Roland Haemmerli and the Atacama Salt Flat Contract

Country Manager of Albemarle Chile: "There are no reasons why we wouldn't be in Chile after 2043"

The executive explains that, to face the drop in lithium prices, they reduced costs by more than 15% and are now focusing more on operations than on growth. He also addresses the controversy with SQM.

El Mercurio* (Santiago), December 15, 2024.
By Jessica Marticorena.

This January, Roland Haemmerli will mark one year as Albemarle's Country Manager in Chile. Albemarle is the world's largest lithium producer and the second-largest in Chile, after SQM.

Since March 2021, Haemmerli has also served as Vice President of Operations, a key role for the U.S.-based company amid a globally complex context, with losses exceeding $1 billion in the third quarter, layoffs, and reduced investments, all stemming from the sharp drop in lithium prices—from $80,000 per ton in 2022 to $10,000 today.

"It has been a very challenging period. We've restructured the company, focusing on understanding the market's dynamics. We had been following an aggressive global growth strategy that involved hiring extensively and launching projects everywhere. In Chile, it meant adapting to a new structure by integrating operations into the leadership framework to align better with the core business. The aim is to achieve greater agility and flexibility moving forward," Haemmerli explains in his first interview.

Previously, the focus was on growth, "but somewhat disconnected across different areas. Looking ahead, in Chile, we still plan to grow, though not as aggressively."

— In this challenging scenario, what role does the Chilean operation play?
"There is a highly aggressive growth rate driven by the energy transition toward electromobility, significantly increasing demand. As the Chilean unit, we've gained more prominence because we are a low-cost producer capable of providing the revenues and resources necessary to support the company's future growth. Therefore, Chile's operation is highly strategic, probably the most profitable within the company. We must continue optimizing this asset."

— How much does Chile contribute to Albemarle's overall results?

“Over 30%. We've been growing safely in Chile. Over 10 to 12 years, we’ve expanded from 25,000 tons to 70,000 tons this year, and we expect to reach 80,000 tons by 2025.”

— To adapt to the new reality, what adjustments have been made locally?
“In January, we began restructuring teams and executing a plan that allowed us to achieve significant savings, reducing costs by over 15%.

We reduced personnel, particularly in project-related areas. Over the last four years, we invested $1.4 billion in numerous sustainability projects. Now, we aim to maximize the returns on those investments. Our workforce comprises about 1,100 direct employees and around 3,000 indirect ones. A small percentage, between 2% and 3%, was let go. More than layoffs, it was about slowing down hiring.”

— You announced a $1 billion investment in a direct extraction plant. With current prices, will you proceed with that project?
“This project is tied to a quota increase negotiated with Corfo, aiming to expand production by 240,000 tons of lithium metal equivalent (LME) as new technology is implemented. This year, we inaugurated a $30 million pilot direct extraction plant in La Negra, which we aim to implement in the Atacama Salt Flat.

We’re working on engineering and expect to submit it for environmental review within a year or year and a half. Given price volatility, the project will grow gradually and in stages.”

— It will require indigenous consultation. Currently, you share 3.5% of Atacama Salt Flat sales with indigenous communities. Are you willing to offer more?
“In the past seven years, we've provided over $100 million. It's a very good agreement, but every arrangement has room for improvement. Looking toward the future, these agreements will likely undergo some adjustments.”

"The price slump is temporary"

— Lithium prices are in a downward cycle, dropping from a peak of $80,000 per ton to $10,000. Are these prices here to stay? Is this the new normal?
“Before the boom, prices were at levels similar to today. In 2018, prices between $12,000 and $15,000 were considered good. However, with rising demand and restricted supply, prices climbed significantly. Today, the production of electric vehicles using lithium-based batteries has slowed down.

Looking ahead, much new production will be required, largely relying on new processes with higher costs, meaning that equilibrium prices will need to rise. This price downturn is temporary. I’d expect prices to approach $20,000 per ton by the end of the decade.”

"We are a good partner for Chile"

— Albemarle has been in Chile for over 40 years. Is it still a reliable country for investment?
"Absolutely. We trust Chilean institutions. We've been the State's strategic partner for over 40 years, contributing $2 billion in mining royalties to the treasury. We're an important player and believe we are valued by the government. There's a very strong relationship and a solid foundation to continue strengthening this partnership."

