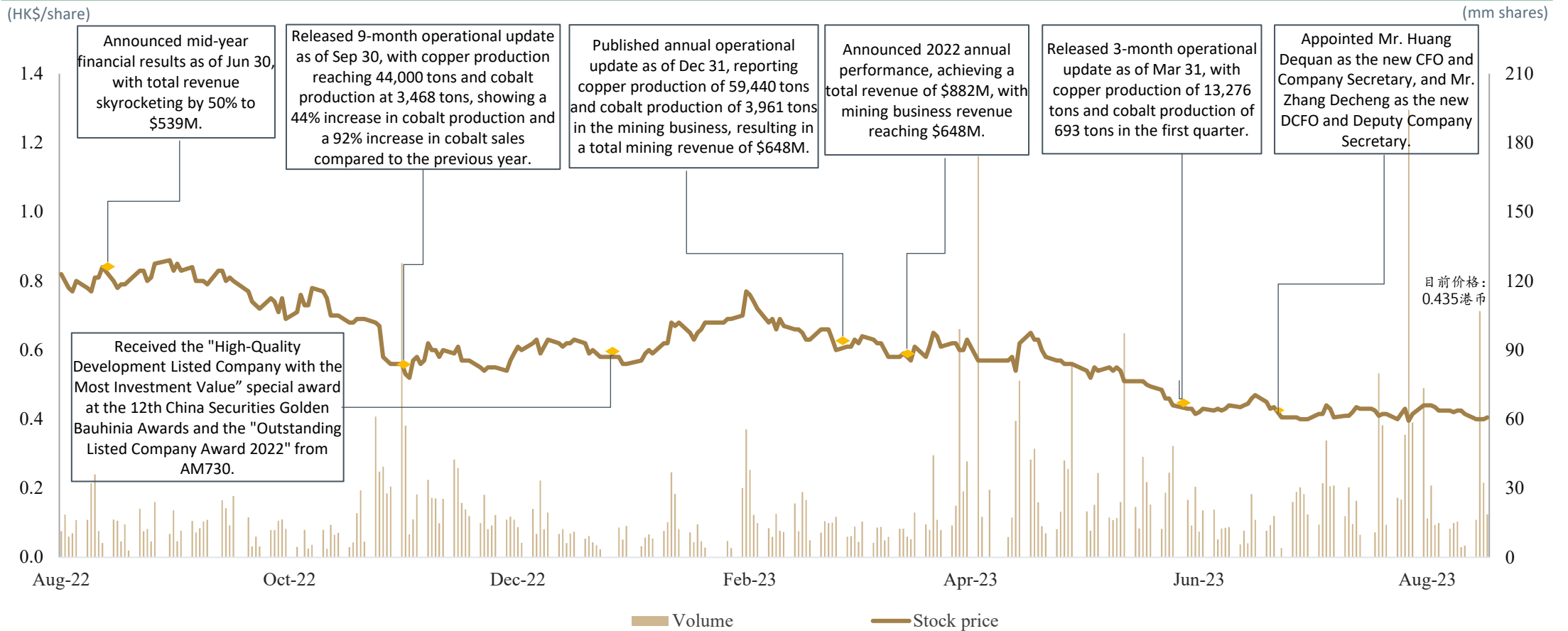
(As of 31 Dec 2022)

	Tonnage	Grade		Contained Metals	
	Mt	%	%	kt	kt
Copper - Cobalt		Copper	Cobalt	Copper	Cobalt
Proved	11.5	3.1	0.9	357	100
Probable	23.2	2.4	0.5	548	106
Total reserves	34.7	2.6	0.6	905	206
Measured	17.9	2.8	0.8	493	150
Indicated	40.0	2.2	0.5	867	180
Inferred	15.6	2.2	0.7	338	107
Total resources	73.5	2.3	0.6	1,698	437
Only Cobalt					
Proved	0	5.4	–	1	–
Probable	3.8	5.8	–	220	–
Total reserves	3.8	5.8	–	221	–
Measured	4.2	1.7	–	73	–
Indicated	83.8	2.4	–	1,982	–
Inferred	27.4	2.9	–	804	–
Total resources	115.4	2.5	–	2,859	–
Jinchuan International Summary					
Total reserves	38.5			<u>1,126</u>	<u>206</u>
Total resources	188.9			<u>4,557</u>	<u>437</u>



Share Price Performance

Past Year Stock Performance and Major Events:



- The company has been consistently rewarding its shareholders, achieving five consecutive years of dividends in 2022.
- The dividend per share amounted to 0.2 HK cents, totaling approximately 25,004,000 HK dollars, equivalent to 3,206,000 US dollars.



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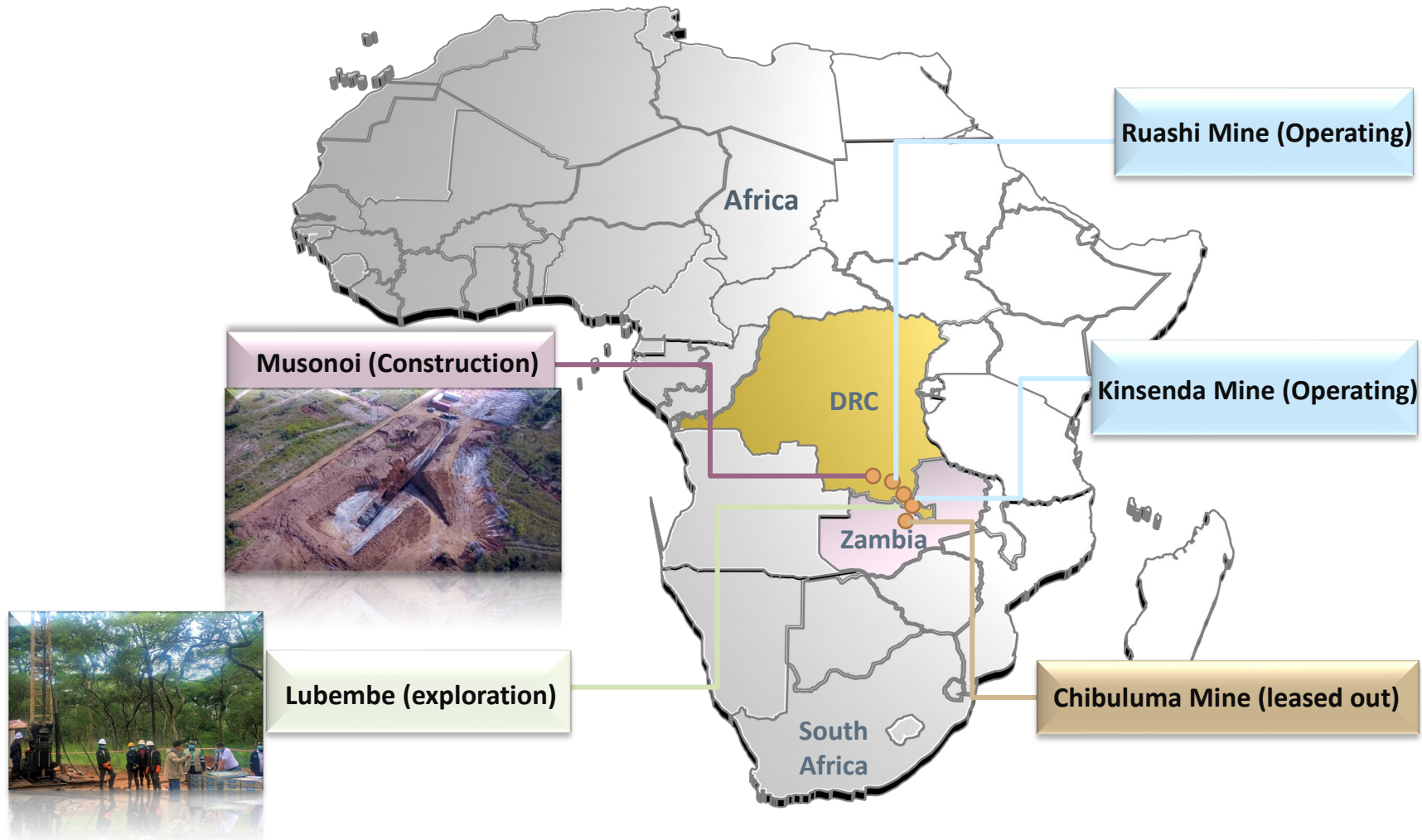
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Q&A





