

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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 SIX MONTHS ENDED 30 JUNE 2024  
AND POSITIVE PROFIT ALERT**

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).

**OPERATIONAL UPDATE FOR THE SIX MONTHS ENDED 30 JUNE 2024**

The board of directors (the “**Board**”) of the Company announces the unaudited operational update for the six months ended 30 June 2024 (“**2024 1H**”).

**Operational Data**

The Group’s operational data of mining operations summarised and shown in the table below are derived from the management accounts 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 interim results of the Group for the six months ended 30 June 2024, which is expected to be published before the end of August 2024.

	<b>For the six months ended 30 June 2024</b>	For the six months ended 30 June 2023
<b>Mining operations</b>		
Production:		
Copper ( <i>tonne</i> )	<b>28,578</b>	30,200
Cobalt ( <i>tonne</i> )	<b>681</b>	1,364
Products sold:		
Copper ( <i>tonne</i> )	<b>26,222</b>	29,324
Cobalt ( <i>tonne</i> )	<b>991</b>	172

## Analysis and Prospect

In 2024 1H, the Group's mining operations produced 28,578 tonnes of copper content included in copper cathode and copper concentrate, representing a slight decrease of approximately 5% as compared to that of 30,200 tonnes for the six months ended 30 June 2023 ("**2023 1H**") mainly due to the unstable power supply from the national grid in the Democratic Republic of Congo ("**DRC**").

The Group produced 681 tonnes of cobalt content included in cobalt hydroxide in 2024 1H, representing a decrease of approximately 50% as compared to that of 1,364 tonnes in 2023 1H due to the lower ore feed grade and the continual decline in cobalt market prices in 2024 1H. The Group had adjusted its production plan to reduce the cobalt output and decided to temporarily cease the cobalt production in late May 2024 so as to devote more resources to the production of copper.

In 2024 1H, the Group's mining operations sold 26,222 tonnes of copper, representing a decrease of 11% as compared to that of 29,324 tonnes in 2023 1H. The decline was primarily due to a reduction in the production volume and the absence of significant destocking its copper inventory in 2024 1H.

The Group sold 991 tonnes of cobalt in 2024 1H, representing an increase of approximately 476% as compared to that of 172 tonnes in 2023 1H as the Group actively destocked its cobalt inventory in 2024 1H in order to facilitate the Group's cashflow.

## POSITIVE PROFIT ALERT

The Board of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review of the latest unaudited consolidated management accounts of the Group and the current information available to the Board, the Group is expected to record a profit attributable to the Shareholders of not less than US\$5 million for 2024 1H as compared to the unaudited loss attributable to the Shareholders of approximately US\$12.5 million for 2023 1H.

The expected turnaround from loss for the period attributable to the Shareholders in 2023 1H to profit for the period attributable to the Shareholders in 2024 1H is mainly attributable to:

- (1) the increase in average realised price of copper in 2024 1H resulted from the increase in the average benchmark London Metal Exchange copper price in 2024 1H;
- (2) the significant decrease in net exchange loss recorded in 2024 1H arising from the denomination of Congolese Franc (“CDF”), the lawful currency of the DRC, in relation to the balance of value-add tax recoverable by the Group’s subsidiaries in the DRC. The reduction is due to the relatively stable exchange rate of CDF against US\$ in 2024 1H compared to the significant depreciation of CDF against US\$ seen in 2023 1H; and
- (3) the absence of any impairment loss on inventory for cobalt recognised in 2024 1H, unlike the impairment loss of approximately US\$10 million recognised in 2023 1H.

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 for the six months period ended 30 June 2024 and the current information available to the Board which have not been audited nor reviewed by the Company’s independent auditor.

The overall unaudited financial results of the Group for the six months period ended 30 June 2024 will only be ascertained when all the relevant results and accounting treatments are finalized, the Company will make further announcement if further information in relation to the finalization of financial results which are material is available. Shareholders and potential investors are also advised to refer to the details of the Company’s interim results announcement for the six months ended 30 June 2024 which will be announced before the end of August 2024.

**Shareholders 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, 13 August 2024

*As at the date of this announcement, the Board comprises two executive directors, namely Mr. Gao Tianpeng and Mr. Cheng Yonghong; one non-executive director namely 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 Renxia.*