



JINCHUAN 金川

金川集团

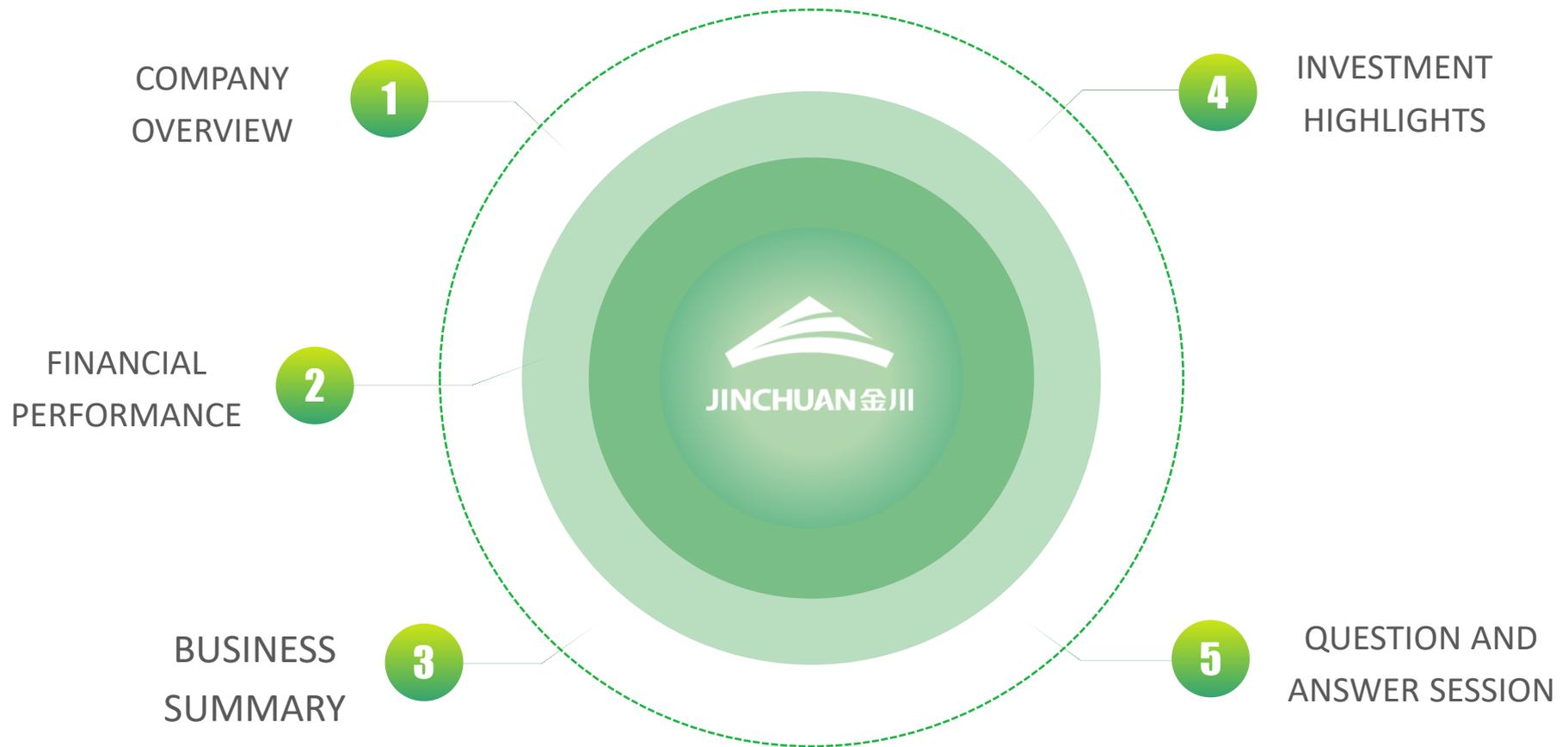
国际资源有限公司

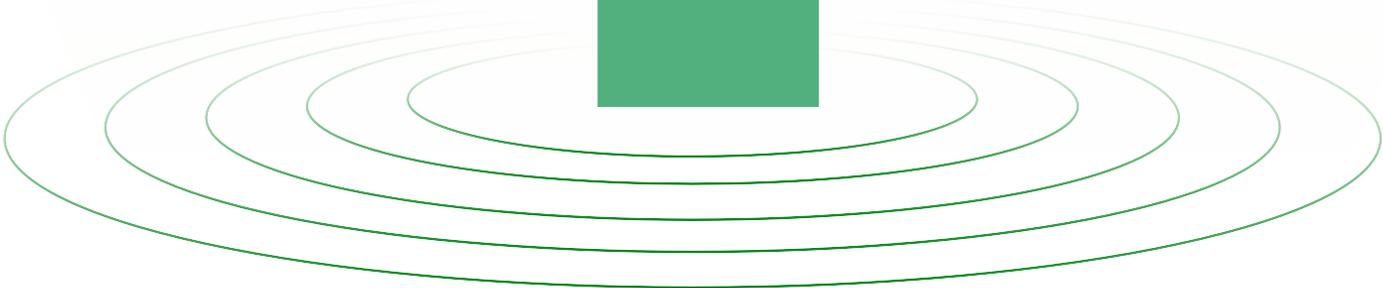
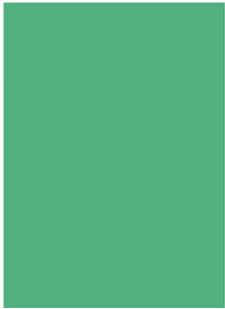
Jinchuan Group International Resources Co. Ltd

October 2021



Contents





COMPANY OVERVIEW

Jinchuan International - Overview

- Jinchuan Group International Resources Co. Ltd (“**Jinchuan International**” or “**the Company**”) is a majority-owned subsidiary of Jinchuan Group and flagship platform for overseas resources development. The Company is listed on the Main Board of the Hong Kong Stock Exchange (2362.HK)
- With substantial support from Jinchuan Group , the Company continues to buildup on international mining resources development and operations. Jinchuan International owns a number of large-scale high-grade copper and cobalt mines in Africa and engages in production and trading of base metals. The Company's mining assets include:

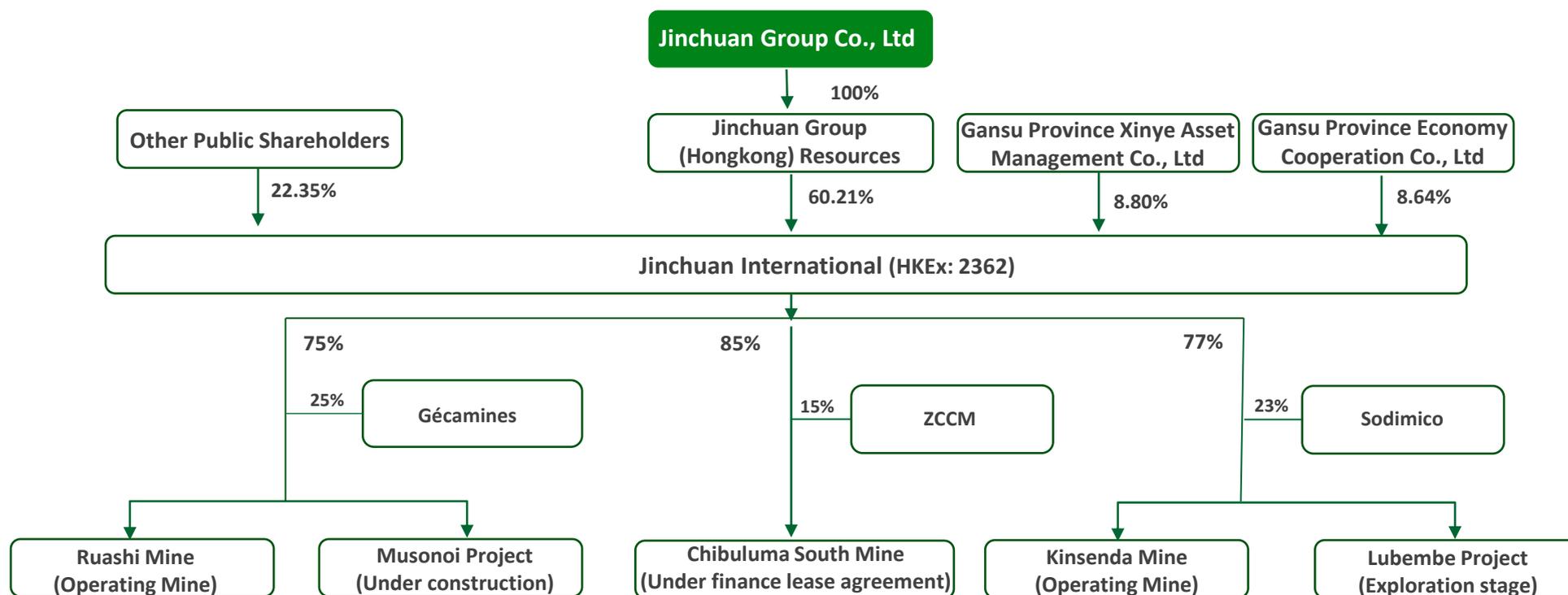
Operating Mines	Ruashi (75% owned)	Located in the DRC, open-cast mine, producing copper cathode and cobalt hydroxide since 2009. Copper cathode and cobalt hydroxide are sold to global commodities traders. Ruashi Mine produced 15,637t of copper and 1,447t of cobalt in 2021 1H
	Kinsenda (77% owned)	Located in the DRC, underground mine, producing high grade copper concentrates/copper blister. As one of the world’s highest grade copper deposits, the average copper reserves grade is high at 5.8%. Kinsenda Mine produced 12,866t of copper content in concentrate in 2021 1H
Mine Leased Out Under Finance Lease Agreement	Chibuluma South Mine (85% owned)	Located in Zambia. Chibuluma entered into a lease agreement with an independent third party in December 2020 to lease out mining assets including Chifupu Deposit, to capture the remaining value of Chibuluma mining assets. The lease is 5 years long and lease payments comprise of a fixed rent of US\$6.2 million, and flexible royalty payments based on the selling price of copper. The Group recorded a gain on disposal of Chibuluma’s mining assets amounted to US\$1.79 million and royalty income of US\$0.88 million in respect of lessee’s sales of copper in 2021 1H
Development Project	Musonoi (75% owned)	Copper and cobalt deposit located in the DRC, the project is now in construction phase, and has obtained all outstanding external and government approvals. Musonoi’s mine life as stipulated in the Feasibility Study is 19 years. Construction work at Musonoi Project progressed well in 2021 1H
Exploration Project	Lubembe (77% owned)	Located in the DRC, 30km south of Kinsenda. ENFI updated and optimized its Pre-Feasibility Study in 2020. Further metallurgical test is planned in 2021 to further optimize the processing process and copper recovery rate during the life of mine

Summary of Reserves and Resources (As at 31 Dec 2020)

	Tonnage	Grade		Contained Metal	
	Mt	%	%	kt	kt
Copper - Cobalt		Copper	Cobalt	Copper	Cobalt
Proved	11.5	3.2	0.9	366	103
Probable	20.5	2.3	0.5	470	97
Total reserves	32.0	2.6	0.6	836	200
Measured	17.6	2.8	0.8	489	149
Indicated	40.9	2.1	0.4	840	179
Inferred	19.0	2.1	0.6	393	119
Total resources	77.5	2.2	0.6	1,722	447
Only Cobalt					
Proved	0.0	4.5	-	2	-
Probable	5.4	5.6	-	298	-
Total reserves	5.4	5.5	-	300	-
Measured	0.7	4.4	-	31	-
Indicated	69.0	2.4	-	1,662	-
Inferred	49.0	2.5	-	1,225	-
Total resources	118.7	2.5	-	2,918	-
Jinchuan International Summary					
Total reserves	37.4			1,137	200
Total resources	196.2			4,640	447

Shareholding Structure

- Following Jinchuan Group’s acquisition of controlling stake in Macau Investment Holdings in Nov 2010, Macau Investment Holdings was renamed as Jinchuan Group International Resources Co. Ltd
- In Sept 2013, Jinchuan International was approved by its shareholders to acquire Metorex’s assets from Jinchuan Group via issuance of 1,595,880,000 shares (at an issue price of HK\$1.00 per share) and 8,466,120,000 shares of PSCS which could convert into ordinary shares at a conversion price of HK\$1.00 per share
- In March 2017, the Company issued 483,000,000 new ordinary shares to introduce SD Hi-Speed Investment HK Limited as a strategic shareholder
- In Jun 2018, Jinchuan Group (Hongkong) transferred and converted part of the PSCS it held, whereby Jinchuan International successfully introduced 9 investors, including Gansu Province Xinye Asset Management, Gansu Province Economy Cooperation Co. Ltd, Haitong International and ValueStone Advisors Limited



Parent Company, Jinchuan Group Overview

Business overview:

- Jinchuan Group is a global leading non-ferrous metal manufacturer, with headquarters located at Jinchang, which was known as “Nickel Capital of China”
- Jinchuan Group integrates mining, milling, smelting, processing and further processing. The Group produces Ni, Cu, Co, PGM (and non-ferrous metal rolling products, chemical products, non-ferrous metal chemicals, non-ferrous metal new materials, etc.)
- Jinchuan Group owns world’s 3rd largest Cu-Ni sulfide deposit and is the 3rd largest Ni producer and the 4th largest Co producer in the world, as well as the 4th largest Cu producer in China and the largest PGM producer in Asia

Main Business Overview

Non-ferrous metal segment

- Owns a total of 13 mining assets around the globe. Mines, smelts and processes Ni, Cu, Co and PGM
- Continuous expansion of downstream business including further processing of new energy materials which supplies high quality raw materials for electric vehicle industry and aerospace industry

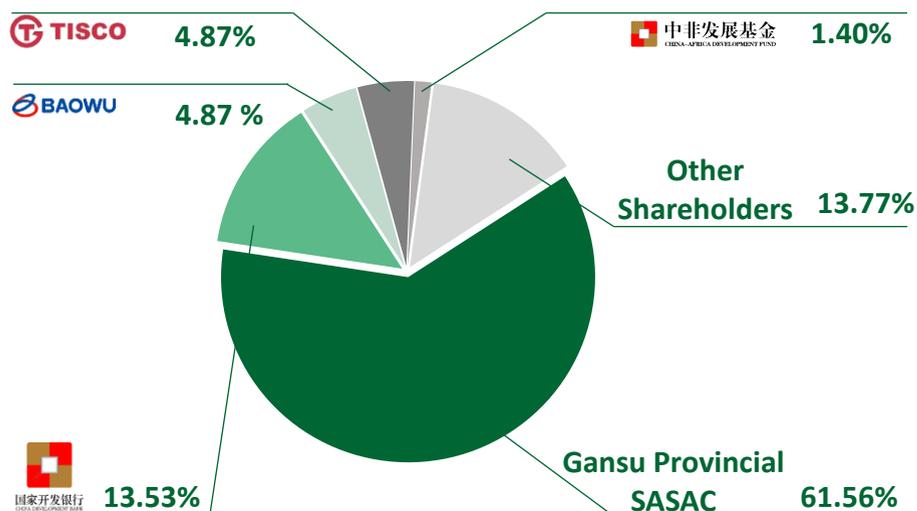
Trading segment

- Trading of mineral ore and non-ferrous metal products include of steel and nickel, to earn trading service fees
- Opens up upstream and downstream markets for the expansion of main non-ferrous metals business
- Jinchuan Group has extensive sales network, geographical location and convenient transportation advantages

Other segments

- Chemicals: chemical by-products in the production of non-ferrous metals, including sulfuric acid, hydrochloric acid, and sulphide, etc.
- Others: engineering and project construction, thermoelectric power, transportation logistics, phosphor-copper products, etc.

Shareholding Structure



Awards & Credentials



	# Ranking
2021 Top 500 PRC enterprises	#94
2021 Top 500 PRC manufacturing enterprises	#35
2021 Top 100 PRC multinational enterprises	#59
2021 Fortune Global 500	#336

- Vision:** To build a world class top tier company with strong performance of primary business, comprehensive governance, leading technology, advanced management practices, outstanding results and strong ability in strategic allocation of global resources
- Strategy:** To propel reform, enhance innovation driven growth, improve quality and efficiency, and transform for upgrading

LTM Share Price Performance

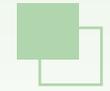
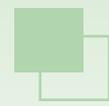


Stock information

Stock code	Issued shares	Share price	Market Cap	52-week price range
2362.HK	12,609,873,051	HK\$1.25	HK\$15.8bn	HK\$0.63-2.00