— Conditions may change as Albemarle's contract with Corfo to extract lithium from the Atacama Salt Flat expires in 2043. Do you foresee continuing operations beyond that year?
"We are a good partner for the country. When we think about changing technology, it shows two things: forward-thinking and the ability to operate more efficiently. This means higher sustainable production, translating into greater revenues for the Chilean State. When the time comes, we'll discuss the best options for the country and the company beyond 2043."

—Are you confident that Albemarle will still be in Chile after 2043?
"We have a strong track record, and it is our responsibility to continue building this relationship as we approach 2043. There are no reasons why Albemarle wouldn't be in Chile after 2043."

—Are you comfortable with the model SQM agreed upon with Codelco? Would you be willing to give up project control to the State?
"We are open to exploring different options after 2043. We understand that 18 years can pass quickly, but it's also enough time to evaluate alternative scenarios—or even continue with the existing model. Time needs to pass, and it will be a valuable experience for the country to see what happens with SQM-Codelco before considering that or other alternatives. We must be responsible when negotiating the future."

—Is it better to operate in the Atacama Salt Flat alongside the State than not at all?
"I think so. We've been working successfully with the State for over 43 years. Continuing under this or another model decided in conjunction with the State would be a favorable scenario."

—Under a government with a different political stance, could lithium regulations change?
"It would be selfish and irresponsible to stake a position today. We need time to compare experiences and evaluate the best options. We believe the current model works well for the country. It's hard to understand why it would be different or why something so successful would need to change."

—Is there concern at the company's headquarters?
"There is confidence that we'll reach a good agreement when the time comes. We operate in various countries with different models, and in all of them, we've found suitable frameworks."

The current model we are in works well for the country. It's hard to see why it should be different or why to change something that has been very successful.

Conflict with SQM over RCA review: "This is a preventive action"

—You're at odds with SQM after requesting that the SEA review permits due to variations in aquifer water. Are you in environmental non-compliance?
"We are not in environmental non-compliance. This is a preventive and proactive measure to avoid a potential significant environmental impact. Our current permit establishes that there should be no impact or changes to certain variables, but today, there is a very slight variation. Permits are assessed individually, and our goal is for them to be reviewed collectively, so the Atacama Salt Flat is seen as a whole. This action puts both RCAs at risk, but in the interest of transparency and responsibility, we believe it is the right thing to do."

—SQM denied that Albemarle is affected enough to trigger the RCA review process, calling it a strategy motivated by ongoing sanctions against both companies by the Environmental Superintendency.
"I find it hard to interpret the competition's strategy. Given that we both operate in the Atacama Salt Flat, we believe it's important to engage in dialogue and work together with the authorities to ensure sustainable development. We don't claim to have the ultimate truth; we're raising a point of concern."

"Chile has tremendous advantages"

—How much cheaper is it to produce in Chile compared to other countries?
"In the past, the difference was significant. Producing from brine was much cheaper than mining, and we also benefit from very low energy costs, with over 90% of it being solar-powered. We are the world's lowest-cost producer. However, as demand has grown, mineral producers have optimized their processes. Over the past seven years, the cost gap has narrowed significantly. It used to be 50% cheaper to produce in Chile; now it's about 15%. This reflects market maturity, and we continue to optimize operations to improve costs."

—How do you view Chile's competitive position? Argentina is gaining ground.

"Chile has tremendous advantages in terms of resources, logistics, and location. It has a very competitive position compared to others. Argentina has made progress, but they face logistical disadvantages, and their projects are located in more remote areas with less industrial activity."

—But Chile's lengthy environmental review process can be a drawback, right?
"There are two factors: one is the overload faced by agencies evaluating projects. Chile has many projects, which creates stress on the evaluators."

—But there's criticism of the discretion and endless iterations.
"That's true; every system has room for improvement. However, it's also true that project developers must do their part—producing high-quality work on time and with the necessary scope—so that we don't have to iterate repeatedly with the same government entities. It's a dual commitment with shared responsibilities. The Government has expressed interest in optimizing and accelerating processes, but we also have the obligation to deliver high-quality projects."

—Don't private companies submit high-quality projects?
"There's always room for improvement."

—Rio Tinto paid $6.7 billion for Arcadium Lithium, the world's third-largest lithium producer, and seeks to enter Chile. How do you see that competition?
"We like competition and are used to it. We have a solid strategy, a good asset portfolio, and unique resources. Albemarle has a bright future ahead."

