FINANCIAL
STATEMENTS

Consolidated Financial Statements

COMPAÑIA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES

As of December 31, 2023 and 2022

(GRI 2.1)

EY Chile
Avda. Presidente
Riesco 5435, piso 4,
Las Condes, Santiago

Tel: +56 (2) 2676 1000
www.eychile.cl

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Informe del Auditor Independiente

Señores
Accionistas y Directores
Compañía Minera del Pacífico S.A. y filiales

Opinión

Hemos efectuado una auditoría a los estados financieros consolidados de Compañía Minera del Pacífico S.A. y filiales, que comprenden los estados de situación financiera consolidados al 31 de diciembre de 2023 y 2022 y los correspondientes estados consolidados de resultados integrales, de cambios en el patrimonio y de flujos de efectivo por los años terminados en esas fechas y las correspondientes notas a los estados financieros consolidados.

En nuestra opinión, los estados financieros consolidados adjuntos presentan razonablemente, en todos sus aspectos significativos, la situación financiera de Compañía Minera del Pacífico S.A. y filiales, al 31 de diciembre de 2023 y 2022 y los resultados de sus operaciones y sus flujos de efectivo por los años terminados en esas fechas de acuerdo con Normas Internacionales de Información Financiera.

Base para la opinión

Efectuamos nuestras auditorías de acuerdo con Normas de Auditoría Generalmente Aceptadas en Chile. Nuestras responsabilidades de acuerdo a tales normas se describen, posteriormente, en los párrafos bajo la sección “Responsabilidades del auditor por la auditoría de los estados financieros consolidados” del presente informe. De acuerdo a los requerimientos éticos pertinentes para nuestras auditorías de los estados financieros consolidados se nos requiere ser independientes de Compañía Minera del Pacífico S.A. y filiales, y cumplir con las demás responsabilidades éticas de acuerdo a tales requerimientos. Consideramos que la evidencia de auditoría que hemos obtenido es suficiente y apropiada para proporcionarnos una base para nuestra opinión de auditoría.

Responsabilidades de la Administración por los estados financieros consolidados

La Administración es responsable por la preparación y presentación razonable de los estados financieros consolidados de acuerdo con Normas Internacionales de Información Financiera. Esta responsabilidad incluye el diseño, implementación y mantención de un control interno pertinente para la preparación y presentación razonable de estados financieros consolidados que estén exentos de representaciones incorrectas significativas, ya sea debido a fraude o error.

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Al preparar los estados financieros consolidados, la Administración es requerida que evalúe si existen hechos o circunstancias, que considerados como un todo, originen una duda sustancial acerca de la capacidad de Compañía Minera del Pacífico S.A. y filiales, para continuar como una empresa en marcha al menos por los doce meses siguientes a partir del final del período sobre el que se informa, sin limitarse a dicho período.

Responsabilidades del auditor por la auditoría de los estados financieros consolidados

Nuestros objetivos son obtener una seguridad razonable de que los estados financieros consolidados, como un todo, están exentos de representaciones incorrectas significativas, debido a fraude o error, y emitir un informe del auditor que incluya nuestra opinión. Una seguridad razonable es un alto, pero no absoluto, nivel de seguridad y, por lo tanto, no garantiza que una auditoría realizada de acuerdo con Normas de Auditoría Generalmente Aceptadas en Chile siempre detectará una representación incorrecta significativa cuando ésta exista. El riesgo de no detectar una representación incorrecta significativa debido a fraude es mayor que el riesgo de no detectar una representación incorrecta significativa debido a un error, ya que el fraude puede involucrar colusión, falsificación, omisiones intencionales, ocultamiento, representaciones inadecuadas o hacer caso omiso de los controles por parte de la Administración. Una representación incorrecta se considera significativa sí, individualmente, o en su sumatoria, éstas podrían influir el juicio que un usuario razonable realiza a base de estos estados financieros consolidados.

Como parte de una auditoría realizada de acuerdo con Normas de Auditoría Generalmente Aceptadas en Chile, nosotros:

- Ejercemos nuestro juicio profesional y mantenemos nuestro escepticismo profesional durante toda la auditoría.
- Identificamos y evaluamos los riesgos de representaciones incorrectas significativas de los estados financieros consolidados, ya sea, debido a fraude o error, diseñamos y realizamos procedimientos de auditoría en respuesta a tales riesgos. Tales procedimientos incluyen el examen, a base de pruebas, de la evidencia con respecto a los montos y revelaciones en los estados financieros consolidados.
- Obtenemos un entendimiento del control interno pertinente para una auditoría con el objeto de diseñar procedimientos de auditoría que sean apropiados en las circunstancias, pero sin el propósito de expresar una opinión sobre la efectividad del control interno de Compañía Minera del Pacífico S.A. y filiales. En consecuencia, no expresamos tal tipo de opinión.
- Evaluamos lo apropiado que son las políticas de contabilidad utilizadas y la razonabilidad de las estimaciones contables significativas efectuadas por la Administración, así como evaluamos lo apropiado de la presentación general de los estados financieros consolidados.

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- Concluimos si a nuestro juicio existen hechos o circunstancias, que considerados como un todo, originen una duda sustancial acerca de la capacidad de Compañía Minera del Pacífico S.A. y filiales, para continuar como una empresa en marcha por un período de tiempo razonable.

Se nos requiere comunicar a los responsables del Gobierno Corporativo, entre otros asuntos, la oportunidad y el alcance planificados de la auditoría y los hallazgos significativos de la auditoría, incluyendo, cualquier deficiencia significativa y debilidad importante del control interno que identificamos durante nuestra auditoría.

Oscar Gálvez R.
EY Audit Ltda.

Santiago, 02 de febrero de 2024

COMPAÑÍA MINERA DEL PACIFICO S.A.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 2023 AND 2022
IN THOUSANDS OF US DOLLARS

This document consists of 2 sections:

- **Consolidated Financial Statements**
- **Notes to the Consolidated Financial Statements**

COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES CLASSIFIED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023 AND 2022
(IN THOUSANDS OF US DOLLARS (THUS$))

Assets	Note	12.31.2023 ThUS$	12.31.2022 ThUS$
Current assets			
Cash and cash equivalents	6	75,366	61,327
Other non.financial assets, current	11	54,200	41,341
Trade and other accounts receivable, current	7	278,708	278,870
Accounts receivable from related entities, current	8	24,238	17,205
Inventory	9	346,094	287,114
Current tax assets	10	39,061	14,086
Total Current Assets		**817,667**	**699,943**
Non-Current Assets			
Other non-financial assets, non-current	11	60,895	5,777
Accounts receivable, non-current	7	9,311	5,209
Accounts receivable from related entities, non-current	8	17,473	19,616
Investments accounted for using the equity method	13	558	658
Intangible assets other than goodwill	14	557,136	582,453
Property, plant and equipment	15	3,096,280	2,867,683
Assets for right of use	18	68,063	76,437
Deferred tax assets	16	2,713	2,120
Total non-current assets		**3,812,429**	**3,559,953**
Total assets		**4,630,096**	**4,259,896**

The accompanying notes form an integral part of these consolidated financial statements

COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES
CLASSIFIED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023 AND 2022
(IN THOUSANDS OF US DOLLARS (ThUS$))

Liabilities and Equity	Note	12.31.2023 ThUS$	12.31.2022 ThUS$
Liabilities			
Current Liabilities			
Other financial liabilities, current	17	385,280	243,000
Lease liabilities, current	18	13,587	12,860
Trade and other accounts payable	19	266,217	303,844
Accounts payable to related entities, current	8	57,539	373,784
Other short-term provisions	20	6,883	5,933
Current tax liabilities	10	350	-
Employee benefit provisions, current	22	18,879	18,141
Other non-financial current liabilities		-	68
Total current liabilities		**748,735**	**957,630**
Non-current liabilities			
Other financial liabilities, non-current	17	459,141	-
Lease liabilities, non-current	18	39,213	47,487
Other long-term provisions	20	278,471	264,436
Deferred tax liabilities	16	323,168	305,769
Employee benefit provisions, non-current	22	57,345	48,027
Other non-financial liabilities, non-current	21	8	8
Total non-current liabilities		**1,157,346**	**665,727**
Total liabilities		**1,906,081**	**1,623,357**
Equity			
Issued capital		887,221	887,221
Retained earnings (losses)		1,425,349	1,332,218
Other reserves	24	411,429	417,082
Equity atributtable to owners of the parent company		**2,723,999**	**2,636,521**
Non-controlling interests	25	16	18
Total equity		**2,724,015**	**2,636,539**
Total liabilities and equity		**4,630,096**	**4,259,896**

The accompanying notes form an integral part of these consolidated financial statements

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COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(IN THOUSANDS OF US DOLLARS (THUS$))