FINANCIAL PERFORMANCE

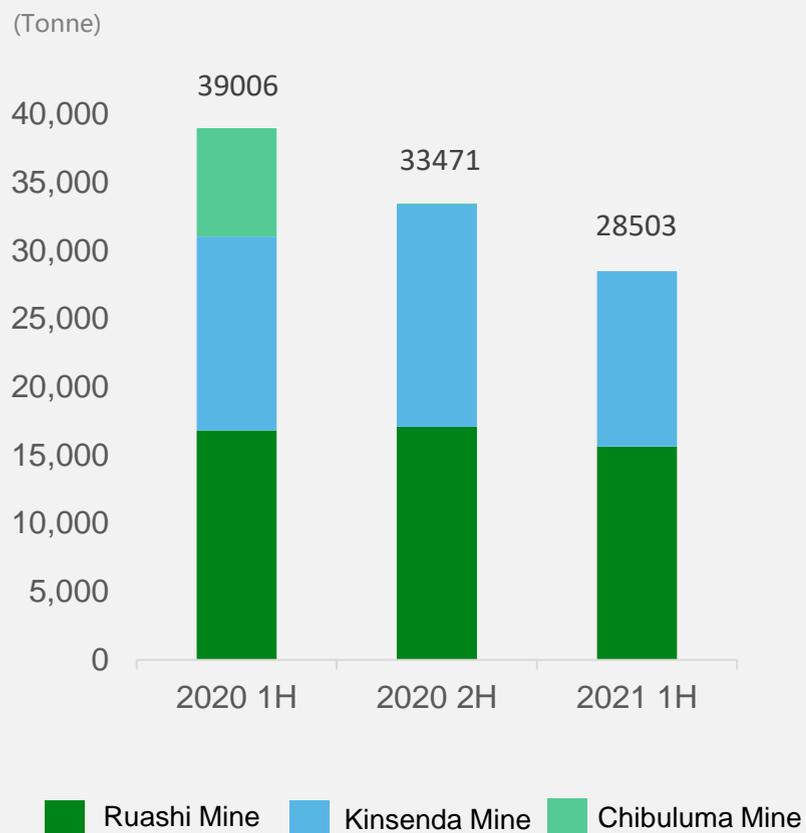


Key Financial Indicators

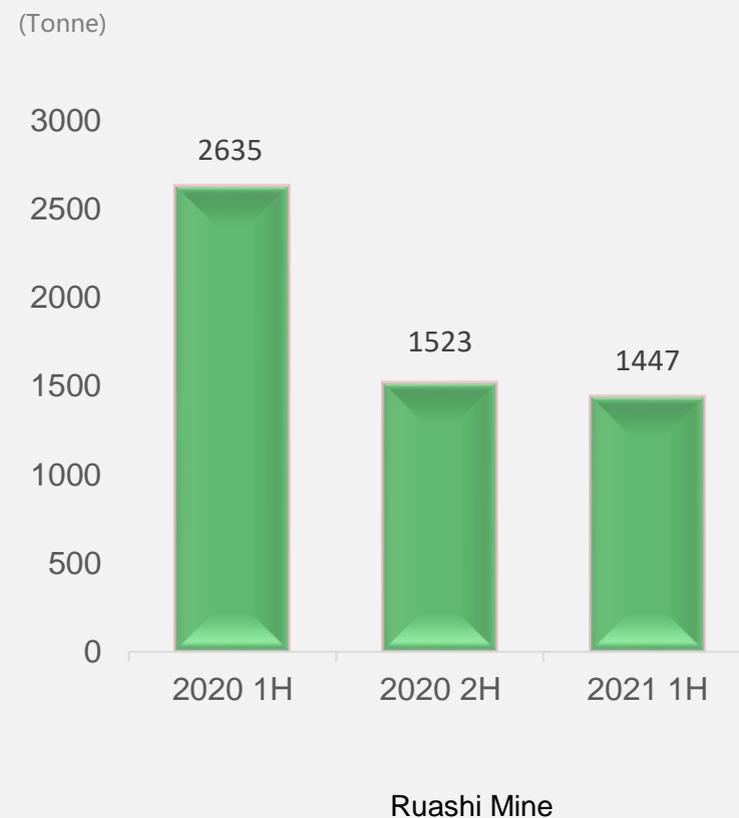
Key Financial Indicators	2020 1H	2020 2H	2021 1H
Copper Production (Tonne)	39,006	33,471	28,503
Cobalt Production (Tonne)	2,635	1,523	1,447
Revenue (US\$M)	348	317	360
Includes: Revenue from Mining Operations (US\$M)	207	291	324
EBITDA (US\$M)	41	99	163
Profit (Loss) for the Period (US\$M)	(25)	67	79
C1 Cash Cost Per Tonne of Copper (US\$/t)	2,614	2,948	2,878

Key Financial Indicators – Production Volume

Copper Production

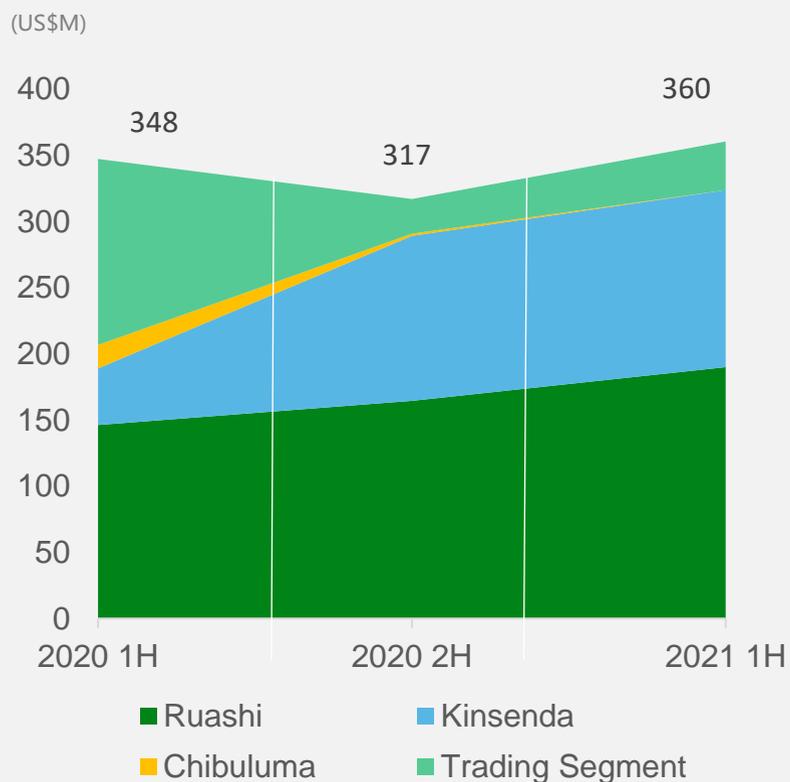


Cobalt Production



Key Financial Indicators – Revenue and Cost

Revenue

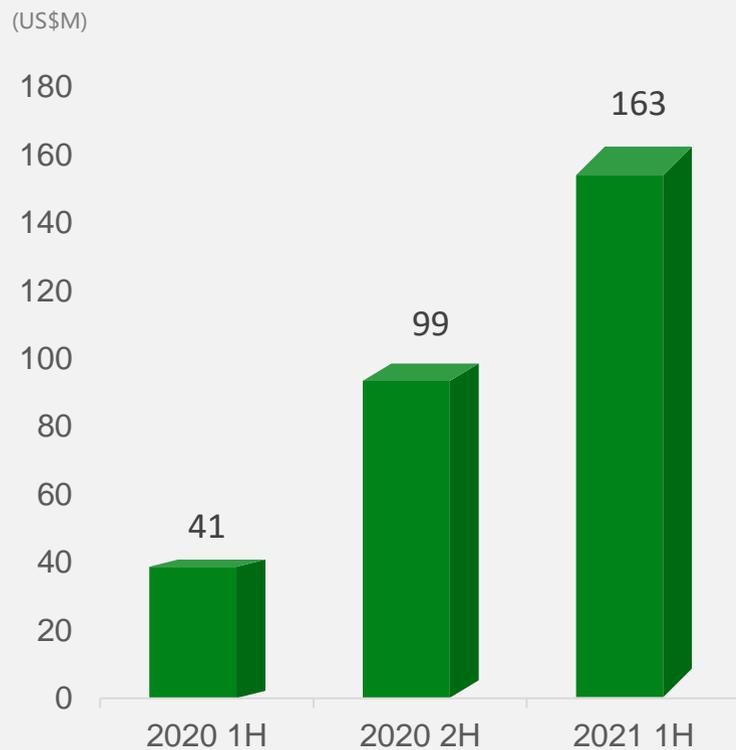


C1 Cash Cost per Tonne of Copper (including by-product credit)

