

# CHILEAN MINING INVESTMENT



**COCHILCO**  
Ministerio de Minería

Gobierno de Chile

**Joaquín Morales**  
Executive Vice-President  
Chilean Copper Commission

# AGENDA



## CHILE

A STAND OUT  
ECONOMY IN LATIN  
AMERICA



## MINING INVESTMENT

Copper and Lithium Reserves

Chilean Mining  
Portfolio

Opportunities in Green Economy



## REGULATORY BACKDROP

Mining tax

Constitutional process



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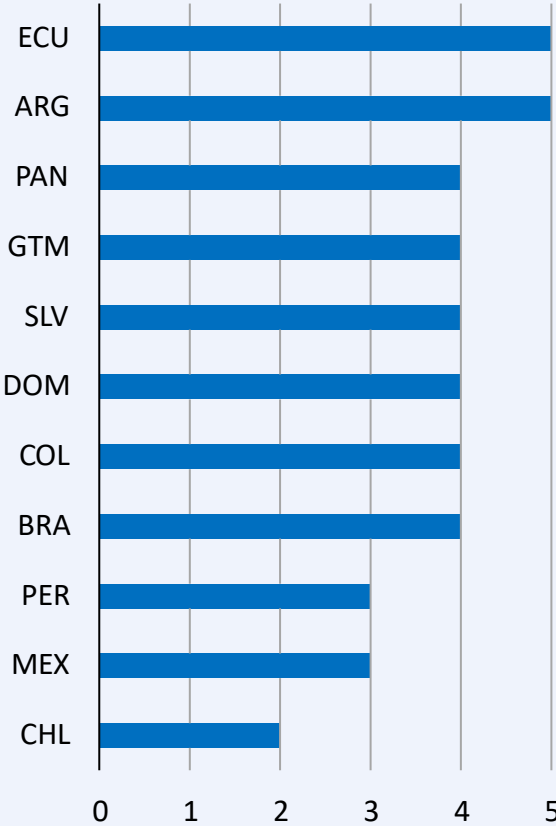
CHILE