Income statement	Note	01.01.2023 12.31.2023	01.01.2022 12.31.2022
Profit (loss)			
Revenue	26	1,895,798	1,832,592
Cost of sales		(1,188,833)	(1,072,949)
Gross profit		**706,965**	**759,643**
Other revenue, by function	28	13,731	27,819
Administrative expenses	27	(66,706)	(51,775)
Other expenses, by function	28	(31,907)	(40,477)
Profits (losses) from operating activities		**622,083**	**695,210**
Finance income	29	3,182	2,526
Finance costs	29	(28,967)	(15,831)
Share in profits (losses) of associates and joint ventures accounted for using the equity method	13	(97)	(72)
Foreign currency exchange effect	37	1,848	8,860
Profit (loss), before taxes		**598,049**	**690,693**
Income tax expense	16	(197,660)	(211,101)
Profit (loss) from continuing operations		**400,389**	**479,592**
Profit (loss) from discontinued operations		-	-
Profit (loss)		**400,389**	**479,592**
Profit (loss), attributable to			
Profit (loss), attributable to owners of the parent		400,391	479,595
Profit (loss), attributable to non-controlling interests		(2)	(3)
Profit (loss)		**400,389**	**479,592**
Earnings per share			
Basic earnings per share		US$	US$
Basic earnings (loss) per share from continuing operations		85,28	102,15
Basic profit (loss) per share from discontinued operations		-	-
Basic earnings (loss) per share		**85,28**	**102,15**

The accompanying notes form an integral part of these consolidated financial statements

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COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME BY FUNCTION FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022
(IN THOUSANDS OF US DOLLARS (THUS$))

Comprehensive Income Statement	01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Profit (loss)	**400,389**	**479,592**
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to income for the period, before taxes		
Other comprehensive income, before taxes, actuarial profits (losses) on defined benefit plans	**(8,169)**	**(7,646)**
Other comprehensive income that will not be reclassified to Income for the period, before taxes	**(8,169)**	**(7,646)**
Cash flow hedges		
Profits (losses) on cash flow hedges, before taxes	-	-
Other comprehensive income, before taxes, cash flow hedges	-	-
Other comprehensive income that will be reclassified to income for the period, before taxes		
Other components of other comprehensive income, before taxes	**(8,169)**	**(7,646)**
Income taxes related to components of other comprehensive income that will not be reclassified to income for the period		
Income taxes related to actuarial profits (losses) on defined benefit plans	**2,516**	**2,355**
Income taxes related to components of other comprehensive income that will not be reclassified to income for the period	**2,516**	**2.355**
Income taxes related to other comprehensive income from associates and joint ventures accounted for using the equity method that will be reclassified to Income for the period	-	-
Other comprehensive income	**(5,653)**	**(5,291)**
Comprehensive (loss) income	**394,736**	**474,301**
Comprehensive income attributable to		
Comprehensive (loss) income attributable to owners of the parent	394,738	474,304
Comprehensive income attributable to non-controlling interest	(2)	(3)
Total comprehensive income	**394,736**	**474,301**

The accompanying notes form an integral part of these consolidated financial statements

COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (DIRECT METHOD)
FOR YEAR DECEMBER, 2023 AND 2022.
(IN THOUSANDS OF US DOLLARS (THUS$))

Statement of Cash Flows – Direct Method	Note	01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Cash flows provided by (used in) operating activities			
Types of proceeds from operating activities			
Proceeds from sale of goods and providing of services		1.953.745	1,777,864
Proceeds from premiums and benefits, annuities and other benefits of subscribed policies		-	12,831
Other proceeds for activity of operating		273,641	-
Types of pays			
Payments to suppliers for supplying goods and services		(1,257,989)	(914,128)
Payments to and on account of employees		(189,915)	(165,881)
Payments to premiums and benefits, annuities and other obligations derived from the		(29,034)	(35,522)
Interest received, classified as operating activities		910	731
Income taxes (paid) reimbursed, classified as operating activities		(226,033)	(440,534)
Net cash flows provided by (used in) operating activities		529,325	235,361
Cash flows provided by (used in) investing activities			
Loans to related entities		-	(2,217)
Additions to property, plant and equipment, classified as investing activities		(443,431)	(349,233)
Charges to related entities		2,143	2,143
Dividends paid		3	-
Interest paid		1,451	665
Net cash flows provided by (used in) investing activities		(439,834)	(348,642)
Cash flows provided by (used in) financing activities			
Proceeds from loans, classified as financing activities			
Proceeds from long-term loans		459,141	-
Proceeds from short-term loans		1,079,009	315,000
Loan repayments		(951,000)	(75,000)
Payment of finance lease liabilities, classified as financing activities		(11,666)	-
Dividends paid		(627,003)	(710,941)
Interest paid, classified as financing activities		(23,933)	(3,902)
Net cash flows provided by (used in) financing activities		(75,452)	(474,843)
Net increase (decrease) in cash and cash equivalents, before the effect of changes in the exchange rate		14,039	(588,124)
Effects of changes in the exchange rate on cash and cash equivalents			
Net increase (decrease) in cash and cash equivalents		14,039	(588,124)
Cash and cash equivalents at beginning of year		61,327	649,451
Cash and cash equivalents at end of year		75,366	61,327

The accompanying notes form an integral part of these consolidated financial statements

COMPAÑÍA MINERA DEL PACIFICO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF NET CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022
(IN THOUSANDS OF US DOLLARS (THUS$))

As of December 31, 2023

	Note No.	Issued capital	Defined employee benefits plan profit or loss reserve	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to owners of the parent	Nc contr inter
Equity at beginning of year 01.01.2023	24	**887,221**	**(13,090)**	**430,172**	**417,082**	**1,332,218**	**2,636,521**	
Changes in equity								
Comprehensive income								
Profit (loss)		-	-	-	-	400,391	400,391	
Other comprehensive income		-	(5,653)	-	(5,653)	-	(5,653)	
Comprehensive income		-	-	-	-	-	394,738	
Dividends	**24**	**-**	-	-	-	(307,260)	(307,260)	
Increase (decrease) in equity		**-**	**(5,653)**	**-**	**(5,653)**	**93.131**	**87,478**	
Equity as of December 31, 2023	**24**	**887,221**	**(18,743)**	**430,172**	**411,429**	**1,425,349**	**2,723,999**	

As of December 31, 2022

	Note No.	Issued capital	Defined employee benefits plan profit or loss reserve	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to owners of the parent	Nc contr inter
Equity at beginning of year 01.01.2022	**24**	**887,221**	**(7,999)**	**430,172**	**422,373**	**1,219,260**	**2,528,854**	
Changes in equity								
Comprehensive income								
Profit (loss)		-	-	-	-	479,595	479,595	
Other comprehensive income		-	(5,291)	-	(5,291)	-	(5,291)	
Comprehensive income		-	-	-	-	-	474,304	
Dividends	**24**	**-**	-	-	-	(366,637)	(366,637)	
Increase (decrease) in equity		**-**	**(5,291)**	**-**	**(5,291)**	**112,958**	**107,667**	
Equity as of December 31, 2022	**24**	**887,221**	**(13,090)**	**430,172**	**417,082**	**1,332,218**	**2,636,521**	

The accompanying notes form an integral part of these consolidated financial statements

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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1. GENERAL INFORMATION

Compañía Minera del Pacífico S.A. (the Company or CMP S.A.), subsidiary of CAP S.A. is a closed corporation and parent company of the group referred to in these consolidated financial statements.

CMP S.A.'s main shareholder is CAP S.A., with 75.00% of CMP's stock capital, with which the company is in the position of exercising control over investments as it is exposed and has the rights to the variable returns. Accordingly, CAP exercises control over CMP. For the purposes of the definition given in title XV of law No. 18,045, CAP S.A. is CMP S.A.'s controller. CAP S.A. is registered with the Financial Market Commission (CMF) and therefore regularly reports the consolidated financial statements of the CAP group.

At a meeting held on February 10, 2010, the Company's Board of Directors agreed to approve the merger of the CMP S.A. and Compañía Minera Huasco S.A. The latter is a subsidiary of CMP S.A. and MC Inversiones Limitada, with an equal number of shares. As a result, Compañía Minera Huasco S.A. was absorbed by CMP. Subsequently, a capital increase was approved for the Company, which was paid for by MC Inversiones Limitada.

As a result of the merger by absorption of Compañía Minera Huasco S.A. and CMP S.A., MC Inversiones Limitada received 15.9% of CMP S.A. shares. Subsequently, MC Inversiones Limitada increased its interest in the Company through a capital increase for MUS$ 401, which was fully paid in cash. As a result, MC Inversiones Limitada's interest in the Company increased to 25%.

The Company's Extraordinary Shareholders' Meeting held on April 27, 2010, approved: (1) the merger of Compañía Minera Huasco S.A. and CMP S.A.; (2) the aforementioned capital increase of the merged company; and (3) the modification and the new consolidated text of the Company's bylaws.

After the approved merger, the main shareholders of the Company, CAP S.A. (75.00%) and MC Inversiones Limitada (25.00%) signed a Shareholders' Agreement to establish the terms of their relationship and their rights and obligations in respect to the Company.

2. BUSINESS DESCRIPTION

The main corporate purpose of the Company is to evaluate, develop and exploit mining sites; process and market mineral products; develop and exploit complementary, derived or secondary industries that support or supply raw materials, inputs and services; providegeological and mining research, as well as engineering, earthmoving, construction, andindustrial maintenance services; and to create and incorporate any kind of companies for these purposes.