Geographical Location





Ruashi Mine



- ❑ Mine type: open-cast oxide copper and cobalt mine with sulphide potential underneath
- ❑ Location: Lubumbashi, Haut Katanga Province, the DRC
- ❑ Ownership: JCI (75%), Gécamines SA (25%)
- ❑ Processing: leach SX-EW processing
- ❑ Products: copper cathode, cobalt hydroxide



Ruashi Mine

- LoM: 9 years
- Resources: 614kt Cu, 74kt Co
- Reserves: 299kt Cu, 32kt Co
- Ruashi Mine completed the construction of a 600kt per annum floatation and magnetic separation plant which is targeted to treat low grade oxide and sulphide material via magnetic separation and floatation. The successful construction of the floatation and magnetic separation plant will further increase the mine life of Ruashi.
- Ruashi's main mining license (PE578) was renewed for a period of 15 years in 2021 and will expire in September 2036.
- Copper cathode and cobalt hydroxide are sold to international trading companies through offtake agreements

Reserves and Resources Summary (as of 31 Dec 2022)

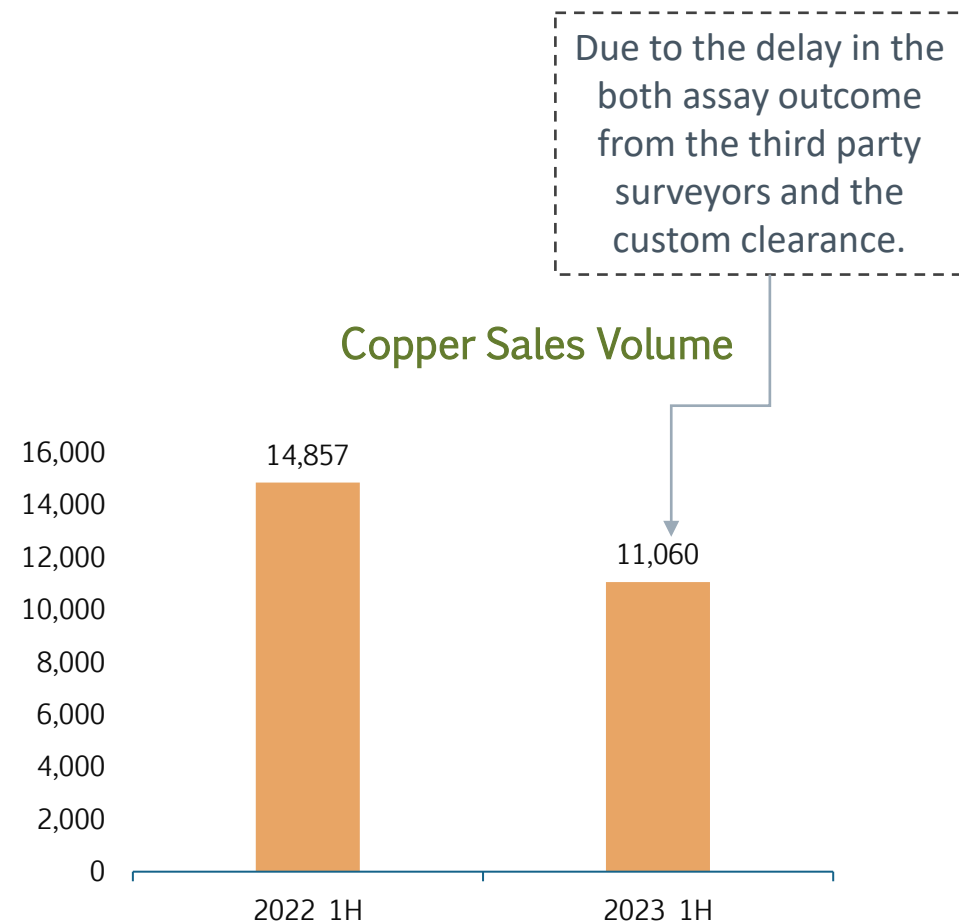
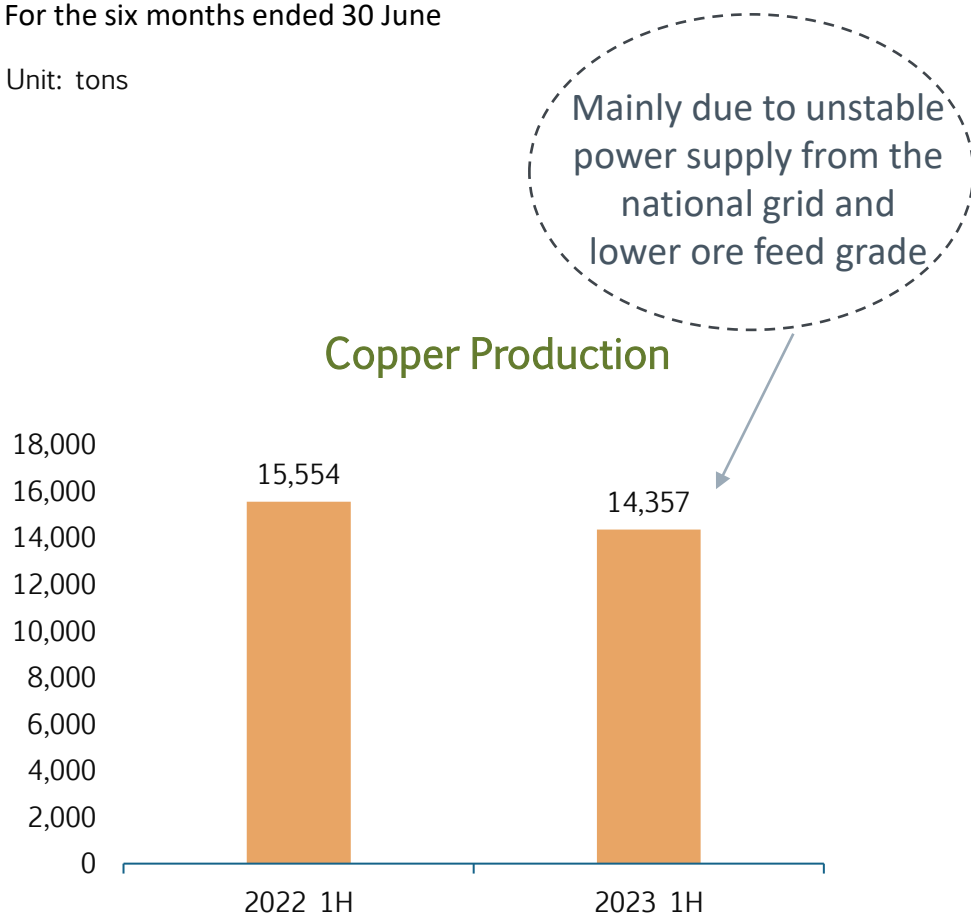
	Tonnage	Grade		Contained metals	
		Mt	%	%	kt
		Cu	Co	Cu	Co
Proved	–	3.1	0.1	–	–
Probable	14.5	2.1	0.2	299	32
Total reserves	14.5	2.1	0.2	299	32
Measured	0.4	2.3	0.4	9	1
Indicated	25.7	2.1	0.2	551	64
Inferred	2.6	1.9	0.3	50	9
Total resources	28.7	2.1	0.3	614	74