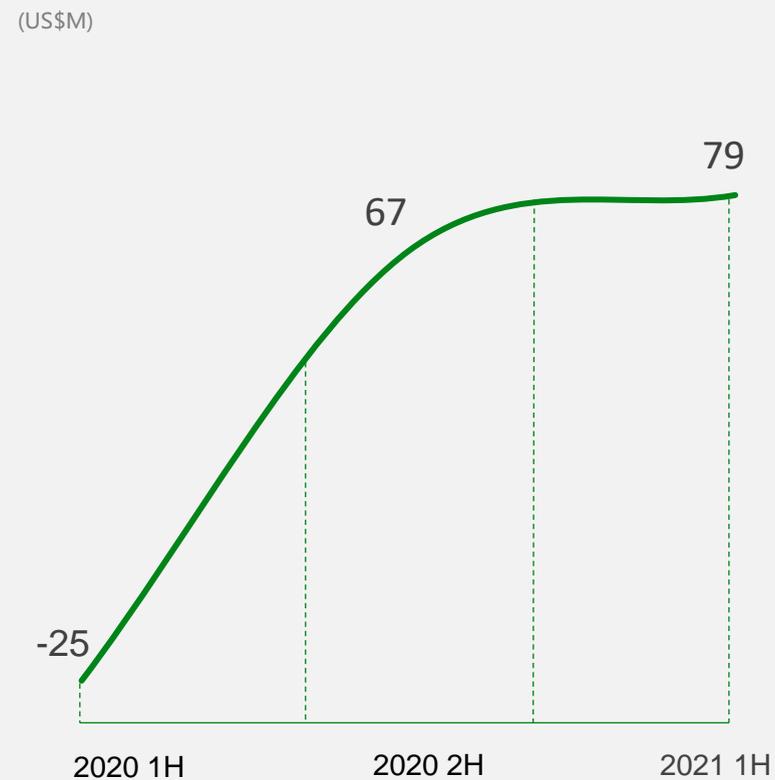


Key Financial Indicators – Profit

EBITDA

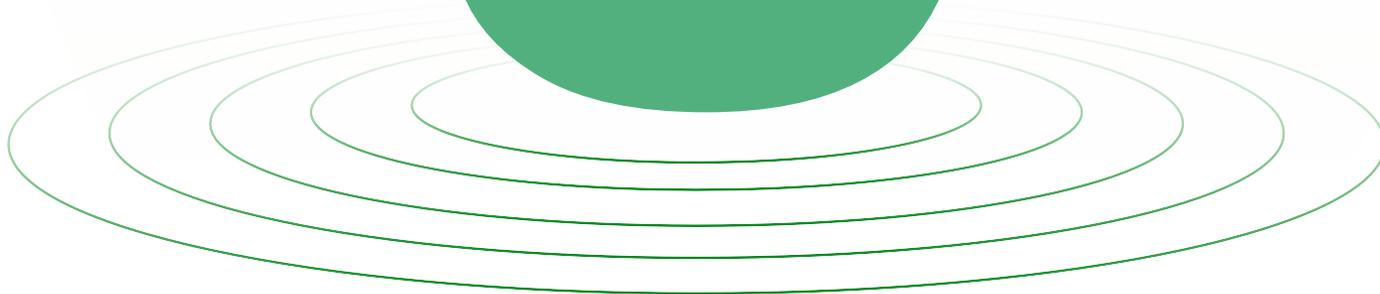


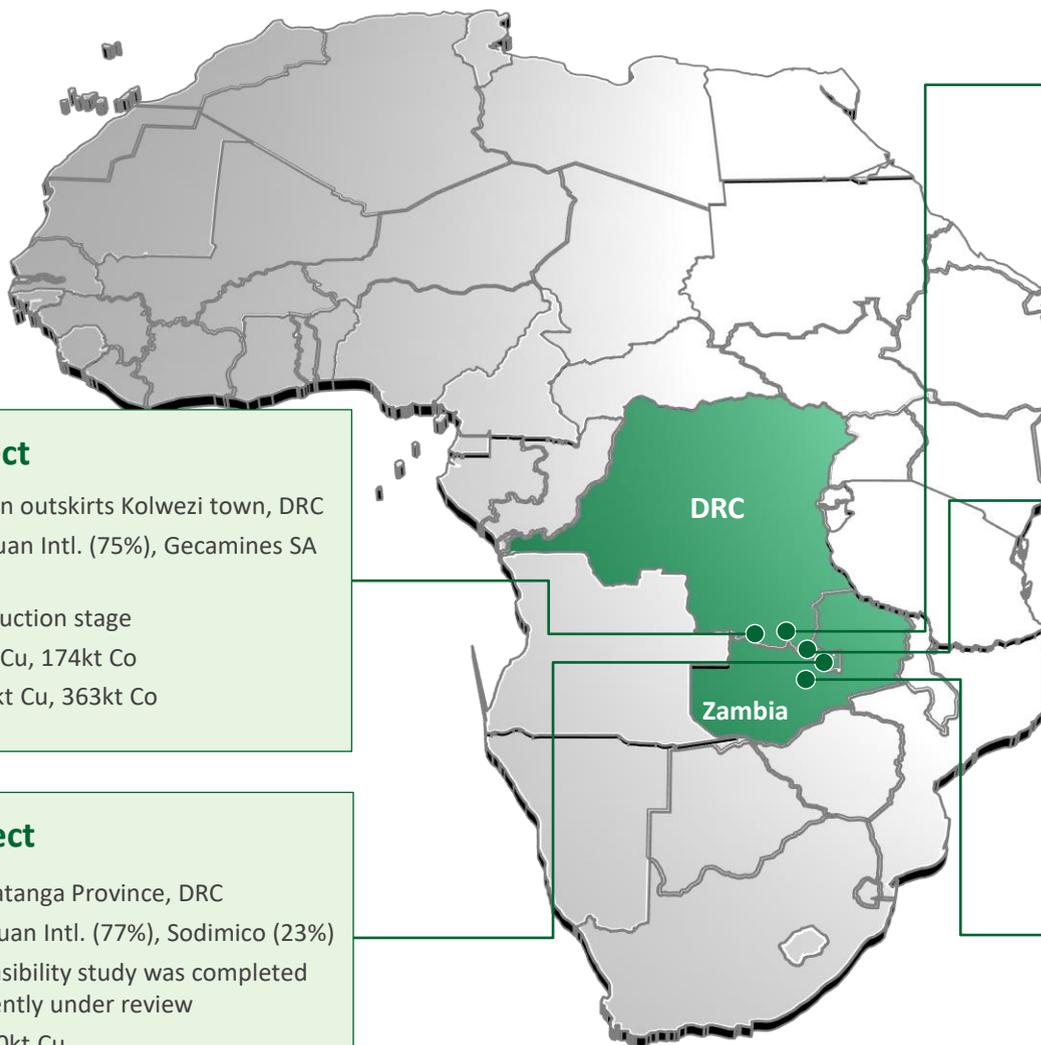
Profit for the Period





BUSINESS SUMMARY





Ruashi Mine

- Location: Lubumbashi, Katanga Province, DRC
- Ownership: Jinchuan Intl. (75%), Gecamines (25%)
- Products: Cathode copper, cobalt hydroxide
- LoM: 8 years
- Reserves: 243kt Cu, 27kt Co
- Resources: 637kt Cu, 85kt Co
- 2020 production: 33,897t Cu, 4,158t Co
- 2020 revenue: US\$310m