The Company is the largest producer of iron ore and pellets along the Pacific coast. It owns extensive resources and reserves, which are growing constantly. This will guarantee the continuity of operations for many decades.

In terms of its management, the Company is organized into four main units:

- Huasco Valley: Which includes the Pellet Plant, Los Colorados (Ex - Compañía Minera Huasco S.A., see Note 1) and El Algarrobo mining sites and Guacolda II Port.

- Elqui Valley: Which includes El Romeral mines and Guayacán Port.

- Copiapó Valley: Which includes the Magnetite Plant, the Cerro Negro Norte mine and the Punta Totoralillo Port.

The Company is the parent of the following subsidiaries:

Direct subsidiaries:

- Sociedad de Ingeniería y Movimientos de Tierra del Pacífico Limitada (IMOPAC)
- Manganesos Atacama S.A. (MASA)
- CMP Services Asia Limited

The main corporate purpose of IMOPAC is to exploit its own or third parties' mining sites; execute all kinds of civil engineering and earthmoving works, as well as engineering, geological and mining projects; as well as providing advisory and consultancy in the described matters and any other related activity in the domestic and foreign markets.

The main objective of MASA is to participate in the mining and ferroalloy industry, preferably with manganese, and exploit and commercialize related products. As indicated in Note 12, this subsidiary does not currently have any operating activities.

The main objective of CMP Services Asia Limited is to support the trading and sales management area of Compañía Minera del Pacífico S.A. in Asia.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Accounting principles

These consolidated financial statements are presented in thousands of United States dollars (ThUS$) and have been prepared using the accounting records maintained by Compañía Minera del Pacifico S.A. and its subsidiaries. The consolidated financial statements for ended December 31, 2023 and 2022, have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34, issued by the International Accounting Standards Board (hereinafter the "IASB").

These consolidated financial statements faithfully reflect the financial position of the consolidated Group as of December 31, 2023 and 2022, the results of periods, the changes in net equity and cash flows for the period, and which were approved by the board of Directors in a session held on January 27, 2023.

The preparation of consolidated financial statements in accordance with International Financial Reporting Standards requires the use of estimates and assumptions by the Group's Management. These estimates are based on the best knowledge of Management regarding the reported amounts, events or actions. The most significant accounting estimates and criteria are detailed in Note 5.

The Board of Compañía Minera del Pacífico S.A. has become aware of the information contained in these consolidated financial statements and states that it is responsible for the veracity of the information herein as of December 31, 2023, and that it has applied the principles and criteria stated in the International Financial Reporting Standards.

In preparing these Consolidated Financial Statements, certain estimates have been made by the Company's Management to quantify certain assets, liabilities, revenue, expenses and commitments recorded therein. These estimates refer to:

- The assumptions used in the actuarial calculation of liabilities and obligations with employees.
- The useful life of property, plant and equipment and intangible assets.
- Asset impairment.
- The useful life of mining reserves and production plans.
- The assumptions used to calculate inventory obsolescence estimates.
- The probability of occurrence and the amount of uncertain or contingent liabilities.

Although these estimates were made based on the best information available at the date of issuance of these Consolidated Financial Statements, it is possible that events that take place in the future may require adjustments (upwards or downwards) in the coming periods, which would be done prospectively, recognizing the effects of any changes in estimates in the relevant future Consolidated Financial Statements.

The main accounting policies adopted in the preparation of these Consolidated Financial Statements are detailed as follows.

For the convenience of the reader, the financial statements and their accompanying notes have been translated from Spanish to English

a. Period covered: These Consolidated Financial Statements cover the following periods:

- Classified Consolidated Financial Statements as of December 31, 2023 and 2022.
- Consolidated Comprehensive Income Statements as of December 31, 2023 and 2022, respectively.
- Consolidated Statements of Changes in Equity as of December 31, 2023 and 2022, respectively.
- Consolidated Statements of Cash Flows – Direct Method as of December 31, 2023 and 2022, respectively.

b. The basis for preparation: These Consolidated Financial Statements have been prepared, based on the historical cost model. In general, the historical cost model is based on the fair value of the consideration received for goods and services provided. The fair value is the price for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date, regardless of whether this price is observable or estimated, using another valuation technique. The Company considers the characteristics of assets and liabilities if the market participants consider them when setting the price of the asset or liability on the measurement date. For measurement and/or disclosure purposes, fair value in these financial statements is determined in that manner, except for measurements that are similar to market value, but which are not fair value, such as the net realizable value of IAS 2 or value in use of IAS 36.

These consolidated financial statements faithfully reflect the financial position of Compañía Minera del Pacífico S.A. and subsidiaries as of December 31, 2023 and 2022, changes in net equity and their cash flows for the periods then ended in nine ending on those dates.

c. Basis of consolidation: These Consolidated Financial Statements comprise the financial statements of Compañía Minera del Pacífico S.A. ("the Company") and its Subsidiaries ("the Group" as a whole), which includes the Company and its Subsidiaries' assets, liabilities, income and cash flows. Control exists when the Company has:

- power over the investee;
- the exposure, or rights, to variable returns from involvement with the investee; and,
- the ability to use power over the investee to affect the amount of those returns.

The Company carried out its evaluation of its controls by considering all the facts and circumstances. Its conclusions will be reevaluated if there is any indication of changes to at least one of the aforementioned requirements.

When the Company does not have majority voting rights in an investee, it seeks to obtain control by acquiring sufficient voting rights to direct the relevant activities of the investee. The Company considers all the facts and circumstances when evaluating whether its voting rights in an investee are sufficient to give it power, including:

- The size of the Company's voting rights in comparison with the relative size and dispersion of other vote holders.
- Potential voting rights held by the Company, other vote holders or other parties.
- Right from other contractual arrangements.
- Any additional facts or circumstances that indicate whether or not the Company has the ability to direct relevant activities when decisions need to be made, including voting behavior patterns in previous shareholders meetings.

The consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ends when the Company loses such control. Specifically, revenue and expenses from a subsidiary acquired or sold during the year are included in the Statement of Comprehensive Income from the date on which the Company obtains control until the date when the Company no longer exercises control over the subsidiary.

Income and each component of Other Comprehensive Income are attributed to the owners of the Company and non-controlling interests. The total Comprehensive Income of the subsidiaries is attributed to the owners of the Company and non-controlling interests even if this results in a negative balance for the non-controlling interests.

All significant intercompany balances and transactions have been eliminated upon consolidation. Non-controlling interests, which correspond to the ownership percentage of third parties in the subsidiaries have also been recognized separately in the consolidated equity of CMP S.A.

i. **Subsidiaries:** A subsidiary is an entity over which the Company exercises direct or indirect control, as defined above. The consolidation method includes entities whose activities are carried out for the benefit of the Company, despite not being controlled by it, which are exposed to all the risks and benefits of the parent company.

When evaluating whether the Company controls another entity, the existence and effect of all potential voting rights that are currently exercised are considered. Subsidiaries are consolidated from the date on which control is transferred to the Group and they are excluded from consolidation on the date when such control ceases.

The Group owns certain organizations related to sports clubs, and health and education services, which are controlled by the Company. However, these organizations have not been consolidated as they do not have any material effect on the Group's Consolidated Financial Statements.

The subsidiaries consolidated by the CMP Group are detailed as follows:

Tax No.	Company	Country	Relation	Percentage of share interest 12.31.2023			12.31.2022
				Direct	Indirect	Total	Total
79.807.570-5	Sociedad de Ingeniería y Movimientos de Tierra del Pacífico Ltda.	Chile	Direct subsidiary	99.878	0.121	99.998	99.998
90.915.000-0	Manganesos Atacama S.A.	Chile	Direct subsidiary	99.519	0.000	99.519	99.519
60938841	CMP Services Asia Ltd.	Honk Kong	Direct subsidiary	100.000	0.000	100.000	100.000

Non-controlling interests: A controlling entity will present non-controlling interests in its Consolidated Statement of Financial Position, specifically in Equity, but separately from equity attributable to owners of the parent.

Changes to the Company's interest in a subsidiary that do not result in the loss of control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Company's interest and controlling interests in a subsidiary are adjusted to reflect anychanges to their relative interests therein. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration that is paid or received is recognized directly in Equity and attributed to the owners of the Company.

ii. **Associates and joint ventures:** An associate is an entity over which the Company exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but not to exercise control or joint control over such policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Income, assets and liabilities of associates and joint ventures are incorporated in these Financial Statements through the equity method, except when the investment is classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for the Sale and Discontinued Operations*. Under the equity method, investments in associates and/or joint ventures are initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the net assets of the investee after the date of acquisition, less any impairment in value.

If the Company's share of losses of an associate or joint venture exceeds its interest in the associate or joint venture, the entity will no longer recognize its share of further losses. The interest in an associate or joint venture is the carrying amount of the investment in the associate or joint venture under the equity method together with any long-term interests that, in substance, form part of the entity's net investment in the associate or joint venture.

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An investment in an associate and/or joint venture is accounted for through the equity method, from the date on which it becomes an associate or joint venture. On acquisition of the investment in an associate and/or joint venture any difference between the cost of the investment and the Company's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill and included in the carrying amount of the investment. After conducting a reevaluation, any excess of the entity's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment willbe immediately recogized in Comprehensive Income for the period in which the investment is acquired.