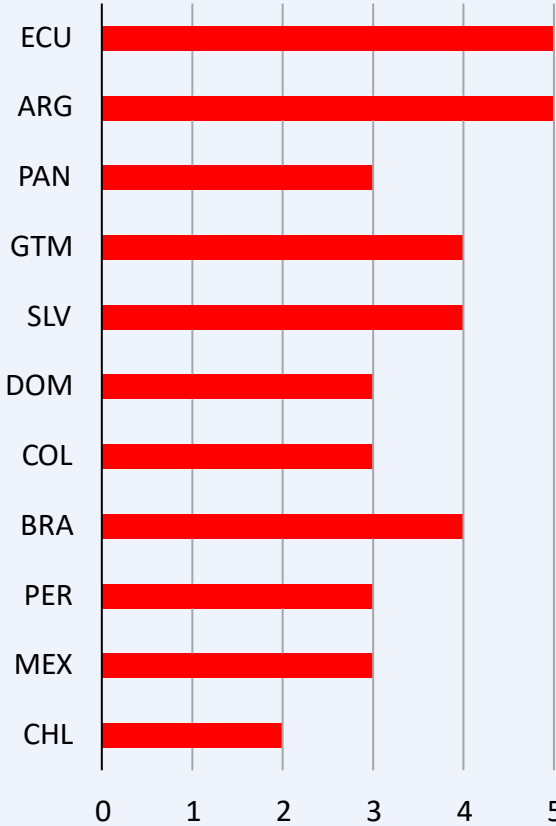
# COUNTRY STRENGTHS

CHILE STAND OUT AS A COUNTRY WITH LOW RISK IN LATIN AMERICA

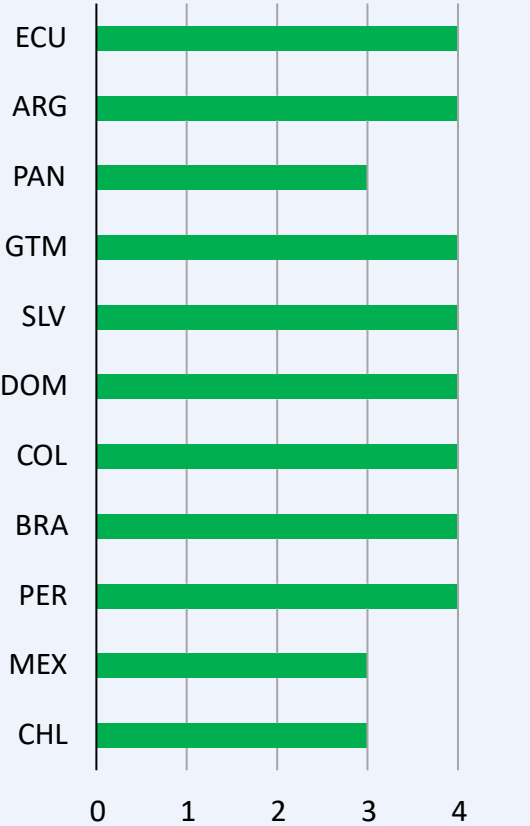
**Country risk**  
(index 1 a 5, 5 = higher risk)



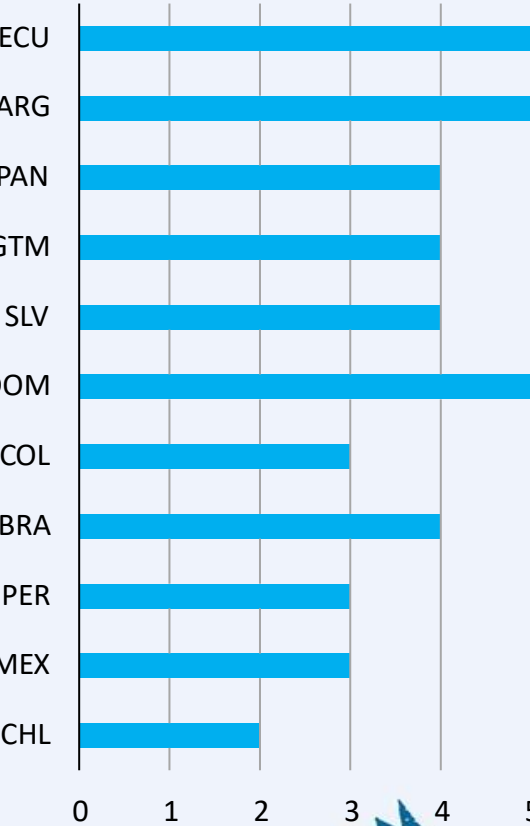
**Economic risk**  
(index 1 a 5, 5 = higher risk)