Kinsenda Mine

- Location: Katanga Province, DRC
- Ownership: Jinchuan Intl. (77%), Sodimico (23%)
- Product: Copper concentrate, copper blister
- LoM: >10 years
- Reserves: 294kt Cu
- Resources: 1,052kt Cu
- 2020 production: 30,557t Cu
- 2020 revenue: US\$168m

Chibuluma South Mine

- Location: Zambia
- Ownership: Jinchuan Intl. (85%), ZCCM (15%)
- Product: Copper concentrate
- Status: Leased out under finance lease agreement
- Revenue: Entitled to fixed lease income and flexible royalty income

Musonoi Project

- Location: Northern outskirts Kolwezi town, DRC
- Ownership: Jinchuan Intl. (75%), Gecamines SA (25%)
- Progress: Construction stage
- Reserves: 594kt Cu, 174kt Co
- Resources: 1,085kt Cu, 363kt Co

Lubembe Project

- Location: Haut-Katanga Province, DRC
- Ownership: Jinchuan Intl. (77%), Sodimico (23%)
- Progress: Pre-feasibility study was completed in 2018 and currently under review
- Resources: 1,800kt Cu

Overview



2021 1H Result Performance

- Produced 15,637t Cu and 1,447t Co in 2021 1H.
- Recorded revenue of US\$190 million in 2021 1H, increased by 30% compared to 2020 1H.

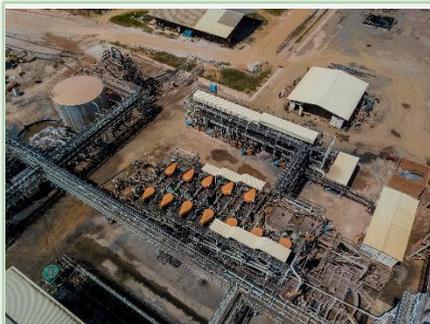
Operational Review

- Located in the DRC. Open-cast oxide copper and cobalt mine with sulfide potential underneath
- In 2020 2H, Ruashi started construction of a 600kt flotation and magnetic separation plant to process low-grade oxide and sulfide materials through magnetic separation. This will further increase the mine life of Ruashi
- Main mining license (PE578) was renewed for 15 years 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 at 31 Dec 2020)

	Tonnage	Grade		Contained metals	
		Mt	%	%	kt
		Cu	Co	Cu	Co
Proved	0.1	6.1	0.4	6	0
Probable	11.6	2.0	0.2	236	26
Total reserves	11.7	2.1	0.2	243	26
Measured	0.1	5.4	0.4	6	0
Indicated	26.7	2.0	0.2	526	63
Inferred	6.0	1.8	0.3	105	21
Total resources	32.8	1.9	0.3	637	84

Overview



- One of the world's highest grade copper deposits and has good access to infrastructure
- Current mine life is more than 10 years and there exists substantial additional ore resources that could extend the mine life to 20 years and beyond



- Kinsenda Concentrator completed trial run in May 2015
- Production started in Oct 2016
- First batch of concentrates exported in Nov 2017
- Part of copper concentrate was processed into copper blister for sale from 2020

Reserves and Resources Summary (as at 31 Dec 2020)

	Tonnage	Grade	Contained metals
	Mt	%	kt
		Cu	Cu
Proved	0.0	5.4	2
Probable	5.1	5.8	293
Total reserves	5.1	5.8	294
Measured	0.7	4.5	31
Indicated	11.6	5.2	602
Inferred	10.2	4.1	419
Total resources	22.6	4.7	1,052

Operational Review

- Kinsenda produced 13kt copper in 2021 1H and recorded a revenue of US\$134 million, representing an increase of approx. 213% from 2020 1H
- Kinsenda's main mining license (PE101) was renewed for 15 years and will expire in October 2036
- Incurred US\$4.3 million capital expenditure in 2021 1H, primarily spent on underground development and new generation system for underground dewatering
- Kinsenda Mine is developing a second ramp decline as a capital development project to open up the East Mine Resources

Overview



- Musonoi Project is a brownfield copper and cobalt project located on the northern outskirts of Kolwezi, DRC
- High grade cobalt content with reserve ore grade at 0.9%
- In 2018, the ENFI Feasibility Study on optimization studies and detailed engineering works was completed and first reserves were declared for the project
- Gecamines SA approved the ENFI Feasibility Study 2018 in May 2019
- The project is now in construction phase
- The surface explosive magazine was completed in 2020
- The main shaft construction commenced in December 2019
- Construction of the ventilation shafts was completed in June 2021
- The main ramp construction completed 1,106 meters
- Office and living camp were commissioned in June 2021

Reserves and Resources Summary (as at 31 Dec 2020)

	Tonnage Mt	Grade		Contained metals	
		% Cu	% Co	kt Cu	kt Co
Oxide					
Proved	2.8	3.2	1.1	90	30
Probable	0.6	2.0	0.7	12	4
Total reserves	3.4	3.0	1.0	102	34
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	8.6	3.1	0.9	270	73
Probable	8.3	2.7	0.8	222	67
Total reserves	16.9	2.9	0.8	492	140
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	37.4	2.4	0.8	890	295

Overview

Project Description

- An exploration project located 30km south of Kinsenda Mine
- Low grade, bulk mineable, mixed oxide/ sulphide deposit
- Mining license renewed in 2016 and extended for a further to 2032
- Further planning metallurgy testing in 2021 to optimize the processing process and the copper recovery rate during the mining period

Project Progress

- 2020 ENFI Pre-feasibility Study confirmed Lubembe's potential LoM as 15 years
- Hydrogeology and Engineering Geology research will commence in 2021
- A 17-hole filling procedure will be completed in 2021 to collect sufficient samples for detailed metallurgy testing

Resources Summary (as at 31 Dec 2020)