Ruashi Mine-Copper

For the six months ended 30 June

Unit: tons





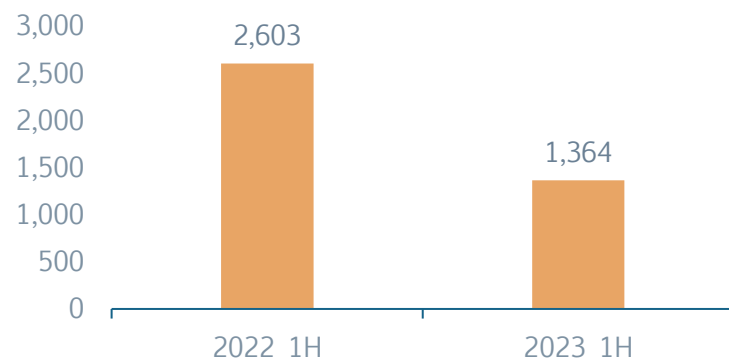
Ruashi Mine-Cobalt

For the six months ended 30 June 2023

Unit: tons

Due to the decrease in volume of foreign ore purchased resulting in the lower of both ore feed grade and cobalt recovery rate.

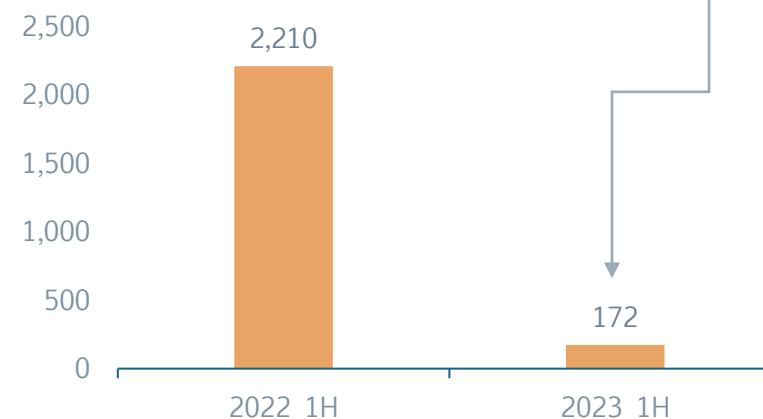
Cobalt Production



Mainly due to

- The average MB cobalt price for 2023 1H was US\$15.45/p representing a 58% decrease as compared to that for 2022 1H of US\$36.68/p
- The MB cobalt hydroxide coefficient has decreased from 88% at the end of March 2022 to the lowest of 51% in May 2023, leading to the further decrease in effective cobalt price of the Group
- Thus, the strategy is adopted to slow down the sales process and accumulate more cobalt inventory, waiting for the cobalt price to rebound before selling

Cobalt Sales Volume





Kinsenda Mine



- ❑ Mine type: underground copper mine
- ❑ Location: Haut Katanga Province, the DRC
- ❑ Ownership: JCI (77%), Sodimico (23%)
- ❑ Product: copper concentrates
- ❑ LoM: 12 years
- ❑ One of the world's highest grade copper deposits and has good access to infrastructure



Kinsenda Mine

- LoM: Current mine life is more than 12 years and there exists substantial additional ore resources that could extend the mine life to 20 years and beyond
- Resources: 950kt Cu; Reserves: 221kt Cu
- Kinsenda Concentrator completed trial run in May 2015 → Production started in Oct 2016 → First batch of concentrates exported in Nov 2017
- Kinsenda's main mining license (PE101) was renewed for 15 years and will expire in October 2036
- Kinsenda Mine is developing a second ramp decline as a capital development project to open up the East Mine Resources
- Obtained a 10-year long-term loan of \$225 million from China Development Bank in 2014.

Reserves and Resources Summary (as of 31 Dec 2022)

	Tonnage	Grade	Contained metals
	Mt	%	kt
		Cu	Cu
Proved	0.0	5.4	1
Probable	3.8	5.8	220
Total reserves	3.8	5.8	221
Measured	0.7	4.4	29
Indicated	10.0	5.1	513
Inferred	9.9	4.1	408
Total resources	20.6	4.6	950

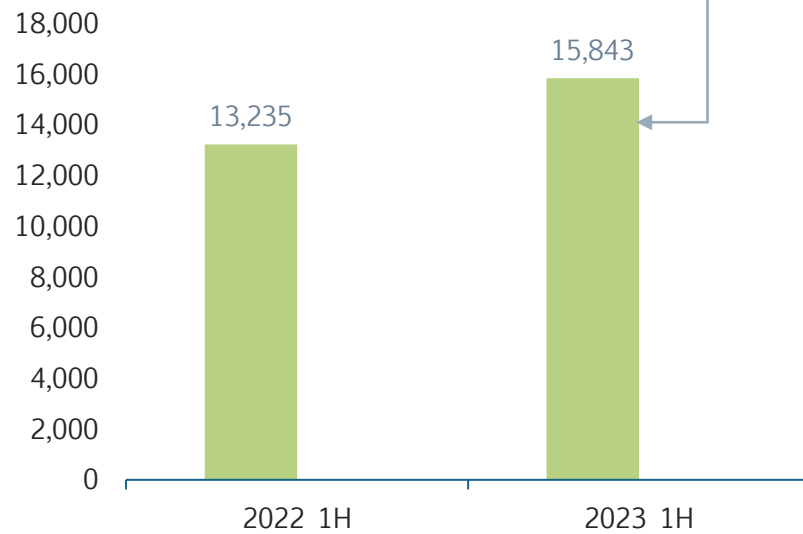


Kinsenda Mine-Copper

For the six months ended 30 June 2023

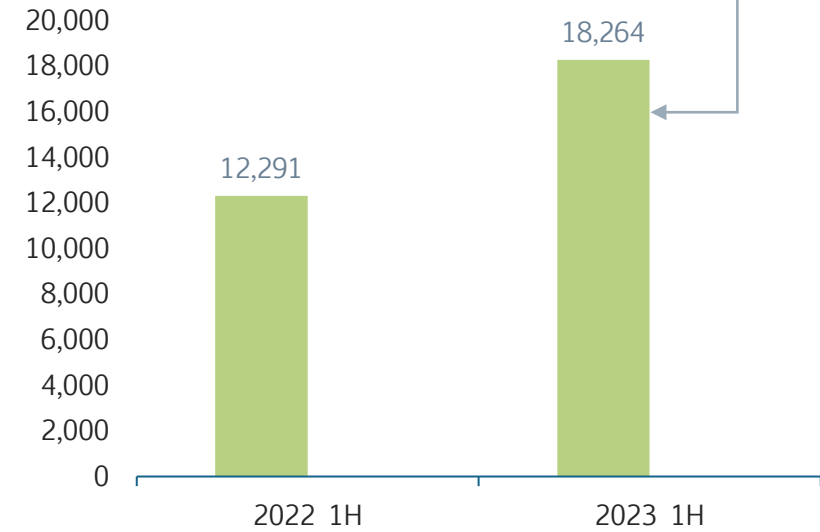
Unit: tons

Copper Production



Copper production increased by 20% and resulted in an improved copper recovery rate and an 18% higher feed grade

Copper Sales Volume



With an increase of 49% ,due to the effective destocking of its inventory level in 2023 1H



Musonoi Project



- ❑ Location: North of Kolwezi town, Lualaba Province, the DRC
- ❑ Ownership: JCI (75%), Gécamines SA (25%)
- ❑ Progress: under construction
- ❑ LoM: 19 years according to ENFI Feasibility Study
- ❑ Resources: 1,085kt Cu, 363kt Co
- ❑ Reserves: 606kt Cu, 174kt Co