As of December 31, 2023 and 2022 the Company does not have any jointly controlled companies.

The Company's associates are detailed as follows:

Company	Ownership % 12.31.2023	12.31.2022
Tecnocap S.A.	0.03658	0.03658
Soc. Minera El Águila SpA.	20.00	20.00

iii. **Business combinations:** Business combinations are accounted for by using the acquisition method, which involves recognizing identifiable assets (including previously unrecognized intangible assets) and liabilities (including contingent liabilities and excluding future restructuring) of the business acquired at fair value. If these business combinations involve acquiring control of an investee over which the Company had significant influence or joint control, this prior interest is recognized at fair value through profit or loss.

d. Currency: The functional currency of each entity of the Group has been determined as the currency of the main economic environment in which they operate. Transactions performed in currencies other than the entity's functional currency will be translated at the exchange rate in force on the transaction date. Monetary assets and liabilities expressed in currencies other than the entity's functional currency will be also translated at the closing exchange rates. Gains and losses arising from any exchange differences will be recognized innet income for the year in other financial items.

The Group's presentation currency and the Company's functional currency is the US Dollar. During the consolidation process, items of the Statement of Income from entities whose functional currency is not the US dollar will be translated into US Dollars using the average exchange rates. Balance sheet items will be translated at closing exchange rates. Any exchange differences arising from the translation of the net assets of these entities will be recognized in equity in a separate translation reserve.

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e. Translation bases: Transactions performed in currencies other than an entity's functional currency are considered "foreign currency transactions" and are translated into the entity's functional currency using the exchange rate in force on the transaction date. Assets and liabilities denominated in Chilean Pesos and Indexed Units (UF) are translated into US Dollars using the exchange rates in force on the closing date of the Financial Statements, as detailed as follows:

	12.31.2023	**12.31.2022**
Chilean pesos (CLP)	877,12	855.86
Unidad de fomento (UF)	36,789.36	35,110.98

f. Offsetting balances and transactions: As a general rule, neither assets and liabilities nor revenue and expenses are offset in the Financial Statements, except for those cases in which offset is required or allowed by a certain standard and the presentation is a reflection of the substance of the transaction.

Revenue or expenses originating from transactions that either contractually or by legal regulation contemplate the possibility of offsetting and the Company has the intention of settling for their net amount or of realizing the asset and paying the liability in a simultaneous manner, are presented net in the income statement account.

g. Property, plant and equipment: Property, plant and equipment assets are recognized at cost, excluding periodic maintenance costs, less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment elements comprises their acquisition cost plus all costs directly related to the location of the asset and getting it to operating conditions as intended by management and an initial estimate of any decommissioning and removal cost for the elements or for rehabilitation of the physical location where they are placed.

In addition, the cost of property, plant and equipment includes any financing interest costs directly attributable to the acquisition or construction of assets that require a substantial period of time before being ready for use or sale.

In the case of works in progress that generate income during their start-up stage, the positive or negative margin is included in their cost, as appropriate.

Any repair and maintenance costs of PP&E assets are credited to Income for the year in which they are incurred. It should be noted that some of the assets of the Group's property, plant and equipment require periodic reviews. Any replaced items are recognized separately and disaggregated at a level that allows them to be amortized over the term between the current period and the next repair.

Any costs of enlargements, modernization or improvements that involve an increase in productivity or efficiency or the useful life of the relevant assets are capitalized by increasing the carrying amount of the assets.

Likewise, the item property, plant and equipment includes assets acquired under leasing with a purchase option that meets the requirements for finance leases. These assets are not legally owned by the Company until the purchase option is exercised.

Spare parts associated with PP&E assets with a turnover greater than 12 months are classified as separate PP&E assets and credited to Income for the period in which they are installed.

The profit or loss resulting from the sale or withdrawal of a PP&E asset is calculated as the difference between the sales price and the carrying amount of the asset. This profit or loss is recognized in Income for the year.

h. Depreciation – For certain assets with useful lives equal to that of the production site, the Company uses production units and for others it uses the straight-line method.

The main items of property, plant and equipment and their useful lives are detailed as follows:

	Minimum useful life (years)	Maximum useful life (years)	Weighted average useful life (years)
Buildings	20	61	36
Plant and equipment	2	61	29
IT equipment	1	5	3
Motor vehicles	3	6	4
Other property, plant and equipment	1	8	6
Mine development	14	16	15

The useful items of property, plant and equipment are reviewed annually. The depreciation of PP&E begins when the assets are ready to use.

Plots of land are recognized independently of the buildings or facilities that may have been constructed upon them. Plots of land have an indefinite useful life. Therefore, they are not subject to depreciation.

At the closing date or whenever there is any indication that PP&E assets may be impaired, the Group evaluates the value of the assets. Any difference or reversal in the value of an item arising from this evaluation is recognized with a credit or debit to Income, as appropriate.

i. Mine Development: Initial costs incurred during the development stage of a mining project (start-up costs) are capitalized and amortized over the future mining production. These costs include earthmoving and extraction of sterile soil, infrastructure construction andworks prior to operation.

The accounting policy of the Company relates to the treatment of projects and includes Exploration and Evaluation of mineral resources. As defined by the Policy, Exploration means a set of activities carried out in order to locate, measure and study mineral resources. Exploration is divided in the following stages:

- Basic exploration: initial exploration of areas previously classified as potential resource deposits.
- Advanced exploration: studies of areas where minerals have already been detected through drilling activities.

Mining exploration is comprised of a set of activities intended for the search and discovery of resources that result useful for commercial exploration, including concepts, such as:

- Historical exploitation data research and analysis in a specific area.
- Conduction of topographical, geological, geochemical and geophysical surveys.
- Exploratory drilling activities.
- Trenching and digging.
- Sample collection and analysis.
- Conceptual assessment of results before feasibility (activities related to the assessment of technical feasibility and commercial viability of extracting mineral resources).

According to the foregoing definition, exploration expenses are recorded in the statement of income under the accounting item “Other expenses by function.” Exploration and evaluation expenses are accounted for in the statement of income the period they are incurred since there is no certainty that future economic benefits will be triggered.

When a mining project is deemed commercially viable (this typically occurs when theproject feasibility stage has started) all other directly attributable preproduction expenses are capitalized. In contrast to the foregoing, in particular profile, conceptual studies and project prefeasibility studies are recorded in the statement of income under the accounting item “Other expenses by function.”

j. Earthmoving costs: Costs related to earthmoving and extraction of sterile soil in open pit deposits during the production stage that are incurred to access mineral deposits are recognized in the item Property, Plant and Equipment, provided that they meet the following IFRIC 20 criteria:

- It is likely that future economic benefits associated with these earthmoving activities will flow to the Company.
- It is possible to identify the minerals being accessed.
- The cost associated with these earthmoving activities can be estimated reliably.

The amounts recognized in property, plant and equipment are amortized, based on the production units within the mining sites where the specific earthmoving activities werecarried out.

k. Investment property: This includes buildings and plots of land used to obtain income from a lease or a surplus from their sale. The Group recognizes investment property usingthe cost method, under the same criteria as for items of property, plant and equipment. As of December 31,2023 and 31,2022, there are no assets classified as investment properties.

l. Intangible assets other than goodwill: Upon initial recognition, intangible assets with finite useful lives that were acquired separately are measured at cost. After initial recognition, intangible assets are recognized at cost less any accumulated amortization and any accumulated impairment losses.

m. Assets available for sale and discontinued operations: Non-current assets whose carrying amount is recovered through their sale and not through continuous use are classified as assets available for sale and discontinued operations. This condition is only considered to have been fulfilled when the sale is highly likely and the asset is available for immediate sale in its current condition. The sale should be completed within one year from the date of classification. These assets are valued at their carrying amount or the fair value less cost of sale, whichever is lower.

As of December 31, 2023 and 2022, there are no assets classified as available-for-sale or discontinued operations.

n. Impairment of non-financial assets: Assets subject to amortization are tested for impairment whenever there is objective evidence that their carrying amount will not be recoverable as a result of one or more events occurred after initial recognition.

In order to evaluate impairment losses, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is recognized for the excess of the carrying amount of the asset over its recoverable amount. The recoverable amount is the fair value of an asset less the cost of sale or its value in use, whichever is greater. When measuring the fair value, the estimated future cash flows are discounted up to the present value using a pre-tax discount rate that reflects the current market measurements of the time value of money and the specific risks of the asset, for which no future cash flow estimates have been adjusted.

If the recoverable amount of an assets or cash-generating unit is estimated to be lower than their carrying amount, the carrying amount is reduced to the recoverable amount and an impairment loss is immediately recognized as additional depreciation. If any impairment loss is subsequently reversed, the carrying amount will be increased to the revised estimate of the recoverable amount but only to the extent that it does not exceed the carrying amount that would have been determined if no impairment loss had been previously recognized. In such a case, a reversal is immediately recognized as a decrease in depreciation.

Non-financial assets other than badwill that have experienced an impairment loss are reviewed on each date of the Statement of Financial Position to verify the possibility of any reversals.