Mining-Port Initiative Will Cost $3 Billion:

Following Environmental Tribunal's Backing, Dominga Project Prepares to Begin the Process for 700 Key Permits

Despite opponents still having the option to appeal to the Supreme Court, the company remains optimistic and plans to begin construction in 2026. In September, the Délano Méndez and Garcés Silva families increased the company's capital by $23 million, bringing total capital to $224 million, as they continue to seek a strategic partner.

El Mercurio* (Santiago), December 15, 2024.
By Jessica Marticorena.

On Tuesday, December 10, the day after the Environmental Tribunal of Antofagasta ruled in favor of the Dominga mining-port project, the nine siblings of the Délano Méndez family attended a key meeting with Pedro Ducci, General Manager of Andes Iron, the company leading the project, and other advisors.

Some of the Délano Méndez siblings participated in person at the Las Condes offices, while others joined remotely. Verónica, Macarena, Carlos Alberto, Pablo, José Luis, Tomás, Andrés, Benjamín, and Agustín listened intently to the implications of the ruling and the possible legal scenarios.

According to informed sources, they left the meeting optimistic about the project's future path. The First Environmental Tribunal was decisive, declaring the Committee of Ministers' unanimous rejection of the project in January 2023 as "illegal." Furthermore, the court ordered the Committee of Ministers, led by Environment Minister Maisa Rojas, to vote on the project again under specific conditions within 15 days.

The court ruled that the committee "violated the principles of impartiality and legitimate trust by addressing PAC (public participation) claims during a session involving state ministers who, despite previously expressing their views, did not recuse themselves."

"This is tremendous support for the project," sources close to Andes Iron said. This sentiment was echoed during the December 10 meeting. The Délano Méndez family owns 80% of Dominga, while the Garcés Silva family holds 15%, with another 5% belonging to executives.

However, the owners are aware that the final word has not been said. New legal challenges may arise, with opponents most likely appealing to the Supreme Court. If this happens, they anticipate it could take up to a year for the court to issue its decision.

$500 Million Already Invested

Dominga has a history of 11 years of environmental review, beginning in 2013. The mining-port project includes an iron and copper extraction plant in La Higuera, Coquimbo Region. Over this time, updates have been made, including to the investment estimate. Initially projected at $2.5 billion, the project now requires $3 billion, according to recent calculations.

To date, the partners have invested about $500 million. This amount includes the $150 million purchase of the mining asset, $70 million in exploration campaigns, and costs associated with the 20,000-page Environmental Impact Study.

Even though Dominga is not yet operational, Andes Iron must maintain its three offices: one in Coquimbo, where mineral samples are stored; another in La Higuera; and the central offices in Santiago. “Nearly 500 advisors work with Andes Iron, including lawyers, environmental consultants, and engineers, all focused on Dominga,” said a source familiar with the project.

The Délano Méndez family and the other partners remain fully committed to the project, another source said. Evidence of this commitment was seen on September 24, when Andes Iron completed a $23 million capital increase. This brings Andes Iron's total capital to $224 million.

Why persevere with a project that hasn’t materialized after 11 years? Someone close to the family summarized, “They believe in the project from a technical standpoint, as well as in the benefits it will bring to the community and the country. The latest ruling confirms that it’s a solid, well-designed project.” Others close to the matter add: “There are no investment funds involved here, the company is not publicly traded. These are two families—the Délano Méndez and Garcés Silva families—who are not under market pressure and are contributing with their own capital. They are not in a hurry.”

The most active of businessman Carlos Alberto Délano’s heirs is his son, Carlos Alberto, who serves as Chairman of the Board of Andes Iron. Alongside Pedro Ducci, Délano Méndez has traveled several times to La Higuera. Those who have worked closely with him recall that a couple of years ago, he organized and led an extensive series of visits to the area with various regional leaders from business, academia, science, and the local community, among others. The goal was to showcase the project and address doubts and myths surrounding it.

During these visits, according to sources familiar with the matter, he explained that the construction phase would generate 30,000 jobs and 5,000 during operations; that Dominga would account for 30% of the region’s GDP and contribute approximately $500 million in annual taxes to the country; that the company would share its profits with the local communities and provide La Higuera residents with contributions ranging between $2 million and $4 million annually, depending on the price of iron. Additionally, those who attended the visits recall that Délano Méndez emphasized that the project would use 100% desalinated seawater; that the shipping terminal would be located more than 30 kilometers from the Humboldt Penguin National Reserve, equivalent to the distance between Ventanas and the Zapallar beach resort; that 8,000 hectares would be restored and reforested with native species; and that a Scientific Research Center would be established.

