**Codelco issues US$2 billion in bonds to finance its project portfolio and strengthen its liquidity**

This year Codelco has budgeted an investment upwards of US$ 4.1 billion, in line with the required progress in its portfolio of structural projects.

***Santiago, September 5, 2023. -***   Codelco successfully placed $2 billion in bonds with maturities of 10 and 30 years, yielding 5.966% and 6.331%, respectively. The order book reached the highest level in history, exceeding $9 billion, with an oversubscription of 4.7 times, due to the interest of more than 250 investors. This allowed Codelco to obtain a *spread* over US Treasury bond of 170 and 195 basis points for the 2034 and 2053 bonds, respectively. The issuance was led by banks BNP Paribas, Citibank, JP Morgan, Santander and Scotiabank.

"This placement allows us to continue moving forward in the development of ongoing structural projects, which currently include three megaprojects: Chuquicamata Subterráneo, the El Teniente Development Plan and Rajo Inca, as well as strengthening the company's liquidity," said Alejandro Rivera, vice president of Administration and Finance at the state mining company.

The move is part of Codelco's need to finance its challenging project portfolio, which this year has budgeted US$ 4.1 billion in investment. It is worth noting that since 2020, supply and labour shortages caused by the pandemic have affected the progress of Codelco's structural projects, which are now resuming to the required levels to complete the US $40 billion investment plan over the next ten years.

The terms of these bonds issuances align with the long-term cash flow generation, derived from the contribution of structural projects, which will have a positive impact on the Corporation’s the financial indicators.

It is also important to recall that the financing for Codelco comes from its own generation after applicable taxes (including a 10% tax on sales), the retention of 30% of profits (agreed with the government for the 2021-2024 period), and debt issuance.

Codelco