In the case of mining property, estimates of future cash flows are based on estimates of the amounts of proven and probable ore reserves and assumptions regarding future production levels, future prices of basic products, future production costs and investment projects. IAS 36 "Impairment of Assets" includes several restrictions regarding future cash flows that may be recognized in connection with future expenditure restructuring and improvements. When calculating the value in use, calculations must also be based on the exchange rates in force at the time of measurement. As of December 31, 2023, impairment tests indicated that there was no observable impairment.

ñ. Economic useful life of assets and estimated ore reserves

i. Economic useful life of assets: The economic useful life of items of property, plant and equipment is used to calculate depreciation and is determined based on technical studies prepared by internal specialists. These studies are also used for new acquisitions of property, plant and equipment and to determine when the useful lives of the assets must be modified.

Some of the factors considered to determine the useful life of certain assets are:

- The expectations of production units or volume;
- The quality of inputs on the production process; and
- The extraction and processing method.

ii. Iron ore reserves: Ore reserve estimates are based on Management's estimates of the amount of mineral resources that could be mined and sold at prices that exceed the total extraction and processing costs. Ore reserve estimates are calculated internally using standard methods commonly used in the mining industry, which are supported by Management's historical experience and assumptions regarding production costs and market prices.

Management applies professional judgment when determining probable resources to be exploited. Consequently, potential changes to estimates could significantly impact the Company's net income as a result of changes to the useful lives of certain assets and the recognition of certain dismantling and restoration costs that may need to be reassessed.

o. Financial instruments: Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual clauses of the instrument. Financial assets and financial liabilities are initially measured at fair value. Upon initial recognition, transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or reduced from their fair value, as appropriate. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are immediately recognized in Income.

o.1 Financial assets: All agreed purchases or sales of financial assets are recognized (or derecognized) on the date of the agreement. Agreed purchases or sales of financial assets are purchases or sales under a contract whose clauses stipulate the delivery of the asset during a term that is generally agreed upon between the parties or has been previously established by the market. All recognized financial assets are subsequently measured either at amortized cost or at fair value, depending on their classification.

(i) Financial asset classification: Financial assets that meet the following conditions are subsequently measured at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets to collect their contractual cash flows; and
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through profit or loss (FVTPL):

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and sell financial assets.
- The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset are measured at fair value through profit or loss (FVTPL).

Notwithstanding the foregoing, upon initial recognition of a financial asset the Company may opt for any of the following irrevocable elections:

- The Company may make an irrevocable election to present in other comprehensiveincome subsequent changes in the fair value of an investment in an equity instrument that would otherwise be measured at fair value through profit or loss.
- The Company may irrevocably designate a financial asset at fair value through profit or loss even when that asset meets the criteria to be measured at amortized cost or at fair value through other comprehensive income if in doing so, it eliminates or significantly reduces a measurement or recognition inconsistency.

(ii) Amortized cost and effective interest method: The effective interest method is a method that is used in the calculation of the amortized cost of a financial asset and in the allocation and recognition of the interest revenue over the relevant period.

For purchased or issued financial instruments other than credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including fees, interest points paid or received between parties to the contract, transaction costs and other premiums and discounts; and excluding expected credit losses) to the gross carrying amount of the financial asset through its expected life (or a shorter period, when appropriate) upon initial recognition of the financial asset. For purchased or issued credit- impaired financial assets, an effective interest rate adjusted according to credit quality is calculated by discounting the estimated cash flows and including expected credit losses, which is applied to the amortized cost upon initial recognition of the financial asset.

The amortized cost of a financial asset is the amount at which the financial assets was initially recognized using the effective interest method, less principal repayments, plus accumulated amortization of any difference between the initial amount reconized and the amount at maturity, plus any impairment loss adjustments. On the other hand, the gross carrying amount of a financial asset is the amortized cost of the financial asset before any impairment loss adjustments.

For financial assets at amortized cost and at fair value through other comprehensive, interest revenue shall be calculated by using the effective interest method. For financial instruments that are not purchased or originated credit-impaired financial assets, interest revenue is calculated by applying the effective interest rate to the gross carrying amount of the financial asset, except for financial assets that have subsequently become credit-impaired financial assets. For financial assets that have subsequently become credit-impaired financial assets, interest revenue is recognized by applying the effective interest rate to the amortized cost of the financial asset. If in subsequent reporting periods, the credit risk on the financial instrument improves so that the financial asset is no longer credit-impaired, interest revenue will be recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognizes interest revenue by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. This calculation does not revert the gross basis even if the credit risk on the financial asset improves so that the financial asset is no longer credit-impaired.

Interest revenue is recognized in the item “Financial Income” of the Statement of Income.

(iii) Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets at fair value through other comprehensive income are initially measured at fair value plus transaction costs. Subsequently, any changes to the carrying amount of these financial instruments as a result of gains and losses arising from exchange differences, impairment gains and losses and interest revenue calculated using the effective interestmethod are recognized in Income. The amounts recognized in Income are the same as those that would have been recognized if these financial instruments had been measured at amortized cost. Any other changes to the carrying amount of these financial instruments are recognized in other comprehensive income and accumulated in Equity, specifically in the “Reserve of gains and losses from financial assets measured at fair value through other comprehensive income”. When these financial instruments are derecognized, any accumulated gains or losses previously recognized in other comprehensive income are reclassified to Income.

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(iv) Equity instruments designated to be measured at FVTOCI: Upon initial recognition, the Company may make an irrevocable election to designate equity instruments as measured at FVTOCI. This designation must be made on an instrument-by-instrument basis and is not permitted if the equity instrument is held for trading or if it is a contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies.

A financial asset is held for trading if:

- is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments measured at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value by recognizing any gains and losses from changes to the fair value in other comprehensive income and accumulated in Equity, specifically in the “Reserve of gains and losses from financial assets measured at fair value through other comprehensive income”. The accumulated gain or loss will not be reclassified to Income upon the sale of the equity instruments, rather, they will be carried to Retained Earnings.

Dividends on these investments in equity instruments are recognized in Income when: the Company’s right to receive payment of the dividend is established; it is probable that the economic benefits associated with the dividend will flow to the Company; and theamount of the dividend can be measured reliably, unless that dividend clearly represents a recovery of part of the investment cost. Dividends are recognized in the item “Financial Income” of the Statement on Income.

As of December 31, 2023 the Group has no financial assets to be designated as investments in equity instruments to be measured at FVTOCI.

(v) Financial instruments measured at fair value through profit or loss (FVTPL): Financial assets that do not meet the criteria to be measured at amortized cost or at FVTOCI, are measured at FVTPL. Specifically:

- At initial recognition, investment in equity instruments that are classified at FVTPL, provided that they are neither held for trading nor contingent consideration recognized by an acquirer in a business combination (which are measured at FVTOCI).
- Financial assets that have been irrevocably designated as at fair value through profit or loss at initial recognition when, in doing so, the Company eliminates or significantly reducesa measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any financial instrument to be measured at FVTPL.

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Financial assets designated as at FVTPL are measured at fair value at the end of each reporting period, and their gains or losses are recognized at fair value in Income to the extent that they are not part of a hedging relationship. The net gain or loss recognized in Income includes any dividend or interest earned on the financial asset and is recognized in the item "Financial Income". As of December 31, 2023 the Group does not have financial assets designated as FVTPL.

(vi) Gains and losses arising from exchange differences: The carrying amount of financial assets denominated in a foreign currency is determined in that currency and are translated at the closing exchange rate of each reporting period. Specifically:

- For financial assets measured at amortized cost that are not part of a hedging relationship, exchange differences are recognized in Income, in the item "Exchange Differences";
- For financial assets measured at FVTOCI that are not part of a hedging relationship, any exchange differences to the amortized cost of the financial instrument will be recognized in Income, in the item "Exchange Differences". Other exchange differences are recognized in other comprehensive income, in the "Reserve of gains and losses on financial assets measured at fair value through other comprehensive income";
- For financial assets measured at FVTPL that are not part of a hedging relationship, exchange differences are recognized in Income, in the item "Exchange Differences". For equity instruments measured at FVTOCI, exchange differences are recognized in other comprehensive income, in the "Reserve of gains and losses on financial assets measured at fair value through other comprehensive income"

o.2. Impairment of financial assets: The Group recognizes a correction in value from expected credit losses ("ECL") on financial assets that are measured at amortized cost or at FVTOCI, accounts receivable from leases, amounts owed by clients under construction contracts, as well as debt obligations and financial guarantee contracts. No impairment loss is recognized for investments in equity instruments. The amount of expected credit losses is updated on each reporting date to reflect any changes to credit risk since the initial recognition of the financial asset.

The Group always recognizes ECLs during the expected life of trade receivables. Expected credit losses from these financial assets are estimated using a provision matrix based on the Company's historical experience of credit losses, adjusted according to specific factors regarding the borrowers, general economic conditions and an evaluation of the current and estimated direction of credit conditions as of the reporting date. The time value of money is also considered when appropriate.

For all remaining financial instruments, the Company recognizes ECLs over the expected life of the assets when credit risk has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company shall measure the loss allowance for that financial instrument at an amount equalto 12-month expected credit losses. At each reporting date, an entity shall assess whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, an entity shall use the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses.