“He is deeply involved in the project, alongside Ducci, taking on a leadership role,” one informed source pointed out.

733 Permits Needed in 2025

Within Andes Iron, there is confidence that any appeal to the Supreme Court will be rejected. This confidence is based on ongoing discussions within the legal sphere. Experts suggest that NGOs are the most likely to file a cassation appeal to the Supreme Court because, if the Committee of Ministers does so, legal experts believe it “could constitute the crime of administrative malfeasance.”

Secondly, experts mention that if this political body decides to appeal to the Supreme Court and persist in its stance, it would not be respecting the Environmental Tribunal's ruling. “This would involve the crime of contempt: how can the ruling be upheld while simultaneously appealing to the Supreme Court? It is contradictory.”

Other experts suggest that the Environmental Assessment Service (SEA), which is the technical secretariat of the Committee of Ministers, could file a cassation appeal "on behalf of the Committee of Ministers."

In any case, within Andes Iron, there is a conviction that following the Environmental Tribunal's ruling, "the project is approved. Now we have the RCA (Environmental Qualification Resolution); before the ruling, we did not have it. With the RCA in place, in 2025, we can begin advancing other procedures, including sectorial permits that are essential and critical for carrying out various preparatory actions before the project's construction begins," said a source linked to the company.

Dominga already has a maritime concession, but it still requires a total of 733 key permits: 128 for the so-called Dominga sector, which is the area of the open pits; another 103 are needed for the mine sector, which includes the infrastructure adjacent to the pits; another 230 in the plant area; 38 permits for the tailings deposit; 181 authorizations for the Totoralillo port; and another 53 for the area corresponding to the mineral transport pipelines.

This means Andes Iron will need to obtain permits from the National Monuments Council, Customs, the Harbor Master's Office, the Directorate of Port Works, the Directorate of Roads, the Labor Directorate, the General Directorate of Civil Aviation, the General Directorate of Water, the General Directorate of National Mobilization, the ministries of National Assets, Housing, Defense, Health, Agriculture, and Mining, the Agricultural and Livestock Service, the National Geology and Mining Service, the Undersecretariats of Fisheries and Telecommunications, the Superintendencies of the Environment and of Electricity and Fuels, the Directorate of Roads, and the Courts of Justice, among other services and entities.

According to the company's timeline, they estimate that the project’s construction could begin in 2026. It will last three years, and Dominga's operations could start in 2029. Once operational, Dominga is expected to produce 12 million tons of iron concentrate and 150,000 tons of copper concentrate annually as a byproduct.

Searching for a Strategic Partner

Since taking control of the project, the partners established a fundamental principle for developing Dominga: they will incorporate a strategic partner who can contribute capital, market connections, and know-how.

Two years ago, they were in negotiations with Chinese investors, but the talks did not materialize. Despite the project's legal challenges, sources close to Andes Iron affirm that "the conversations have remained active" and clarify that "there is no rush to finalize an agreement."

Other informed sources highlight that the project is very attractive, especially to foreign investors. This was confirmed recently when Pedro Ducci and other executives from the company spent a month in Asia, “meeting with mining and steel companies, and witnessing firsthand the strong interest in Dominga, not only from Chinese investors.”

For this reason, they admit that following the recent ruling, "this search process could gain momentum, as the RCA has been resolved, providing certainty to potential new investors."

The partners have invested approximately US$ 500 million and have recently carried out a capital increase of US$ 23 million.

Will Place Between $70 Million and $80 Million in the First Half of the Year:

Enami Aims to Forge a New Path: Issues Historic Bond in 2025 and Refinances Debt with Local Banks

For the first time in its history, the state-owned company has been rated by credit agencies. ICR and Feller Rate awarded it double-A and triple-A ratings with a stable solvency outlook, emphasizes Executive Vice President Iván Mlynarz. The company aims to reduce its debt next year and projects end-of-year losses between $20 million and $30 million, “which is manageable,” he points out.

El Mercurio* (Santiago), December 15, 2024.
By Jessica Marticorena.

These days, the National Mining Company (Enami) is hitting several milestones. One of them is posting $129.5 million in profits as of September, after nearly three years of losses. The last time the state-owned company recorded positive earnings was in December 2021, with an annual surplus of $34 million.