Musonoi Project

- Resources: 1,085kt Cu, 363kt Co
- Reserves: 606kt Cu, 174kt Co
- Grade: Up to 0.9%, making it one of the highest-grade cobalt mines globally
- Production: Average annual cobalt production of 7,400 metric tons and copper production of 38,000 metric tons
- Progress: Construction projects have made good progress in the first half of 2023
- The group obtained a 10-year long-term loan of \$350 million from China Development Bank for financing the Musonoi project. As of the end of June 2023, a total of \$191 million has been withdrawn from this financing

Reserves and Resources Summary (as of 31 Dec 2022)

	Tonnage	Grade		Contained metals	
	Mt	%	%	kt	kt
Oxide		Cu	Co	Cu	Co
Proved	2.7	3.4	1.0	91	28
Probable	0.5	3.3	0.8	16	4
Total reserves	3.2	3.3	1.0	107	32
Measured	4.7	3.1	1.0	144	48
Indicated	1.2	1.9	0.8	22	9
Inferred	1.4	2.0	0.7	29	10
Total resources	7.3	2.7	0.9	195	68
Mixed+Sulphide					
Proved	8.8	3.0	0.8	266	72
Probable	8.2	2.8	0.9	233	70
Total reserves	17.0	2.9	0.8	499	142
Measured	12.8	2.7	0.8	339	100
Indicated	13.1	2.2	0.8	292	107
Inferred	11.6	2.2	0.8	258	88
Total resources	37.5	2.4	0.8	889	295



Lubembe Project



- ❑ Location: Haut Katanga Province, the DRC
- ❑ Ownership: JCI (77%), Sodimico (23%)
- ❑ Progress: mining license renewed in 2016 and extended for a further 15 years to 2032
- ❑ An infill drilling program was completed in 2021



Lubembe Project

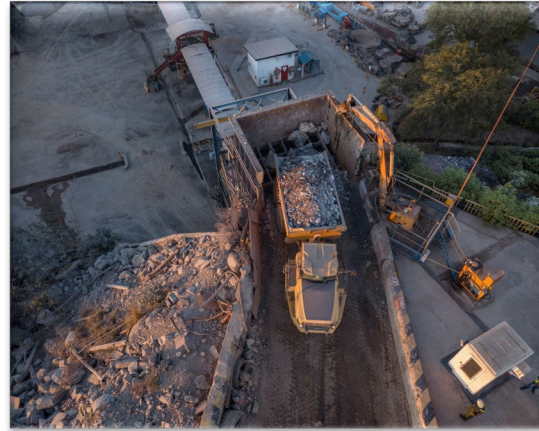
- Resources: 1,909kt Cu
- Grade: The copper grade of the project is 2.0%
- It is a large-scale exploration project with significant cash flow potential as a long-term reserve
- Hydrogeological and engineering geological studies are being carried out to enhance the geological understanding of Lubembe Project
- The deposit is a mixed-type ore body that can be economically mined by combining the extraction of oxide and sulfide ores
- Mineral resource model was updated in 2021 and has upgraded a portion of inferred mineral resources category to indicated mineral resources category

Reserves and Resources Summary (as of 31 Dec 2022)

	Tonnage	Grade	Contained metals
	Mt	%	kt
		Cu	Cu
Measured	3.5	1.2	44
Indicated	73.8	2.0	1,469
Inferred	17.4	2.3	396
Total Resources	94.8	2.0	1,909



Chibuluma Mine



- Located in Zambia
- Starting from April 1, 2021, the Chibuluma South Mine (including the Chifupu deposit) and processing plant were leased to an independent third party for a period of five years to realize the remaining value of mining assets.
- As of December 31, 2022, fixed rental income of \$6.16 million has been received.
- In addition to the lease payments, a mining royalty fee corresponding to the quantity of copper ore sold will also be collected monthly.

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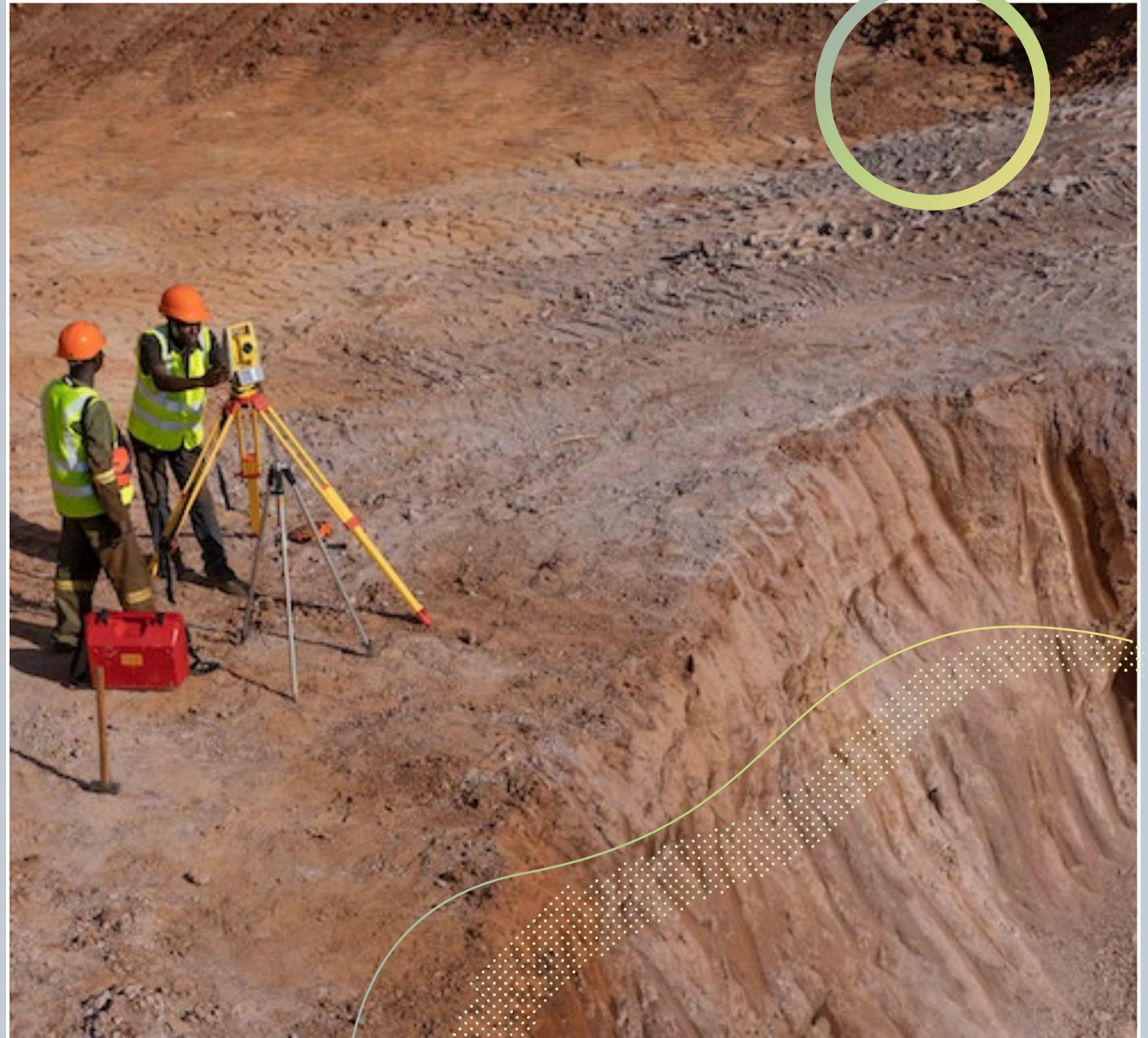
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Key Financial Indicators