ECLs represent credit losses that will result from all expected default events during the expected life of a financial instrument. On the other hand, the 12-month expected credit losses represent the portion of lifetime expected credit losses that are expected to result from default events on a financial instrument that are possible within the 12 months after the reporting date.

(i) Determining significant increases in credit risk: When assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as of the reporting date and the risk of a default occurring on the financial instrument as of the date of initial recognition. In order to make this assessment, the Company considers reasonable and supportable quantitative and qualitative information, including historical experience and forward-looking information, that is available without undue cost or effort. Forward-looking information includes future prospects of the industries in which the Company's borrowers operate, which is obtained from reports from economic experts, financial analysts, government agencies, relevant expert groups, and other similar organizations, as well as fromdifferent external sources of current and forecasted economic information related to the Company's target industries, namely, leisure goods, electronic equipment, residential property and IT software.

In particular, the following information is taken into consideration when evaluating whether credit risk has increased significantly since initial recognition:

- an actual or expected significant change in the financial instrument's internal or external (if available) credit rating;
- significant changes in external market indicators of credit risk for a particular financial instrument, for instance, the credit spread; the credit default swap prices for the borrower; or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations;
- an actual or expected significant change in the operating results of the borrower.
- significant increases in credit risk on other financial instruments of the same borrower; and

• an actual or expected significant adverse change in the regulatory, economic or technological environment of the borrower that results in a significant change in the borrower's ability to meet its debt obligations.

Regardless of the results of the aforementioned assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonableand supportable information to rebut this presumption.

Notwithstanding the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. The credit risk on a financial instrument is considered low if: (i) the financial instrument hasa low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditionsin the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil itscontractual cash flow obligations. The Company considers that a financial asset has low credit risk when it has internal or external credit risk ratings that are consistent with a globally understood definition of low credit risk, suchs as internal or external rating of 'investment grade'.

For loan commitments and financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment shall be considered to be the date of initial recognition for the purposes of applying the impairment requirements. When assessing whether the credit risk on a loan commitment has increased significantly since initial recognition, the Company considers changes in the risk of a default occurring on the loan to which a loan commitment relates. For financial guarantee contracts, an entity considers the changes in the risk that the specified debtor will default on the contract.

The Company monitors the effectiveness of the criteria used to identify whether credit risk has increased significantly on a regular basis and makes the appropriate modifications to ensure that these criteria will identify any significant increase in credit risk before therelevant amount becomes overdue.

(ii) Definition of default: For the purposes of internal credit risk management, the Group has established two indicators of a default event. The Company's experience on accounts receivable shows that those that meet any of the following criteria are generally non-recoverable:

• When there is a breach of the financial restrictions on the part of the counterparty (borrower).
• When there is internally developed information or information obtained from external resources that indicates that it is unlikely that the borrower will pay its creditors, including the Company (without taking into account collateral held by the Company).

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(iii) Credit-impaired financial assets: A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includeobservable data about the following events:

• significant financial difficulty of the issuer or the borrower;
• a breach of contract, such as a default or past due event;
• the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
• it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
• the disappearance of an active market for that financial asset because of financial difficulties;

o.3. Write-off policy: The Company writes off a financial asset when there is information that indicates that the counterparty is in severe financial difficulties and there is no realistic prospect of recovery. For example, when the counterparty has been liquidated or has filed for bankruptcy, or when trade receivables are more than two years past due, whichever comes first.

Financial assets that have been written off may still be subject to recovery after collection procedures, including legal advice when appropriate. Any recovery is recognized in income.

o.4 Recognition and measurement of expected credit losses: The measurement of expected credit losses is carried out according to the probability of default, the magnitude of the credit loss in the case of a default event and exposure to default. The probability of default and the magnitude assessment are based on historically adjusted data based on future information, as described above. The default exposure of a financial asset is represented by the gross carrying amount of the asset on the reporting date. For loan commitments and financial guarantee contracts, the exposure includes the amount that will be disbursed in the future on the determined default date based on historical data, the Company's understanding of the specific future financial needs of the debtor, and other relevant future information.

For financial assets, the expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For a financial guarantee contract, the entity is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, cash shortfalls are the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, the debtor or any other party.

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The Company recognizes an impairment gain or loss in Income for all financial instruments as an adjustment to their carrying amount in a value correction account for losses, except for financial instruments measured at FVTOCI, whose value correction is recognized in other comprehensive income and accumulated in the "Reserve of gains and losses on financial assets measured at fair value through other comprehensive income". The Company does not reduce the carrying amount of the financial asset in the Statement of Financial Position.

o.5 Derecognition of financial assets: The Company derecognizes a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially transfer all the risks and rewards of ownership of the financial asset to a third party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership of a transferred financial asset, and retains control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. The Company will also recognize a liability associated with the amounts that they could have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company shall continue to recognize the financial asset and also recognizes a loan guaranteed by the amountsreceived.

On derecognition of a financial asset measured at amortized cost, the difference between the carrying amount and the consideration received and receivable is recognized in Income. On derecognition of an investment in a debt instrument classified at FVTOCI, the accumulated gain or loss previously recognized in the "Reserve of gains and losses on financial assets measured at fair value through other comprehensive income" is reclassified to Income. On derecognition of an investment in an equity instrument that the Company has designated as at FVTOCI upon initial recognition, the accumulated gain or loss previously recognized in the "Reserve of gains and losses on financial assets measured at fair value through other comprehensive income" is not reclassified to Income, but transferred to Retained Earnings.

o.6. Financial liabilities and equity instruments:

Classification of financial instruments as debt or equity instruments: Debt and equity instruments issued by a Company's entity are classified as financial liabilities or equity in accordance with the substance of the contractual agreement and the definitions of financial liabilities and equity instruments.

(i) Equity instruments: An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issuedby a Company's entity are recognized by the amounts received, net of direct costs ofissuance.

The repurchasing of the Company's own equity instruments is directly recognized in and deducted from Equity.

No gain or loss is recognized in Income on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(ii) Financial liabilities: All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, as well as financial guarantee contracts and commitments to provide a loan at a below-market interest rate, are measured in accordance with the specific accounting policies established below.

a) Financial liabilities measured at fair value through profit or loss (FVTPL): Financial liabilities are classified at FVTPL when the financial liability is (i) a contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies; (ii) held for trading; or (iii) is designated as at FVTPL.

A financial liability is classified as held for trading if it:

- is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or a contingent consideration recognized by an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability is part of a group of financial liabilities (or financial assets and financial liabilities), which is managed and evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the group of financial assets and financial liabilities is provided internally on that basis to the Company's key Management personnel; or
- the financial liability is part of a contract that includes one or more embedded derivatives and IFRS 9 enables the entire contract to be designated as at FVTPL.

Financial liabilities measured at FVTPL are recognized at fair value and any gain or loss arising from changes in that fair value is recognized in the Statement of Income to the extent that they are not part of a hedging relationship. The net gain or loss recognized in Income includes any interest earned on the financial liability and is included under the item "Financial income/costs", in the Statement of Income.

However, for financial liabilities designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability shall be presented in other comprehensive income, unless the treatment of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in Income. The remaining amount of change in the fair value of the liability shall be presented in Income. Changes in the fair value of a financial liability attributable to changes in the credit risk of that financial liability that have been recognized in other comprehensive income are not subsequently reclassified to Income; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts or loan commitments issued by the Company that have been designated as at FVTPL are recognized in Income.

Fair value is determined according to the method described in Note 15 c.iii.

(iii) Financial liabilities subsequently measured at amortized cost: Financial liabilities that are not (1) a contingent consideration of an acquirer in a business combination; (2) held for trading; or (3) designated as at FVTPL, are subsequently measured at amortized cost using the effective interest rate method.

The effective interest method is a method that is used in the calculation of the amortized cost of a financial liability and in the allocation and recognition of the interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including fees, interest points paid or received between parties to the contract, transaction costs and other premiums and discounts) to the amortized cost of a financial liability through its expected life (or a shorter period, when appropriate) upon initialrecognition of the financial liability.

Financial guarantee contracts: A financial guarantee contract is a contract that requires the issuer to make specific payments to reimburse the holder for the loss incurred when a specific debtor defaults on its payment obligation at maturity, in accordance with the originalor modified conditions of a debt instrument.

Financial guarantee contracts issued by a Company's entity are initially measured at fair value and, if they are not designated al FVTPL and do not originate from the transfer of a financial asset, they are subsequently measured at:

- The determined amount of the loss value correction in accordance with IFRS 9 (see k.2.3); and
- The initially recognized amount less, when applicable, the accumulated amount of revenue recognized in accordance with the revenue recognition policies.

Foreign exchange gains or losses: For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, foreign exchange gains or losses are determined based on the amortized cost of the instruments. For financial liabilities that are not part of a hedging relationship, these gains or losses are recognized in Income, in the item "Exchange Differences".

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and is translated at the closing exchange rate of each reporting period. For financial liabilities measured at FVTPL that are not part of a hedging relationship, exchange differences are part of the gains or losses measured at fair value and are recognized in Income.