	Tonnage	Grade	Contained metals
	Mt	%	kt
		Cu	Cu
Measured	-	-	-
Indicated	56.5	1.8	1,039
Inferred	36.6	2.1	761
Total resources	93.1	1.9	1,800

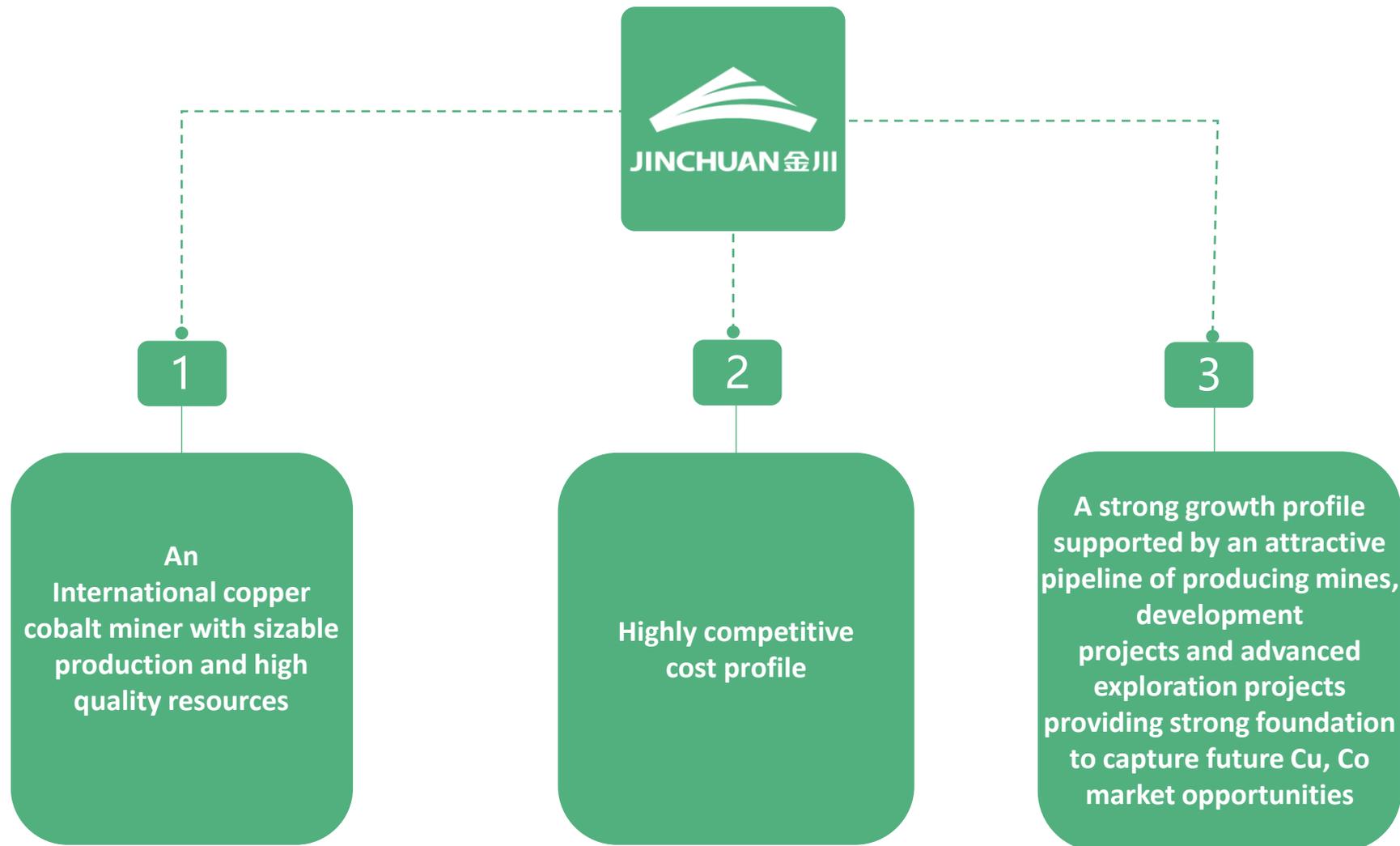




INVESTMENT HIGHLIGHTS



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



1. An international copper and cobalt miner with sizeable output and high quality copper and cobalt resources

One of the only two Hong Kong-listed cobalt producers and a top 10 global cobalt listed producer

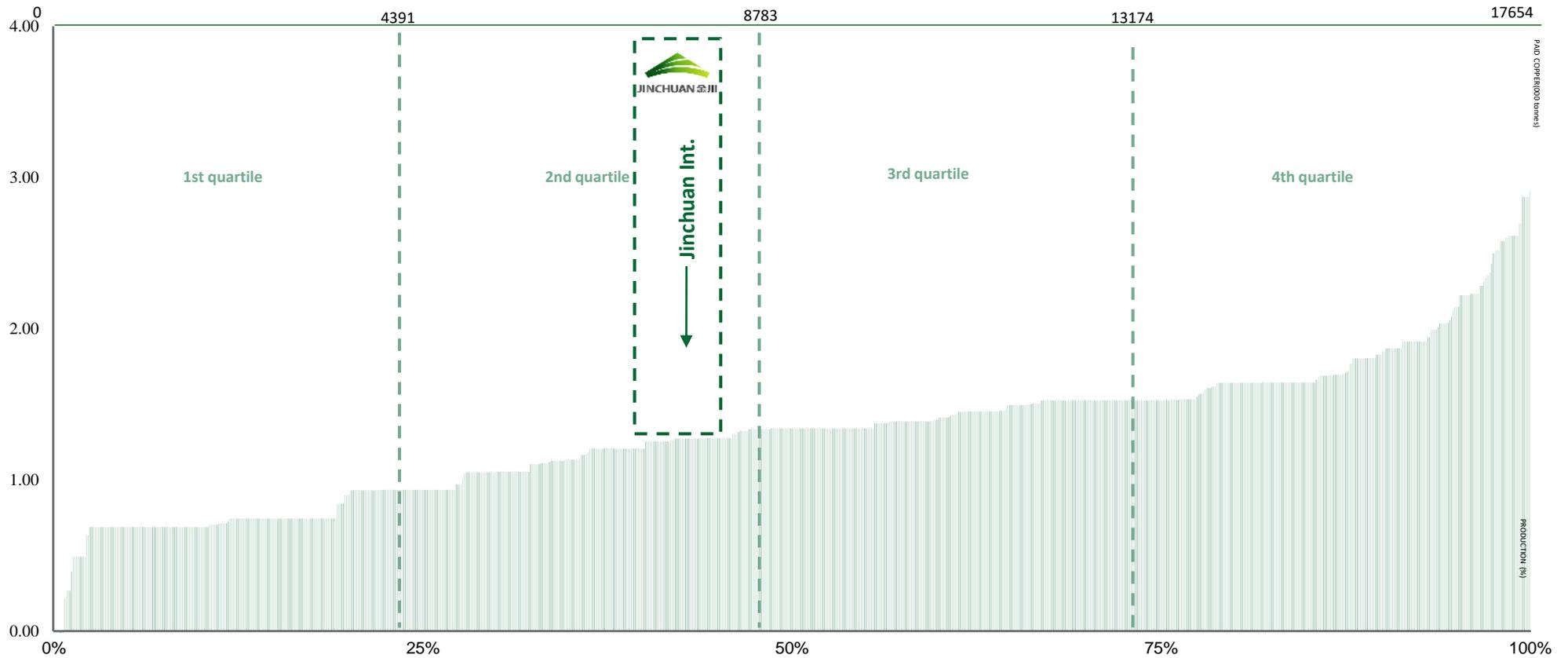
Rank	Company	Cobalt Production of 2021E (kt)	Cobalt Production of 2022E (kt)
1	Glencore	32	32
2	CMOC 	18	18
3	ERG	12	12
4	Chemaf	12	12
5	CNMC	8	8
6	Wanbao Mining	7	7
7	Jinchuan International 	4	4
8	HEZONG	2	2