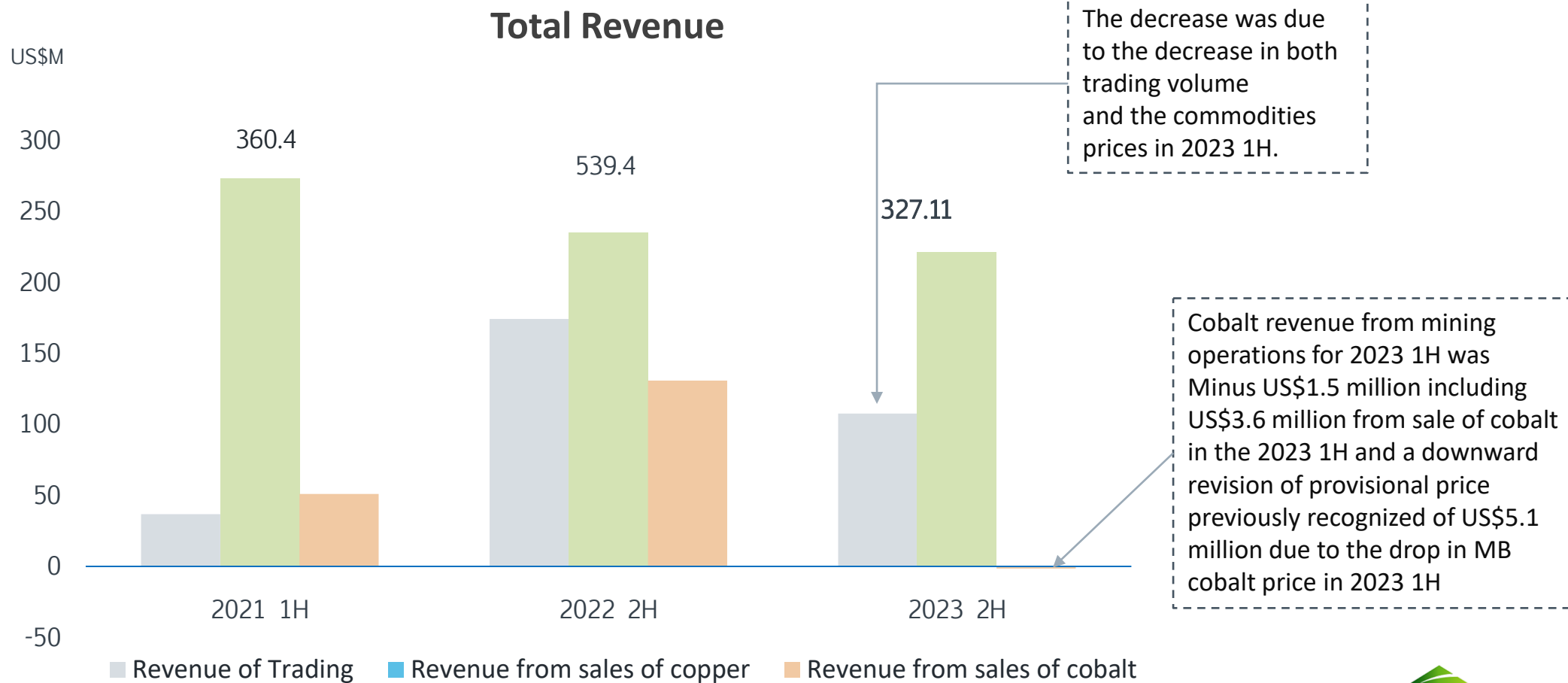
For the six months ended 30 June

		2023 1H	2022 1H	2021 1H
Production (Tonne)	Cu	30,200	28,789	28,503
	Co	1,364	2,603	1,447
Sales (Tonne)	Cu	29,324	27,148	29,385
	Co	172	2,210	1,187
Average price realised (US\$)	Cu	7,538	8,638	9,281
	Co	N/A	59,199	42,930
Revenue (US\$M)		327.1	539.4	360.4
Includes	Revenue from Mining Operations	219.5	365.3	323.7
	Trading of mineral and metal products	107.6	174.1	36.8
EBITDA (US\$M)		40.2	148.5	163.4
(Loss) Profit Attributable to Shareholders (US\$M)		(12.5)	49.1	61.1



Key Financial Indicators

For the six months ended 30 June 2023



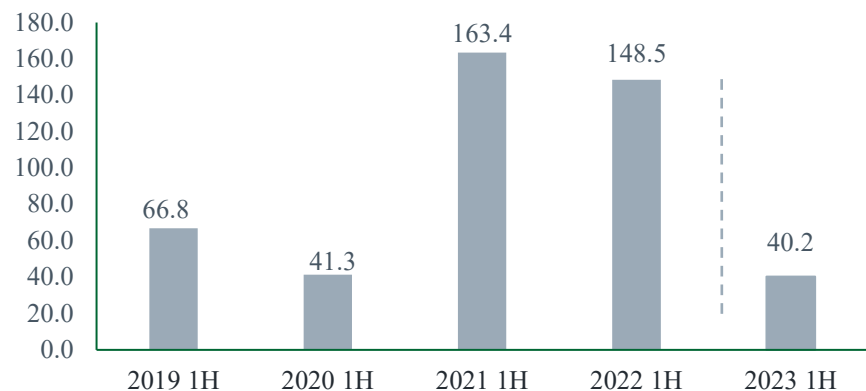


Key Financial Indicators

For the six months ended 30 June 2023

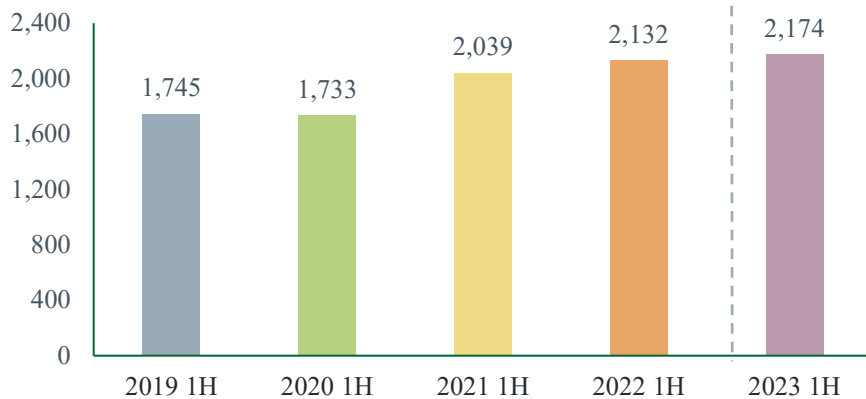
EBITDA

(US\$M)



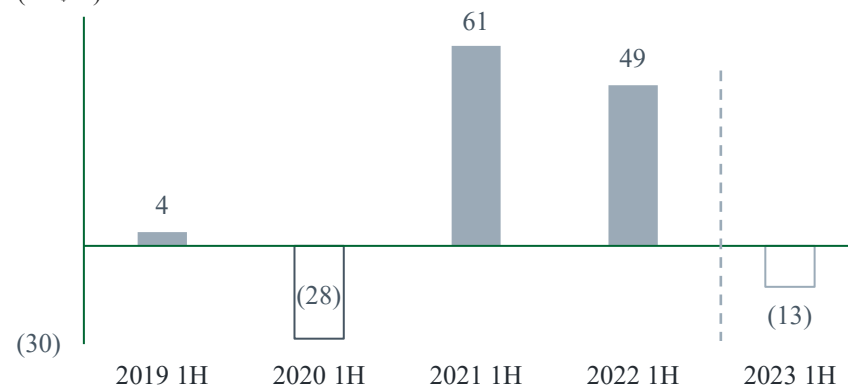
Total Asset

(US\$M)