**Politic risk**  
(index 1 a 5, 5 = higher risk)



**Financial System risk**  
(index 1 a 5, 5 = higher risk)

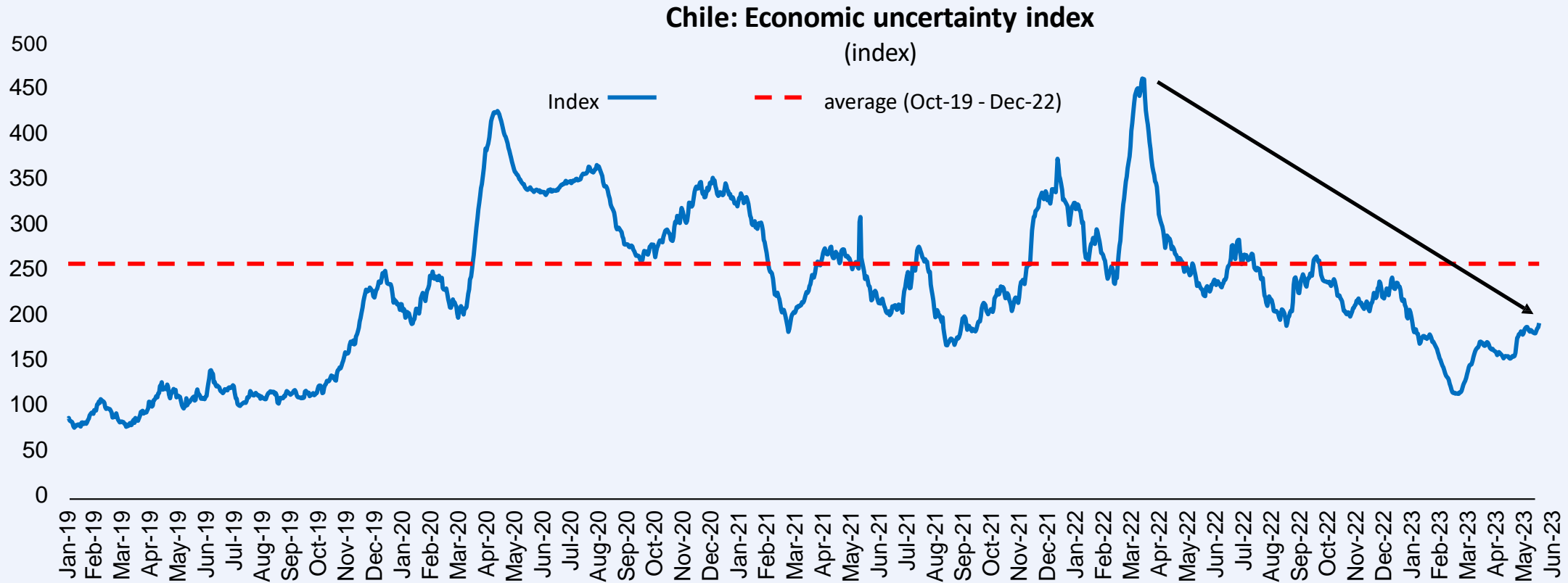


Source: AMBest, Ministry of Finance,



# CHILE REDUCED ECONOMIC UNCERTAINTY

Fiscal responsibility, high level of copper prices, strenght of chilean peso and the positive evolving political situation have played a key role in reducing economic uncertainty.



Source: Finance Ministry , Central Bank of Chile



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## MINING INVESTMENT



# CHILE'S LEADERSHIP IN THE MINING INDUSTRY

2022



5.328.000

tons of copper  
1° position

45.600

tons of molybdenum  
2° position

215.821

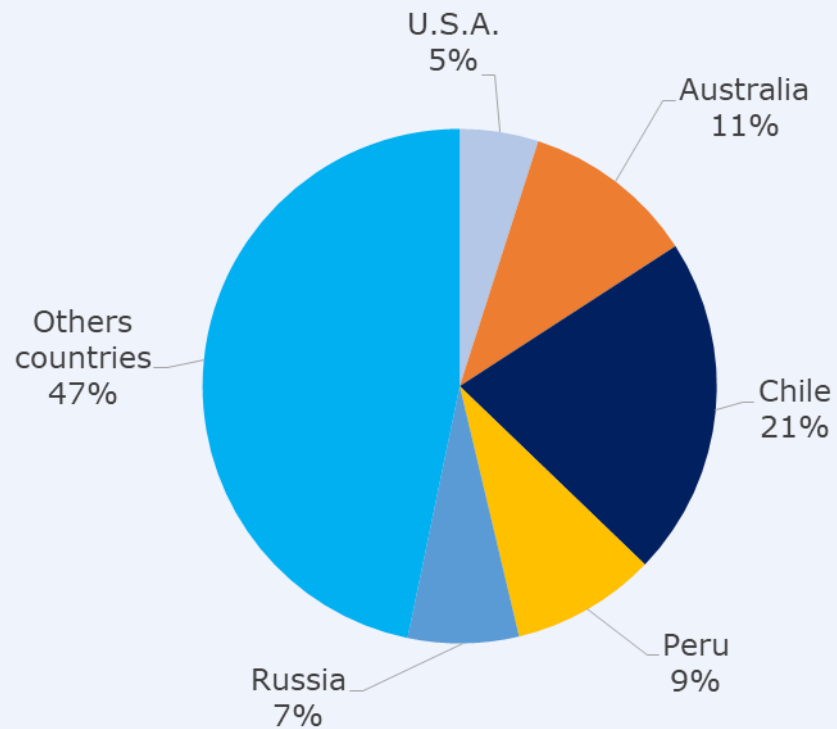
tons of lithium carbonate  
equivalent (LCE)  
2° position