Source: Company announcement, Dongguan Securities

2. Highly competitive cost profile

Competitive cash cost (C1)

2019 global copper C1 cash cost curve (US\$/lb; including by - product credit)



3. A strong growth profile supported by an attractive pipeline of producing mines, development projects and advanced exploration projects providing strong foundation to capture future Cu, Co market opportunities

Strategic development project Musonoi and advanced exploration project Lubembe will become critical profit sources to the Company



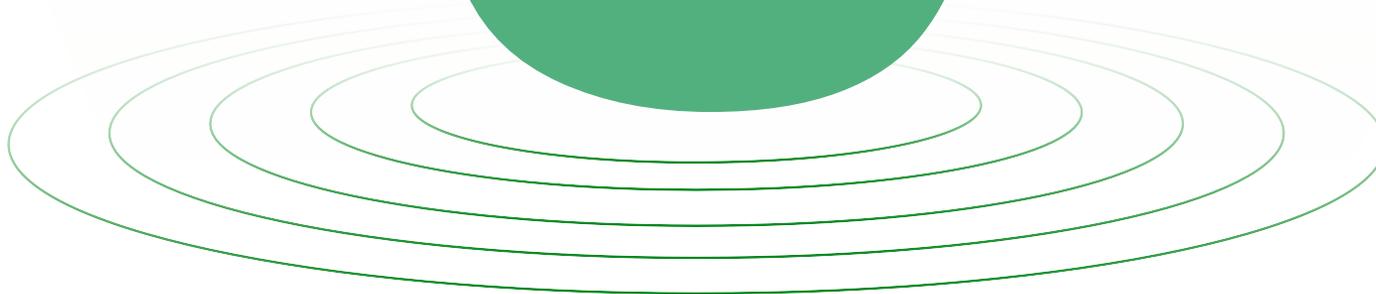
- ❑ **Musonoi copper-cobalt mine** is another cobalt-rich mine owned by Jinchuan Intl., with rich cobalt content of 363,000 tons of cobalt resources at a grading of 0.9%. The major construction works at Musonoi Project are undergoing and proceeding in an orderly manner. Project financing is principally confirmed, the on-site work is progressing smoothly, the power supply contract was signed, and the community relocation work was carried out smoothly
- ❑ The Musonoi Project will produce an average of 7,400 tons of cobalt and 38,000 tons of copper per annum upon completion and Musonoi will be the next profit growth generator to Jinchuan International
- ❑ The Group's focus in the near future is the construction of Musonoi copper-cobalt mine. Construction work at Musonoi Project has progressed well in 2021 1H



- ❑ **Lubembe copper mine** is located 170 km south of Lubumbashi, DRC. The project contains mineral resources of 1.8 million tons of copper at the grading of 1.9%. The project will significantly increase Jinchuan Intl's copper production volume when completed
- ❑ The Group started an infill drilling program at Lubembe to provide further information to be incorporated with the Pre-feasibility Study for the evaluation of possible processing methodologies.
- ❑ Hydrogeological and engineering geology study will commence in 2021 to enhance geological understanding at Lubembe



QUESTION AND ANSWER SESSION



Statements in this presentation, other than historical facts, that address exploration activities and mining potential are “forward-looking” statements and are not statements of fact. These statements are generally identified by words such as “believes,” “expects,” “predicts,” “intends,” “projects,” “plans,” “estimates,” “aims,” “foresees,” “anticipates,” “targets,” and similar expressions. The forward-looking statements, including but not limited to assumptions, opinions and views of Jinchuan Group International Resources Co. Ltd (“the Company”) or information from third party sources, contained in the presentation are based on current plans, estimates, assumptions and projections and involve uncertainties and risks.

The directors and management of the Company are of the belief that the expectations expressed in such forward-looking statements are based on reasonable assumptions, expectations, estimates and projections. However, such statements should not be construed as being guarantees or warranties (whether express or implied) of future performance. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Factors that could cause developments to differ materially from those statements expressed in this presentation include, without limitation, the results of further exploration activities, technical analysis, general economic and business conditions, industry trends, competition, changes in government regulations, interest rate fluctuations, currency fluctuations, changes in business strategy or development plans and other risks.

Neither the Company, its directors, its management, its advisors nor any of their affiliates represent or guarantee that the assumptions underlying such forward-looking statements are free from errors nor do they accept any responsibility for the future accuracy of the opinions expressed in this presentation. No obligation is assumed to update any forward-looking statements.

No representation or warranty, expressed or implied, is made and no reliance should be placed on the accuracy, actuality, fairness, or completeness of the information presented. None of the Company, its advisors or any of their respective affiliates, directors, officers, employees and advisors nor any other person shall have any liability whatsoever for any losses arising, directly or indirectly, from any information contained in the presentation. This presentation and information made available does not constitute an offer or invitation to purchase or subscribe for any shares of the Company, and no part of this presentation shall form the basis of, or be relied upon in connection, with any contract or commitment. By accepting this presentation you acknowledge that you will be solely responsible for your own assessment of the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company’s business.

Neither the delivery of this presentation nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date.



THANK YOU!