Derecognition of financial liabilities: The Company derecognizes a financial liability when, and only when, it is extinguished (settled or discharged), cancelled or expires. The difference between the carrying amount of the derecognized financial liability and the considerationpaid or payable, including any non-cash assets transferred or liabilities assumed, shall be recognized in Income.

o.7 Derivative financial instruments

As of December 31, 2023 and 2022, the Company has no derivative financial instruments.

Embedded derivatives: As of the presentation date of these Financial Statements, the Company has not identified any embedded derivatives that must be valued independently of the main contract.

p. Inventory: Inventory is valued at cost using the following methods:

- **Finished products and products in process:** These are measured at the monthly average cost of production, which includes the depreciation of PP&E assets and the amortization of mining property.
- **Raw materials, and consumable materials and spare parts:** These are measured at average acquisition cost.
- **Ex Works minerals:** These are measured at the monthly average extraction cost or the recoverable amount, whichever is lower.
- **Raw materials and materials in transit:** These are measured at acquisition cost.

The cost of the Company's inventory does not exceed its net realizable value.

The total cost includes labor, direct material costs and, where appropriate, indirect costs incurred when transforming raw materials into finished products, as well as general expenses incurred when moving inventories to their current location and conditions.

The net realizable value represents the estimate of the sales price less all the estimated costs of completion and the costs that will be incurred in marketing, selling and distributing the products.

q. Statement of cash flows: For the purposes of preparing the Statement of Cash Flows, the Group has considered the following:

Cash and cash equivalents: Which include cash on hand and term deposits, as well as highly-liquid, short-term investments in financial institutions with an original maturity of six months or less. In the Statement of cash flows, bank overdrafts are classified as external resources, under the item "Current Liabilities".

Operating activities: Activities that constitute the main source of revenue of the Company and Subsidiaries, well as other activities that may not be classified as investing or financing activities.

Investing activities: Activities related to the acquisition, sale or disposal by any other means of non-current assets and other investments not included in cash and cash equivalents.

Financing activities: Activities that change the size and composition of net equity and liabilities of a financial nature.

r. Income tax: The Company and its subsidiaries in Chile determine the taxable base and calculate income tax in accordance with applicable current legislation. The Company's subsidiary abroad applies the respective legislation.

Deferred taxes arising from temporary differences and other events that create differences between the accounting tax bases of assets and liabilities and their carrying amounts are recognized in accordance with IAS 12 "Income Taxes".

Likewise, the Company recognizes temporary differences that result from the determination of the Taxable Operating Income (RIO for its Spanish acronym) for the purposes of the specific tax on mining.

Corporate income tax is recognized in the Consolidated Statement of Income or net equity accounts of the Consolidated Statement of Financial Position, depending on where thetaxable gains or losses have been recorded. Temporary differences between the carrying amount of assets and liabilities and the tax bases thereof give rise to deferred tax asset or liability balances that are calculated using the tax rates expected to be efective when the assets and liabilities are realized.

Changes to deferred tax assets or liabilities during the year are recognized in the item "Income tax expense" of the Statement of Comprehensive Income or directly in the equity accounts of the Statement of Financial Position, as appropriate.

Deferred tax assets are recognized only when sufficient future tax profits are expected to be available to recover temporary difference deductions.

s. Employee benefits: The Company's employment conditions stipulate a severance payment based on an employee's number of years of service. Normally, this benefit corresponds to the salary of one month per year of service. The severance payment has been defined as a non-current employee benefit.

The Company has included an "all events" severance payment for all collective work agreements with employees of the Elqui and Huasco Valley divisions. For employees of the Copiapó Valley division, this benefit only applies when employees retire.

On the other hand, the Company has agreed upon a seniority bonus with employees, which is an incremental percentage of their salary paid in accordance with a defined table. The seniority bonus has been defined as a non-current benefit.

Provisions for severance payments and seniority bonuses are calculated and periodically updated by an independent actuary using the projected unit credit method. Their re-measurement, which includes actuarial gains and losses, is immediately reflected in the Statement of Financial Position with a credit or debit in Other Comprehensive Income for the period in which the remeasurement is carried out. A remeasurement recognized in Other Comprehensive Income is immediately reflected in Retained Earnings and must not be reclassified to Income for the year. Past service cost is recognized in Income for the period in which the defined benefit plan is amended. Net interest is calculated by multiplying the discount rate at the beginning of the period by the net asset or liability that arises from the defined benefits. Defined benefit costs are classified as follows:

- Service costs (including current service cost and past service cost, well as gains and losses on curtailments and settlements);
- Net interest revenue or expense
- Remeasurements

Employee benefit costs related to the services provided by employees during the year are credited to comprehensive income for the relevant period.

Management uses assumptions to determine the best estimate of these benefits. These assumptions are established along with an external actuary. The assumptions include an annual discount rate, expected increases in employee wages and future permanence, among other factors.

The amount of net actuarial liabilities accrued at the end of each period is presented in the Consolidated Statement of Financial Position under the item "Employee benefit provisions, current and non-current".

t. Provisions: Provisions are recognized when the Company has a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

The amount recognized as a provision is the best estimate of the disbursement which would be needed in order to settle the present obligation at the end of the reporting period by taking into account the risks and uncertainties related to the obligation. When a provision is measured using the estimated cash flow to settle the present obligation, its carrying amount represents the present value of these cash flows (when the effect of the time value of money is significant).

When the recovery of some or all of the economic benefits required to settle a provision is expected from a third party, an account receivable is recognized as an asset if it is fairly likely that the disbursement will be recovered and the amount of the account receivable can be measured reliably.

u. Contingent liabilities: Contingent liabilities correspond to obligations arising from past events that are beyond the control of the Company or present obligations arising from past events that cannot be reliably measured or are unlikely to be paid.

The Company does not recognize contingent assets or liabilities, except for those arising from onerous contracts, which are recorded as provisions and are reviewed and adjusted to reflect the best estimate of the amount of the contingent asset or liability as of the date ofeach Statement of Financial Position.

v. Provision for dismantling and restoration costs: When an alteration caused by the ongoing development or production of mining property occurs in the environment, this gives rise to the obligation to incur dismantling and restoration costs. These costs are estimated based on mine closure planning and are subject to formal review.

Dismantling and restoration costs arising from the construction of a plant or other initial works on site are discounted at their net present value and are provisioned for and capitalizedat the beginning of each project or as soon as the obligation to incur them arises. Dismantlingcosts are debited to Income over the life of the mine through the depreciation of the asset andthe amortization or discount of the provision. Depreciation is included in operating costs, while amortization is included in financing costs.

Restoration costs incurred when repairing on-site damages that took place during the life of the mine are provisioned at the current net value and are debited to Income for each year during the productive life of the mine.

Dismantling, restoration and environmental provisions are measured at the present value when the related obligation arises. Environmental costs are estimated with the help ofexternal and/or internal experts. Management applies its judgment and experience to amortize these estimated costs over the useful life of the mine.

w. Revenue recognition: The Company recognizes revenue from the sale of iron ore.

Revenue is measured based on the consideration established in a contract with a customer. The Company recognizes revenue when it transfers control of a product or service to a customer.

Contracts with customers for the sale of minerals include a performance obligation for delivery of the goods, including transport to the place of delivery agreed upon with customers. The Company recognizes revenue when the control of the assets is transferred to the customer in accordance the shipping of the products and in conformity with the contractual terms, and they are subject to variations related to the content and sales price at the moment of the sale. The selling price of minerals is a variable price based on a pricing formula. The Company's main pricing sources are Platts (62%) and Fe CFR China (65%), which are published by "Daily Platts", a commonly used international publication in the iron and steel industry. The pricing formula is applied over a period of time called the Settlement Period (SP). The SP is negotiable and can be extended a certain number of months after shipment. At the closing date of each Financial Statement, the Company uses information on future prices of the products it sells to quantify the potential differences between the provisional and the final pricing. This information is used to make adjustments to revenues and trade receivables.

Sales contracts include provisional pricing as of the date of shipment. Final pricing is based on the spot price as of the date of settlement. In the majority of cases, revenue recognition from the sale of iron is based on the spot price as of the date of shipment. This price is subsequently adjusted and disclosed in the item "Revenue". Therefore, there is a provisional price set in the sales contracts and the sales price is based on spot prices prevailing on a specified future date after shipping to the client (the "quotation period"). Thus, the final pricethat will be fixed on future dates, which is also established in the contracts. Adjustments to the selling price are based on variations in quoted market prices as of the date of the final settlement. The period between the provisional billing and the final settlement can vary between one and five months.

Changes to fair value during the period between the listing pricing and the final settlement are determined in accordance with market prices for iron. Revenue from the sale of ore is recognized at a specific point in time.

x. Earnings per share: Basic earnings per share is a financial ratio, which divides the net profit (or loss) for the period by the weighted average number of common shares of the Company during that period without considering the average number of outstanding shares held in a subsidiary, if any. The Group has not carried out any operations that could lead to diluted earnings per share.

y. Dividends: The distribution of dividends to shareholders is recognized as a liability in the Financial Statements at the end of each period. Dividend distribution is based on the dividend policy agreed by the Company's General Shareholders' Meeting (75% of the distributable net profit). The net profit to be distributed is presented in Note 24c.

z. Leases

i. As a lessee: As a lessee, the Company recognizes an asset at the beginning of its lease term if it has the right to use the underlying asset during the lease term (a right-of-use asset) and a liability for lease payments to be incurred (lease liability). Non-renewable leases whose term is less than 12 months can be excluded from this recognition, as well as leases whose value of the underlying asset is insignificant. The Company recognizes the interest expense on the lease liability and the amortization expense on the right-of-use asset separately. When depreciating a right-of-use asset, lessees must apply the depreciation requirements under IAS 16 *Property, Plant and Equipment*.