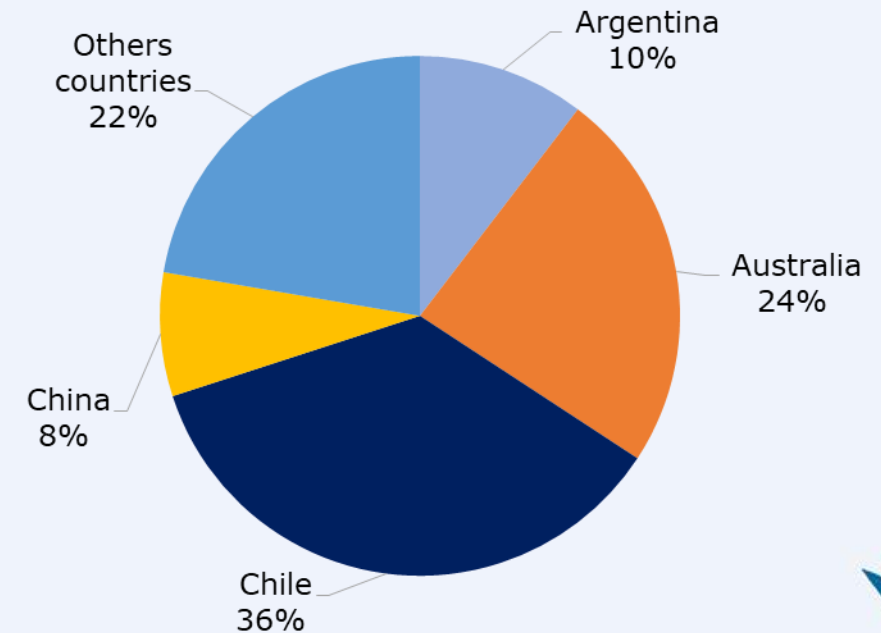
# CHILE LEADS IN COPPER AND LITHIUM RESERVES

Chile has reserves of 190 millions tons of copper (21% of world) and 9,3 millions tons of lithium (36% of world).

