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**JINCHUAN 金川**

**JINCHUAN GROUP INTERNATIONAL RESOURCES CO. LTD**

**金川集團國際資源有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2362)**

**OPERATIONAL UPDATE  
FOR THE YEAR ENDED 31 DECEMBER 2023**

This announcement is made by Jinchuan Group International Resources Co. Ltd (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company announces the unaudited operational update for the year ended 31 December 2023.

## OPERATIONAL UPDATE FOR THE YEAR ENDED 31 DECEMBER 2023

### Operational Data

The Group's operational data of mining operations and the revenue generated from trading of mineral and metal products summarised and shown in the table below are derived from the management account and internal records currently available to the Group. Such operational data are intended to give investors an overview of the Group's operations in a timely manner which may differ from the actual data to be disclosed in the announcement regarding the annual results of the Group for the year ended 31 December 2023, which is expected to be published before the end of March 2024.

	For the year ended 31 December 2023	For the year ended 31 December 2022
<b>Mining operations</b>		
Production:		
Copper ( <i>tonne</i> )	<b>62,006</b>	59,440
Cobalt ( <i>tonne</i> )	<b>2,207</b>	3,961
Product sold:		
Copper ( <i>tonne</i> )	<b>59,516</b>	64,739
Cobalt ( <i>tonne</i> )	<b>2,114</b>	4,496
Revenue (including provisional pricing adjustment) – approximate figures:		
Copper ( <i>US\$'000</i> )	<b>432,098</b>	487,907
Cobalt ( <i>US\$'000</i> )	<b>39,130</b>	160,910
Mining operations revenue ( <i>US\$'000</i> )	<b>471,228</b>	648,817
<b>Trading of mineral and metal products</b>		
Revenue – trading of externally sourced mineral and metal products – approximate figures ( <i>US\$'000</i> )	<b>164,392</b>	232,781
<b>Total revenue (<i>US\$'000</i>)</b>	<b>635,620</b>	881,598

*Note: Pricing coefficients were considered in actual sales revenue*

## Analysis and Prospect

In 2023, the Group's mining operations produced 62,006 tonnes of copper content included in copper cathode and copper concentrate (2022: 59,440 tonnes) and 2,207 tonnes of cobalt content included in cobalt hydroxide (2022: 3,961 tonnes).

In 2023, the Group's mining operations sold 59,516 tonnes of copper (2022: 64,739 tonnes), representing a decrease of approximately 8% compared to 2022, and 2,114 tonnes of cobalt (2022: 4,496 tonnes), representing a decrease of approximately 53% compared to 2022.

The Group's mining operations generated revenue from sales of copper of approximately US\$432.1 million (2022: US\$487.9 million), representing approximately 11% decrease compared to 2022, and generated revenue from sales of cobalt of approximately US\$39.1 million (2022: US\$160.9 million), representing approximately 76% decrease compared to 2022.

Moreover, the revenue generated from trading of externally sourced mineral and metal products amounted to approximately US\$164.4 million (2022: US\$232.8 million), representing a decrease of approximately 29% as compared to 2022. The decrease was due to the decrease in both trading volume and the commodities prices in 2023.

In 2023, copper production volume increased by approximately 4% as compared to 2022 as the Group has processed more ores with higher copper grade, which resulted in higher copper recovery rate, and the contribution from the copper sulphide concentrates produced by the flotation plant. The cobalt production volume decreased by approximately 44% as compared to 2022 due to the lower of both cobalt feed grade and cobalt recovery rate, as well as the significant decrease in volume of foreign ore purchased during 2023.

The average benchmark London Metal Exchange (“LME”) copper price for 2023 was US\$8,483 per tonne, representing approximately 4% decrease as compared to 2022 of US\$8,815 per tonne, resulted in the decrease in the average realised copper price from US\$7,537 per tonne in 2022 to US\$7,260 per tonne in 2023. Together with the temporary suspension of the export licences of the mines in the Democratic Republic of Congo (“DRC”) on certain occasions in 2023 (subsequently resumed to normal by the end of 2023) and the stretch on logistics limiting truck for mine products delivery in the DRC, which resultantly led to the decrease in copper sales volume of approximately 8%, when compared with 2022. All these caused the overall copper revenue decreased by approximately 11% in 2023.

The average Metal Bulletin (“MB”) cobalt price for 2023 was US\$15.1 per pound, representing a 50% decrease as compared to 2022 of US\$30.4 per pound. The benchmark MB cobalt hydroxide coefficient has decreased from 88% at the end of March 2022 to a range of 51% to 63% in 2023, leading to the further decrease in effective cobalt price of the Group. MB cobalt prices were traded at a low range during 2023 and the Group has adopted a sales strategy to slow down cobalt sales and to accumulate more cobalt inventory on hand in view to destock when cobalt price recovers. Therefore, only 2,114 tons of cobalt were sold in 2023 and a revenue of approximately US\$39.1 million was recorded.

The information contained in this announcement is based only on the preliminary assessment by the Board upon its review of the unaudited consolidated management accounts of the Group and the current information available to the Board which have not been audited nor reviewed by the Company's independent auditor.

The overall financial results of the Group for the financial year ended 31 December 2023 will only be ascertained when all the relevant results and accounting treatments are finalised. Since the Group's financial performance will also be affected by other factors such as final valuation on the Group's assets and liabilities which could possibly result in additional impairment loss (or gain) and/or provision to be recorded, the Company will make further announcement as and when required if there is further material information in relation to the finalization of financial results. Shareholders of the Company and potential investors are also advised to refer to the details of the Company's annual results announcement for the financial year ended 31 December 2023 which will be announced before the end of March 2024.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company, and should note that undue reliance on or use of the above information may cause investment risks.**

By order of the Board  
**Jinchuan Group International Resources Co. Ltd**  
**Wong Tak Chuen**  
*Company Secretary*

Hong Kong, 29 February 2024

*As at the date of this announcement, the Board comprises two executive directors, namely Mr. Gao Tianpeng and Mr. Cheng Yonghong; two non-executive directors, namely Mr. Liu Jian and Mr. Wang Qiangzhong; and four independent non-executive directors, namely Mr. Yen Yuen Ho, Tony, Mr. Poon Chiu Kwok, Mr. Yu Chi Kit and Ms. Han Ruixia.*