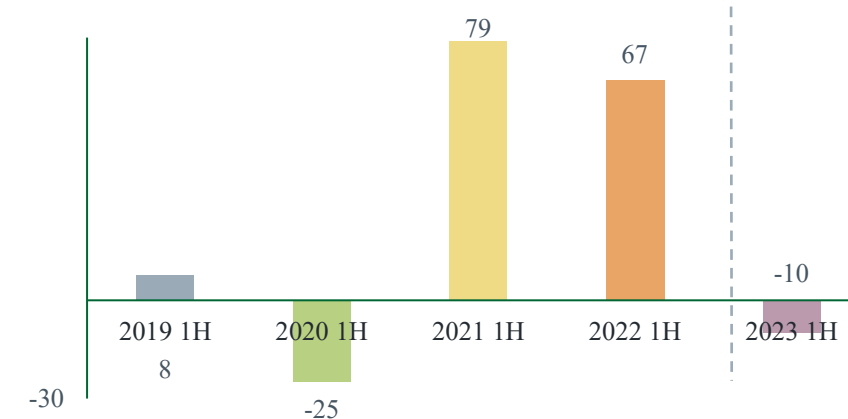
(Loss) Profit Attributable to Shareholders

(US\$M)



(Loss) profit for the period

(US\$M)



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Investment Highlights



Extremely rare & mature miner of copper and cobalt in HK market

1. One of the two companies listed on the Hong Kong Stock Exchange that are among the world's top ten cobalt mining companies.



2. High-quality copper and cobalt resources.



3. Competitive C1 cash costs.



4. A well-diversified and highly promising asset portfolio.



5. An experienced board of directors and executive team



6. Strengthening ESG management to promote sustainable development.





7. Fundamental factors supporting the copper and cobalt markets.



1. One of the only two HK-listed cobalt producers and a top 10 global cobalt listed producer

Top ten cobalt resource producers globally in 2022

Rank	Company	Country	Equity production/t	Market Share
1	Glencore	Switzerland	40,176	19.66
2	ERG	Kazakhstan	20,000	9.79
3	CMOC 	China	16,229	7.94
4	Gécamines	DRC	14,612	7.15
5	CNMC	China	6,848	3.35
6	Shalina Resources	DRC	5,225	2.55
7	Jinchuan International 	China	4,768	2.34
8	Norilsk Nickel	Russia	4,450	2.17
9	Huayou Cobal	China	4,290	2.10
10	BHP Group	Australia	3,588	1.75

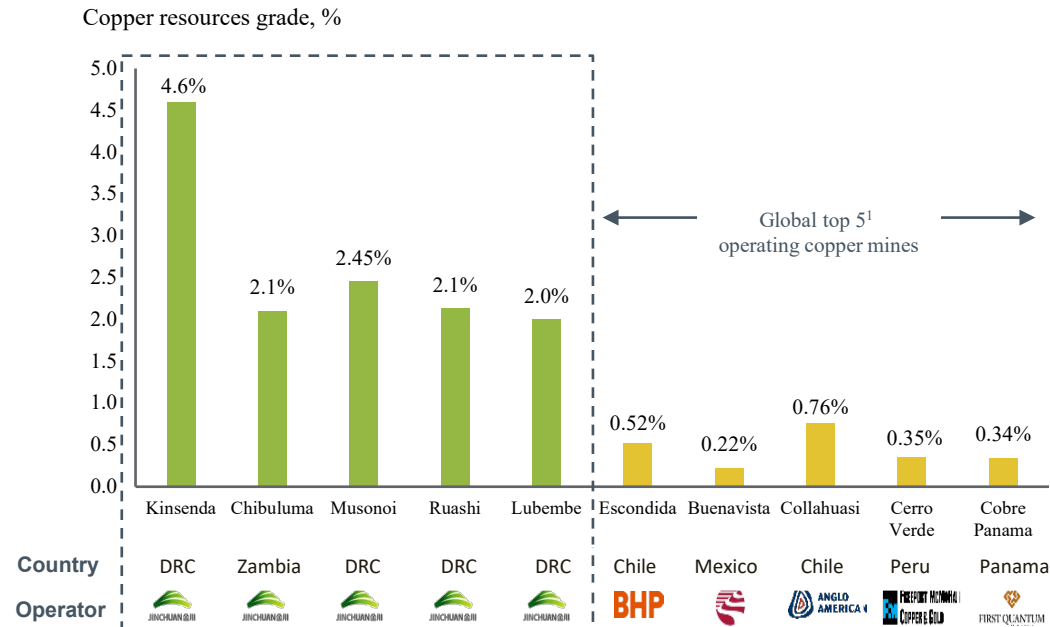
Data source: S&P Mining. Data as of December 31, 2022.



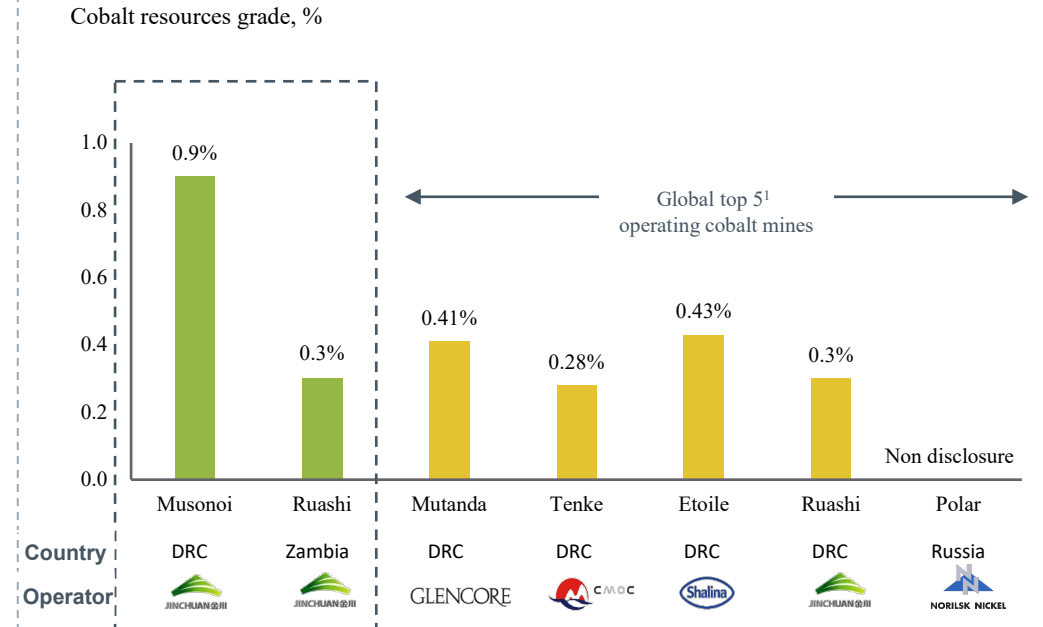
2. Top-of-the-class copper & cobalt grades and highly competitive cost profile

Data as of December 31, 2022.