## World copper reserves in 2022



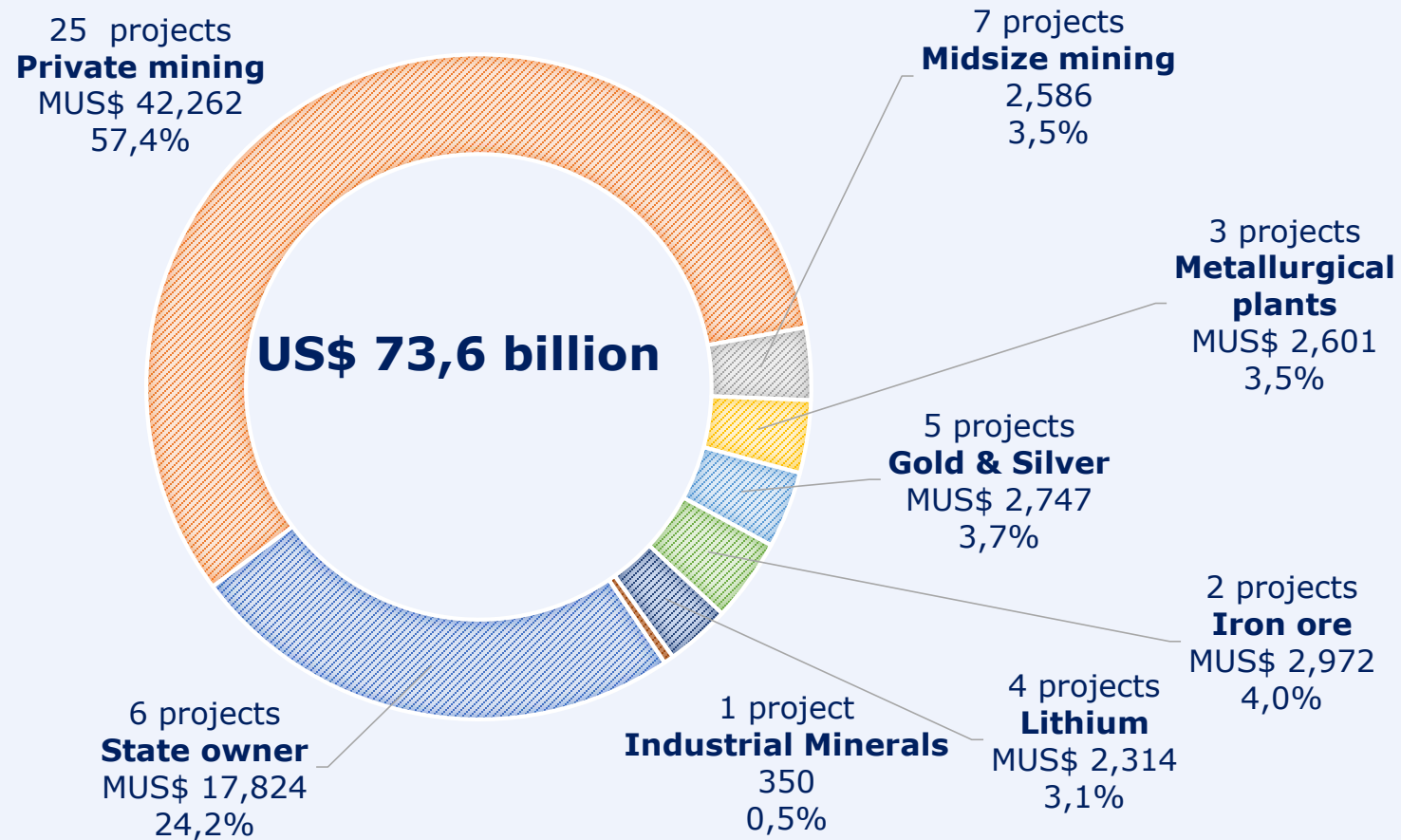
## World lithium reserves in 2022





# MINING PORTFOLIO IN CHILE 2022-2031

53 initiatives valued at US\$ 73.655 millions to materialize during the 2022–2031 period.