However, it is important to note that this year’s positive result is heavily influenced by the sale of Enami’s 10% stake in the Quebrada Blanca mine to Codelco. From this transaction, Enami will receive $520 million, $180 million of which has already been paid and accounted for in the September results.

In terms of its core business operations, Enami also showed a significant improvement, achieving an operating profit of $6.8 million in the third quarter, compared to operational losses of $105 million during the same period last year. Against this backdrop, EBITDA rose from -$75 million in September 2023 to $197 million for the same period in 2024.

“The asset sale impacts the bottom line, but the most relevant point is that the operational result is positive. This is due to the shutdown of the Paipote smelter in February, which was responsible for much of our losses, as well as optimizations in each of our plants, allowing us to generate a positive operating margin and cover administrative and sales costs. This is quite unprecedented for Enami because, since 2011, we have only twice achieved a positive margin and only once a positive operating result," highlights Executive Vice President Iván Mlynarz, who has been in office for 15 months.

Looking ahead to 2025, Mlynarz projects "an even greater positive margin and another positive operating result." However, he adds, "Since we won't have the Quebrada Blanca sale next year, we are forecasting losses between $20 million and $30 million on the bottom line, which is manageable." In 2023, the company lost $200 million, and in 2022, the deficit was around $120 million.

What matters most, Mlynarz emphasizes, is "the shift towards a company capable of generating positive operating margins. This turning point is the result of efforts to optimize processes, improve efficiency, and enhance management. We're not claiming to have solved all our problems, but we are addressing many of them effectively."

He further explains: "Enami's goal is very different from that of Codelco, which seeks to maximize revenue for the treasury. Enami's mission is to support and promote small-scale mining. Therefore, our goal isn't profitability. We are trying to avoid losses because our mission as management is to guide this company toward financial sustainability. This means achieving break-even results or a small positive margin across all metrics." If Enami achieved significantly higher margins, Mlynarz explains, these would need to be passed on to the rates charged to small-scale producers.

Ninety percent of the proceeds from the Quebrada Blanca sale will be used to reduce debt, which previously stood at approximately $700 million and would have incurred around $65 million in interest payments in 2025 alone. Following the sale, financing costs will drop to less than $20 million as the debt decreases to about $250 million. "This is a reasonable level of debt for the scale of our operations, and having interest payments between $15 million and $18 million is manageable."

For the first time in its history, Enami will be capitalized by the state. The 2025 budget includes a transfer of $25 million. "Enami has not imposed a significant fiscal burden. It has been a bad business only for Enami itself. The losses have been absorbed through debt, and we are the ones paying for it. For the first time, we'll receive capitalization to fund investment projects. Over 22 years, Enami received $8 million in public funding; this budget allocates $25 million," he notes, adding that he hopes to maintain fiscal support in 2026 as well.

Preparing for Bond Issuance

In addition to this year's positive results, another unprecedented milestone has been achieved. For the first time in its history, the company was rated by two credit agencies: ICR and Feller Rate.

Mlynarz summarizes it as follows: "They have awarded us double-A and triple-A ratings with a stable solvency outlook, which means, in financial terms, that this company is capable of meeting its debt obligations based on its current operations. It demonstrates the highest capacity to repay capital and interest. We have already achieved the company's financial stabilization, future cash flows have been evaluated, and we are now viewed with the same perspective as EFE, Codelco, and Metro. The credit rating agencies are saying that Enami is viable, based on objective results."

This positive evaluation will allow Enami to achieve another milestone: restructuring part of its debt in the local market through the issuance of a bond, which they plan to place in 2025. It will be the first bond in the company's history. "For the first time, we will enter the national market to issue a bond, between $70 million and $80 million, during the first half of next year. This will allow us to extend part of our debt to terms of 7 to 10 years, with more favorable interest rates," says the executive vice president.

Additionally, the company plans to refinance the remaining debt with local banks. "As of August this year, before the sale of Quebrada Blanca, we owed about $650 million, all due in December. Today, with $250 million in debt, we aim to extend the repayment period, targeting terms of 3 to 5 years with banks."

Mlynarz shares a key detail: following the sale of Quebrada Blanca, interest rates have already improved by 1% annually. "In 15 months, we've gone from a scenario where banks closed off credit to now having more banks interested and offering larger amounts than we need. We'll conduct a competitive process that will further improve our conditions."