Benchmarking of Cu grade against top 5 producing copper mines



Benchmarking of Cobalt grade against top 5 producing cobalt mines



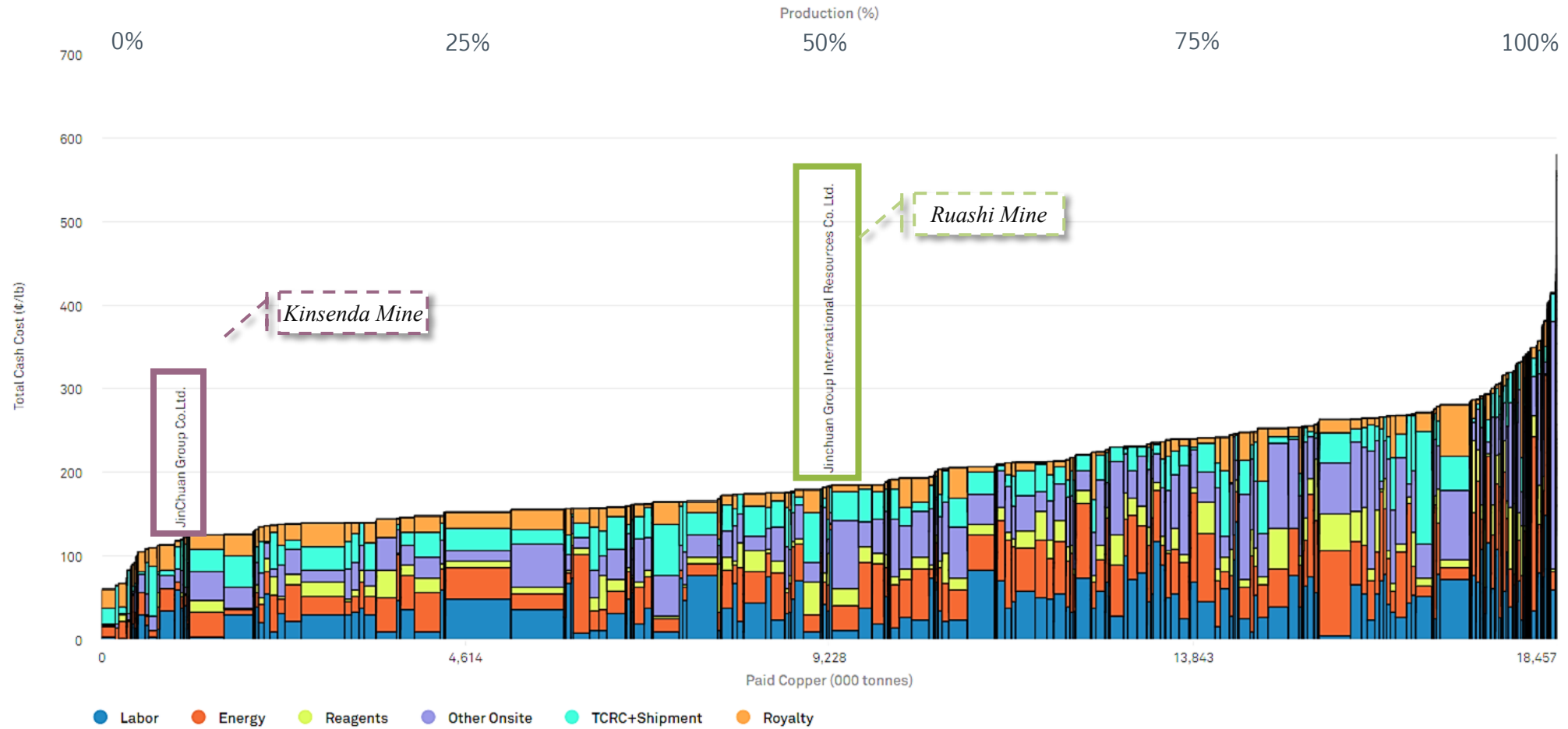
Data source: S&P Mining and Wood Mackenzie.



3. Highly competitive cash cost position

2022 Copper Production Ranked on Total Cash Cost*
Actual Money of the Day

Data as of December 31, 2022.

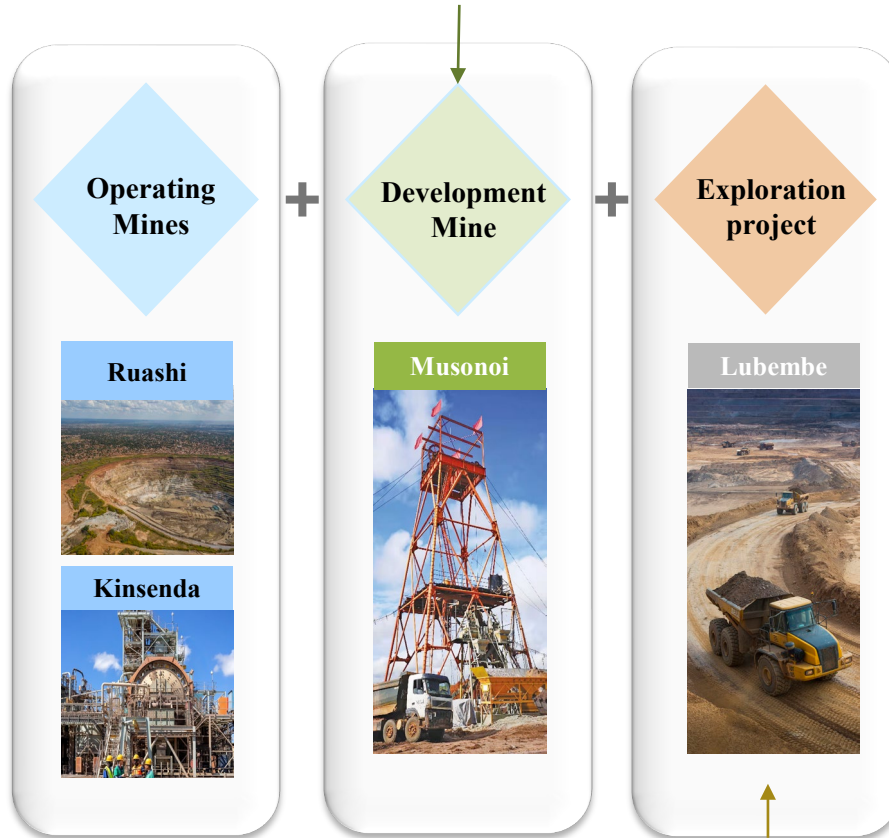


Data source: S&P Mining

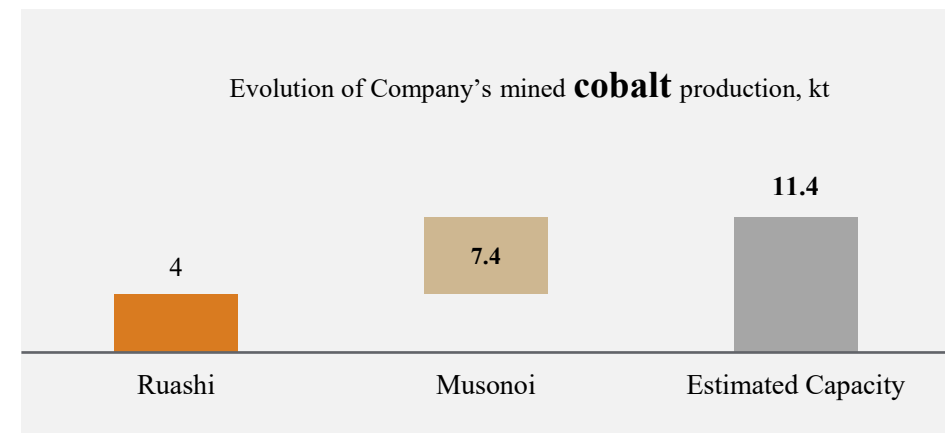
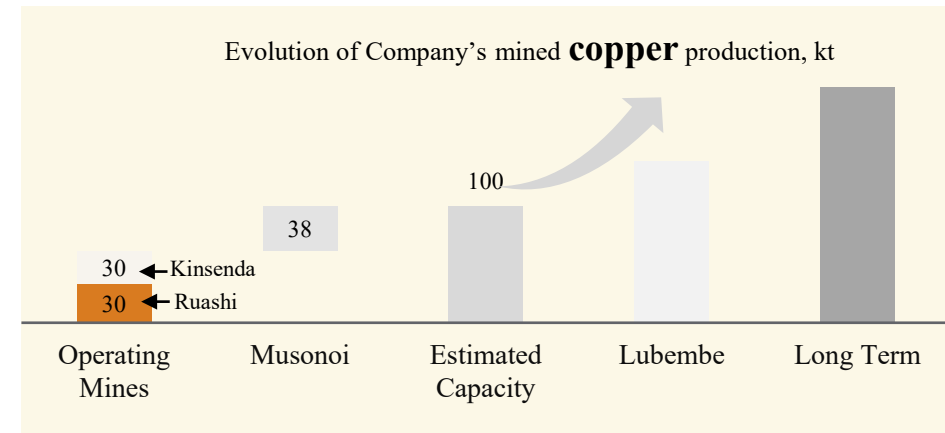


4. A well-diversified and highly promising asset portfolio

Musonoi is a short-term priority and will become an important driver of profit growth for the company.