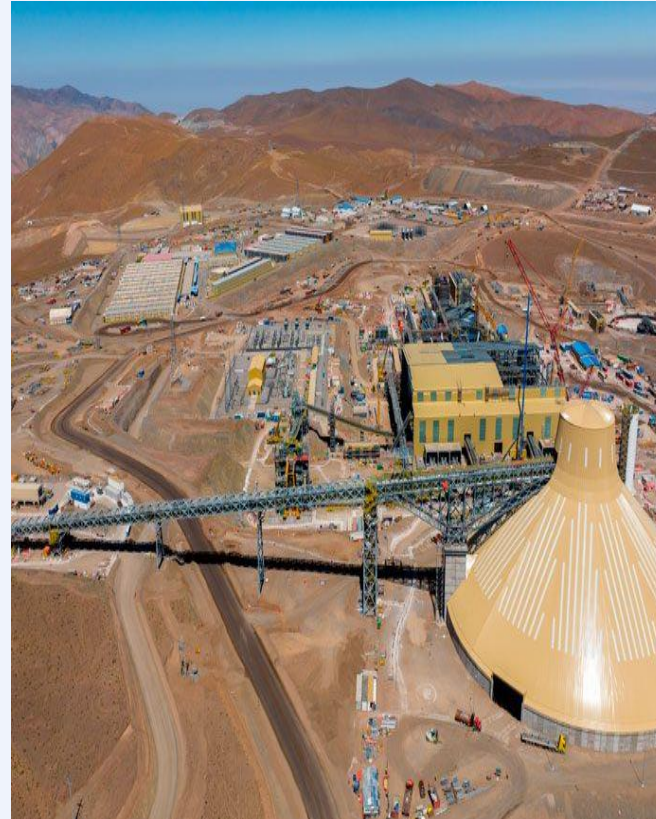


# GOVERNMENT COMMITMENT WITH MINING INVESTMENT

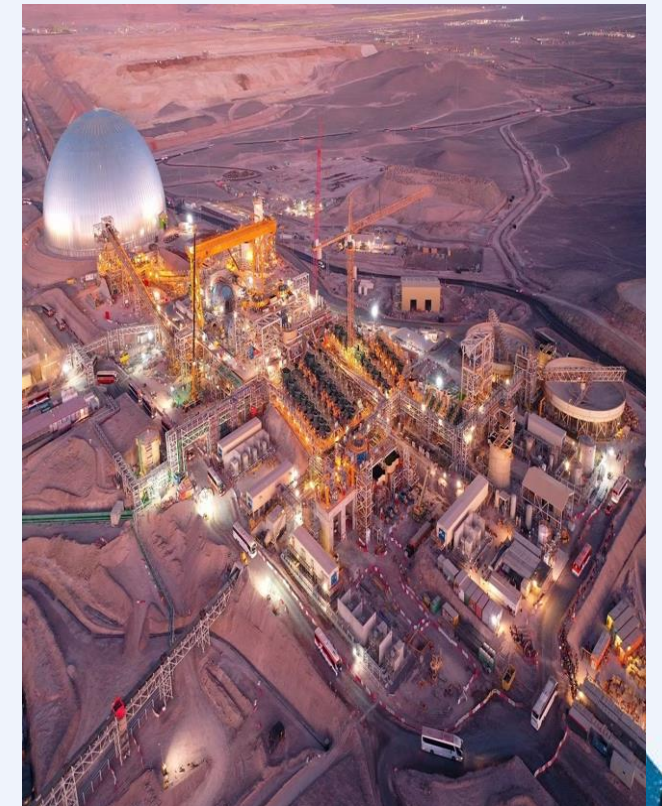
Approval of environmental permit for Los Bronces Integrado project (US\$ 3,5 billion investment)



Teck announced in January 2023 a new project to increase the processing capacity of Quebrada Blanca Phase 2 (US\$ 3 billion investment).

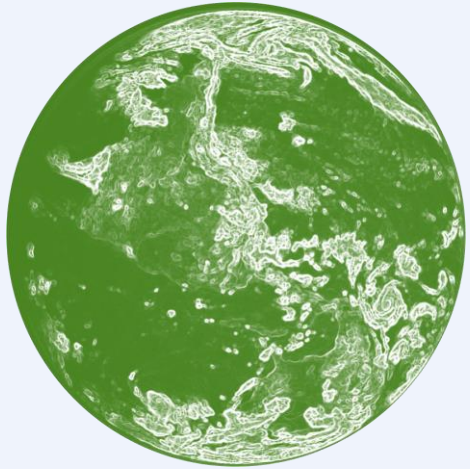


BHP will maintain its US\$ 10 billion project portfolio in Chile



# GREEN GROWTH OPPORTUNITIES

Copper and lithium mining in Chile plays a key role in the green economy:



Clean energy and its storage.



Electromobility and electronic devices.


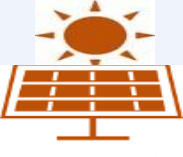





Infrastructure needed to tackle climate change.



# GREEN ECONOMY

Copper demand for energy transition is expected surpass 4 million tons in year 2030.