For 2025, the company also aims to reduce its debt to $200 million. How? "We have a stockpile of minerals purchased from small producers that we cannot currently process and are storing. In Tocopilla, we have $60 million immobilized in copper oxides with grades of 2.4% to 2.5%, which is very high quality. The idea is to sell these to someone with processing capacity or use our own capacity to process them into cathodes for sale. Additionally, we have another $60 million immobilized in gold."

The executive asserts that Enami's debt could reach zero by the end of the decade if the company maintains positive operational results, leveraging its stockpiled assets and others.

Will they sell their 10% stake in Carmen de Andacollo? Mlynarz responds: "It's an interesting asset. But unlike Quebrada Blanca, where dividends were deferred until 2028 or 2030 and had no immediate financial impact, the cash flows from Carmen de Andacollo should arrive sooner. That makes a difference in the analysis."

Enami also owns another 200,000 hectares of mining properties across the country. "We need to be more proactive in adding value to them," Mlynarz explains.

In the short term, one unresolved issue is modernizing the company's corporate governance, which is still based on a structure from the 1960s. The Ministry of Mining has committed to submitting a reform proposal to Congress. "The way public companies are managed has evolved, and we are behind," he admits.

This, he explains, has a direct impact on how the financial market perceives the company. “The presence of State ministers in corporate governance, as is the case with Enami, does not align with OECD standards. Equally important is the subordination of the executive vice president to the board of directors, whereas in our case, it’s a position of trust appointed by the President of the Republic and not designated by the board.”

Lithium by 2032

Enami is also conducting an exploration campaign in the High-Andean Salt Flats to exploit lithium, primarily focusing on the Aguilar, Grande, and La Isla salt flats. “We are the third-best lithium project in Chile and one of the top five in South America. We have excellent brine concentration. For example, at La Isla, concentrations are around 1,000 ppm (parts per million); for comparison, the Maricunga salt flat has 1,200 ppm, the Atacama salt flat exceeds 2,000 ppm—making it the best in the world—and Argentine salt flats range between 300 and 600 ppm,” he emphasizes.

In this area, the state-owned company will partner with private firms and has already shortlisted four foreign operators: China’s BYD, France’s Eramet, South Korea’s Posco, and multinational Rio Tinto, the world’s second-largest mining company. “We will select the partner between April and May. The indigenous consultation process is nearing completion, and after that, the CEOL (Special Operation Contract) should be granted,” the executive explains. He mentions that preliminary estimates indicate that the investment for each of the three salt flats will not be less than $800 million.

The High-Andean Salt Flats were not declared strategic, so the State will not have control. What will Enami’s stake be? “The partner must bring expertise in the next development stages and the financial backing to support the project’s construction. The best way to ensure that expertise is utilized is for them to have the capacity to operate the project. Enami’s participation is something that still needs to be determined.”

He emphasizes: “We were heavily criticized for having an incoherent strategy because we were a company with financial difficulties investing in lithium. Investing in lithium is a good business for Enami, and in 15 months, we’ve gone from minimal activity to being the ones who carried out the most significant exploration efforts in 2024.”

The plan is for Enami to be producing lithium in the High-Andean Salt Flats by 2032. “By then, all price forecasts indicate that the current downturn is temporary, and medium- to long-term prospects are much better,” he says.

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For the first time, two credit rating agencies, ICR and Feller Rate, awarded Enami double-A and triple-A ratings with a stable solvency outlook.

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Paipote 2.0

In February, the temporary shutdown of the Paipote smelter, located a few kilometers from Copiapó, was completed. The smelter had been losing $240 for every ton of copper concentrate it processed. Of the more than 500 workers, around 450 departed this year under an agreement that cost the company $50 million, “with 98% of workers reaching an agreement.” Mlynarz highlights the good relationship with the unions, demonstrated by early negotiations with 15 of the 16 unions, representing 760 workers, all of whom have reached agreements.

Currently, the environmental review process for the modernization of a new Paipote smelter is underway. Meanwhile, the company is progressing on the engineering of the project, which is expected to require an investment of $1.4 billion.

Regarding financing, Mlynarz states, “Having a new smelter producing refined copper in South America is of great interest to many investors. We’ve received significant interest from China, but the market has been clear that the key factor is securing environmental approval, and once that happens, the opportunities for discussions will expand.”