Lubembe Mine represents a substantial and economically impactful venture with extensive reserves that will yield benefits over an extended period.





5. An experienced board of directors and executive team



Cheng Yonghong
Executive Director and Chairman of the Board

- Mr. Cheng joined the Group as a director of Metorex in April 2015
- Mr. Cheng serves as the Chairman and Chief Executive Officer of Metorex, and also the Head of the African Region of JCG.
- He is a technical professional with extensive operational management experience in nonferrous pyrometallurgy and hydrometallurgy



Gao Tianpeng
Executive Director & CEO

- During 30-year career at the Company, Mr. Gao has taken on various responsibilities, including cost management, financial management, international trade management, risk management.
- Mr. Gao also in charge of foreign exchange business, capital operation, the equity division reform of Jinchuan Group, and overseeing of daily affairs of the Board



Liu Jian
Non-Executive Director

- Since 1994, Mr. Liu had worked in various positions within JCG and its subsidiaries, including the deputy general manager of the costing department, internal audit and risk management department of JCG



Wang Qiangzhong
Non-Executive Director

- Mr. Wang has senior engineer qualification and extensive experience in financial management and operations management.
- Mr. Wang currently holds the position of director of Baiyin Nonferrous Group Co., Ltd.



YEN Yuen Ho, Tony
Independent Non-Executive Director

- Mr. Yen was appointed as an independent non-executive director of the Company since Aug 2010
- Mr. Yen is an Adjunct Professor of Beijing Normal University and an Honorary Court Member of the court of HKUST



Poon Chiu Kwok
Independent Non-Executive Director

- Mr. Poon has 25+ years of experience in regulatory affairs, corporate finance, listed companies governance and management;
- Mr. Poon holds a master's degree in international accounting, a bachelor's degree both in laws and business studies



Yu Chi Kit
Independent Non-Executive Director

- Mr. Yu holds a bachelor's degree in business administration from The Chinese University of Hong Kong
- Mr. Yu has extensive experience in accounting, auditing and company secretarial practice



Han Ruixia
Independent Non-Executive Director

- Ms. Han obtained her PhD in Economics from Renmin University of China.
- Ms. Han was head of operations and risk of MEC Advisory Limited



6. Strengthening ESG management to promote sustainable development



Fire Truck Usage Training for Employees



Close Cooperation with the Government



Actively Donating to Local Communities



Conducting Various Training Programs for Employees



Employee Participation in Local Environmental Protection Activities



Planting Monitoring and Conservation Programs



6. Strengthening ESG management to promote sustainable development

➤ **Extensive Coverage: Compliance extends from leading standards to domestic and international guidelines**

GRI Standards, TCFD recommendations, SASB Standards, Exchange guidance, and CASS-CSR 5.0 are fully implemented.

Future reports will incorporate the latest disclosure guidelines such as ISSB, with a deeper focus on TCFD recommendations for ensured compliance and leadership.

➤ **Integration of ESG Principles into Daily Operations**

The company has established dedicated management structures at the operational level for environmental, safety, and community relations. Each operating region has designated personnel responsible for managing and supervising ESG and compliance risks. ESG policies are consistently implemented across different levels and flexibly adapted to local conditions.

➤ **Targeted Management Approach**

Tailored measures are developed and implemented based on specific environmental management dimensions (e.g., energy, waste, pollution) and the characteristics of each mining site. Compliance with local laws and regulations is ensured, while meeting the practical management needs of the mining sites.

➤ **Data-Driven Approach**

Robust historical accumulation of quantitative data. The annual ESG reports disclose extensive quantitative data on environmental, social, and governance aspects, with granularity in each area. The ESG appendix presents 318 indicators for 2022 (showcasing individual performance of four mining sites), ensuring comprehensive coverage and disclosure of key performance metrics such as carbon emissions and calculation methods.

➤ **High Transparency in Community Contributions**

Transparent disclosure of the amount and support projects provided to local communities in the community management process.

Demonstrates the effective implementation of the company's support for local community development, enhancing donation transparency and showcasing the company's commitment to mutually beneficial partnerships with local communities.



6. Strengthening ESG management to promote sustainable development

- In 2022, a total of **118** stakeholder questionnaires were distributed by JCI. Out of these, 23 questionnaires were internal, and 95 were external. The quantity of questionnaires was sufficient, and they effectively covered six categories of stakeholders both domestically and internationally. The sample distribution adhered to relevant principles and requirements.
- Regarding the selection of material issues, a total of **26** ESG material issues were identified in 2022. The identification process was scientifically effective, and the results were consistent with industry attributes. These material issues were extensively disclosed in the report.

ESG material issues of JCI in 2022		
Environment	1	Environmental Management System
	2	Water Resource Management
	3	Waste Management
	4	Energy Management
	5	Climate Change and Carbon Emission Management
	6	Prevention and Handling of Environmental Emergencies
	7	Land Use and Biodiversity Conservation
	8	Tailings Management
Social	9	National and Local Economic Contribution
	10	Industry Leadership
	11	Product Responsibility and Safety
	12	Innovation, Development, and Intellectual Property Management
	13	Employment Diversity and Inclusivity
	14	Employee Rights Protection and Compensation Benefits
	15	Employee Safety and Health
	16	Employee Development and Training
	17	Customer Service and Rights Protection
	18	Supply Chain Management
	19	Community Engagement and Investment
	20	Philanthropy and Volunteer Services
Corporate Governance	21	Corporate Governance
	22	Business Ethics
	23	Risk Management
	24	Compliance Operations
	25	Stakeholder Communication
	26	Responsible Tax Principles



7. Supported by the fundamental aspects of the copper and cobalt markets

Copper

- In the first half of 2023, large-scale copper mine shutdowns in Peru and Panama, coupled with slower global copper mine supply growth and disruptions in the smelting sector, have contributed to a significant decline in copper production in Chile, the world's largest copper producer. Global low inventories have supported copper prices;
- Wood Mackenzie's Metal and Mining Division predicts a severe shortage of copper inventory by 2030, reaching millions of tons.
- During the 14th Five-Year Plan period, China's focus on power construction will be on grid transformation, energy upgrading, and the vigorous development of new energy. It is estimated that China's copper demand for electricity will reach 6.963 and 7.172 million tons in 2024 and 2025, respectively.

Cobalt

- ◆ The cobalt industry is expected to face supply-demand gaps of 3,011 and 12,551 tons in 2024 and 2025, respectively. Cobalt demand is projected to reach the level of 230,400 tons in 2025, with an average compound annual growth rate of up to 10%.
- ◆ The growth drivers for cobalt are mainly concentrated in the field of power batteries for new energy vehicles and the 3C sector of non-power batteries. Other areas such as high-temperature alloys and hard alloys are expected to maintain demand growth rates of 4% and 1%, respectively.
- ◆ The UK Cobalt Institute predicts that global demand for cobalt will double by 2035 compared to the present.
- ◆ Ford estimates that by 2030, electric vehicles will account for 40% of total vehicle sales, while Bloomberg estimates that by 2040, electric vehicles will account for half of total vehicle sales.

Sources: Bloomberg, Everbright Securities Research Institute, and Antaike



Q&A



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