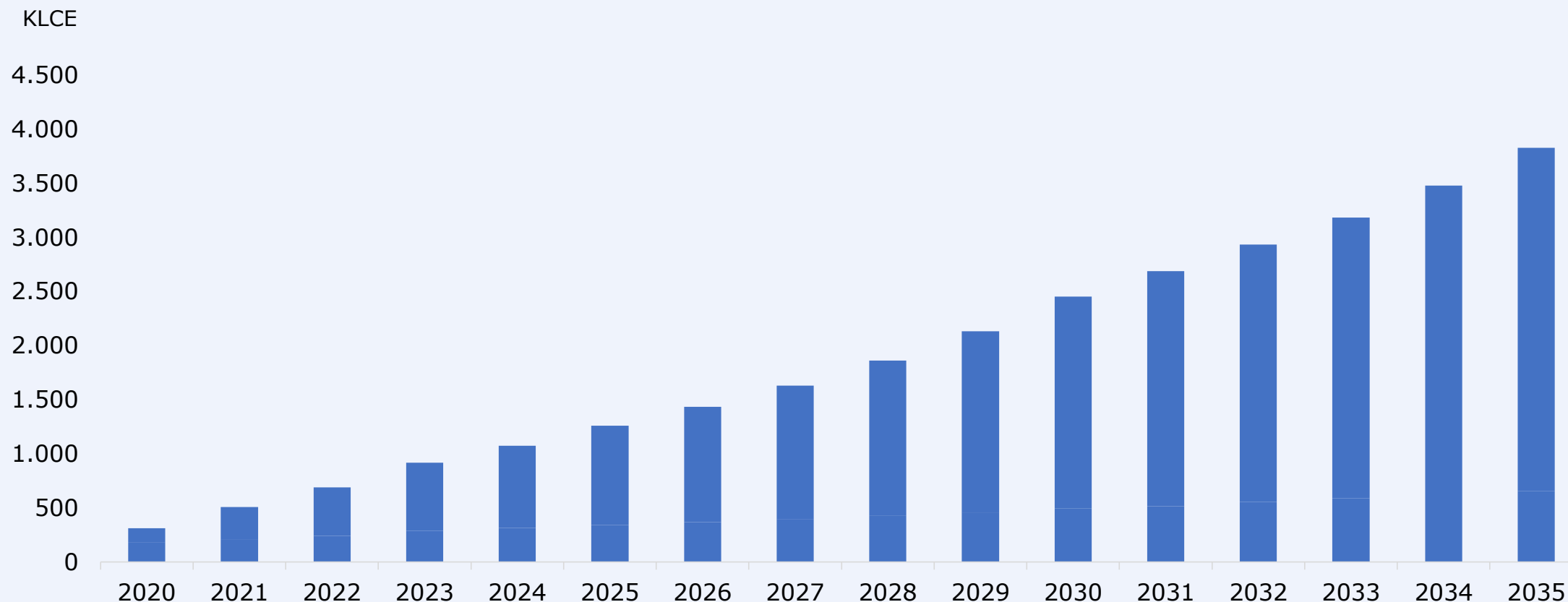
		<b>2022</b>	<b>2030</b>
	Wind	207 k tons	352 k tons
	Solar	79 k tons	104 k tons
	EV batteries	454 k tons	1,8 millions tons
	EV charging	8,7 k tons	47,1 k tons
	Power grids	1,8 million tons	2 millions tons



## FORECAST LITHIUM DEMAND TO 2035 (LCE)

Lithium demand will have an important increase in the next years, reaching 3,8 millions tons in 2035.

The driver is the use of lithium in electric car batteries.



Source: Chilean Copper Commission



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## REGULATORY BACKDROP



## MINING TAX AND



The Royalty on mining was passed by Congress.



Includes ad valorem and operational margin components.



Overall cap on mining tax burden at 45,5%-46,5%



A technical team will be formed to identify measures to reduce the time required for the approval of mining project permits.



# CONSTITUTIONAL PROCESS



Investors see less uncertainty as constitutional process continues with support of a experts committee.



A more moderation is expected during the new constitutional discussions.





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