Classification: All leases are classified as finance leases. Lessees must recognize a right-of-use asset and a lease liability at the beginning of the lease.

ii. As a lessor: Under IFRS 16, the lessor's accounting is essentially the same as under IAS 17. Lessors will continue to classify leases as operating or finance leases at the beginning of the lease agreement based on the nature of the transaction. Leases in which substantially all risks and benefits inherent to ownership of the underlying asset are transferred are classified as finance leases. For operating leases, the installments are recognized as an expense in the case of the lessee, and as revenue in case of the lessor, using the straight-line method over the term of the lease, unless another systematic basis of distribution is more representative.

aa. Classification of balances as current and non-current: In the attached Consolidated Statement of Financial Position, balances are classified, based on their maturity. For example, those maturing within twelve months are considered to be current and those maturing over a greater period are non-current. In the case of obligations whose maturity is less than twelve months but whose long-term refinancing is secured at the Company's discretion through unconditionally available credit contracts with long-term maturities, these obligations may be classified as long-term liabilities.

ab. Environment: The Company and Subsidiaries adhere to Sustainable Development principle, meaning that all economic development is compatible with environment, safety and health care.

The Company and Subsidiaries are aware that these principles are key to the well-being of all employees, the environment and the achievement of its operating goals.

3.2 New accounting pronouncements

The Company applied certain standards, interpretations and amendments for the first time, which are effective for annual periods beginning on or after January 1, 2023. The Company has not opted for the early adoption of any standard, interpretation or amendment that has been issued but not yet gone into effect.

a) Standards, amendments and interpretations that have been issued but whose date of application is not yet effective:

News IFRS	Date of mandatory application
IFRS 17, *Insurance Contracts*	January 1, 2023
IAS 8, *Definition of Accounting Estimates*	January 1, 2023
IAS 1, *Disclosure of Accounting Policies*	January 1, 2023
IAS 12, *Deferred Taxes Related to Assets and Liabilities Arising from a Single Transaction*	January 1, 2023
IAS12, *International Tax Reform - Pillar Two Model Rules*	January 1, 2023

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a new accounting standard specific to insurance contracts covering recognition, measurement, presentation and disclosure. Once it comes into force it will replace IFRS 4 Insurance Contracts issued in 2005. The new standard applies to all types of insurance contracts, regardless of the type of entity issuing them, as well as to certain guarantees and financial instruments with certain discretionary participation features.

Some exceptions within the scope may apply.

In December 2021, the IASB amended IFRS 17 to add a transition option for "classification overlay" to address potential accounting asymmetries between financial assets and insurance contract liabilities in the comparative information presented on initial application of IFRS 17.

If an entity chooses to apply classification overlay, it may only do so for comparative periods to which it applies IFRS 17 (i.e., from the date of transition to the date of initial application of IFRS 17).

IFRS 17 requires comparative figures in its application.

The standard is applicable for the first time in 2023, however it does not have an impact on the entity's financial statements.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8, in which it introduced a new definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and correction of errors. In addition, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amended standard clarifies that the effects on an accounting estimate, resulting from a change in an input or a change in a measurement technique are changes in accounting estimates, provided that they do not result from the correction of errors from prior periods. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors.

The amendment is applicable for the first time in 2023, however, it does not have an impact on the entity's financial statements.

IAS 1 Presentation of Financial Statements - Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1 and to IFRS Practice Statement 2 Making Materiality Judgments, in which it provides guidance and examples to help entities apply judgment of relative importance to accounting policy disclosures.

The amendments are intended to assist entities in providing disclosures about accounting policies that are more useful for:

- Replacing the requirement for entities to disclose their "significant" accounting policies with a requirement to disclose their "material" accounting policies
- Including guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

When assessing the relative importance of information on accounting policies, entities must consider both the size of the transactions and other events or conditions and their nature.

The amendment is applicable for the first time in 2023, however, it does not have an impact on the entity's financial statements.

IAS 12 Deferred taxes related to assets and liabilities arising from a single transaction

In May 2021, the IASB issued amendments to IAS 12, which reduce the scope of the initial recognition exemption under IAS 12 so that it no longer applies to transactions that result in equal taxable and deductible temporary differences.

The amendments clarify that when payments that settle a liability are deductible for tax purposes, it is a matter of judgment (having considered the applicable tax legislation) whether such deductions, are attributable for tax purposes, to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgment is important in determining whether temporary differences exist on initial recognition of the asset and liability.

Also, according to the amendments issued, the initial recognition exception does not apply to transactions that, on initial recognition, result in equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and a lease liability (or a decommissioning liability and a component of the decommissioning asset) result in taxable and deductible temporary differences that are not the same. However, the resulting deferred tax assets and liabilities may not be equal (for example, if the entity cannot benefit from tax deductions or if different tax rates apply to taxable and deductible temporary differences). In such cases, an entity would need to account for the difference between the deferred tax asset and deferred tax liability in profit or loss.

The amendment is applicable for the first time in 2023, however, it does not have an impact on the entity's financial statements.

IAS 12 International Tax Reform - Pillar Two Model Rules

In May 2023, the Board issued amendments to IAS 12, introducing a mandatory exception regarding recognition and disclosure of deferred tax assets and liabilities related to income taxes from the Pillar Two Model Rules. The amendments clarify that IAS 12 applies to income taxes arising from tax laws enacted or substantially enacted to implement the Pillar Two Model Rules published by the Organization for Economic Co-operation and Development (OECD), including the tax law implementing qualified national minimum supplementary taxes. This tax law, and the income taxes derived from it, are called "Pillar Two legislation" and Pillar Two income taxes, respectively.

The amendments require an entity to disclose that it has applied the exemption to recognize and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. In this regard, an entity is required to disclose separately its current tax expense (benefit) related to Pillar Two income taxes, in the periods in which the legislation is in force.

The amendments also require, for periods in which Pillar Two legislation is (substantially) enacted but not yet effective, disclosure of known or reasonably estimable information that would assist users of financial statements to understand the entity's exposure arising from Pillar Two income taxes. To comply with these requirements, an entity is required to disclose qualitative and quantitative information about its exposure to Pillar Two income taxes at the end of the reporting period.

The temporary exemption from recognition and disclosure of deferred tax information and the requirement to disclose the application of the exemption apply immediately and retrospectively to the issuance of the amendments.

Disclosure of current tax expense related to Pillar Two income taxes and disclosures in relation to periods prior to the enactment of the legislation is required for annual periods beginning on or after January 1, 2023, but are not required for any period ending on or before December 31, 2023.

The amendment is applicable for the first time in 2023, however, it does not have an impact on the entity's financial statements.

b) The standards and interpretations, and improvements and amendments to IFRS that have been issued, but have not yet come into effect as of the date of these financial statements, are detailed below. The Company has not applied these standards in advance:

Amendments	**Date of mandatory application**
IAS 1, *Classification of Liabilities as Current or Non-current.*	January 1, 2024
IFRS 16, *Lease Liabilities in a Sale and Leaseback*	January 1, 2024
IAS 7 & IFRS 7, *Disclosure of Supplier Finance Arrangements*	January 1, 2024
IAS 21	January 1, 2025
IFRS 10 & IAS 28, *Consolidated Financial Statements- Sale or Contribution of Assets Between and Investor and its Associate or Joint Venture.*	To be determined

IAS 1 Presentación of Financial Statements – Classification of Liabilities as Current or Non-current

In 2020 and 2022, the IASB issued amendments to IAS 1 to specify the requirements for classification of liabilities as current or non-current. The amendments clarify the following:

What is understood to be a right to defer settlement.
That there must be a right to defer at the end of the reporting period.
That classification is not affected by the probability that an entity exercises its right to defer.
That only if an embedded derivative in a convertible liability in itself is an equity instrument, the terms of a liability would not affect its classification.

The amendments are effective for periods beginning on or after January 1, 2024. The amendments must be applied prospectively. Early application is allowed and must be disclosed. However, an entity that applies the 2020 amendments in advance is also required to apply the 2022 amendments and vice versa.

The entity will assess the impact of the amendment once it comes into force.

IFRS 16 Lease Liabilities in a Sale and Leaseback

The amendment addresses the requirements that a seller-lessee uses to measure the lease liability resulting from a sale and leaseback transaction.

The amendment provides that after the commencement date of a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46 of IFRS 16, the seller-lessee determines the "lease payments" or "revised lease payments" in such a way that the seller-lessee would not recognize any profit or loss related to the right-of-use that it retains. The application of these requirements does not preclude the seller-lessee from recognizing, in profit or loss, any gain or loss related to the partial or total termination of a lease, as required by paragraph 46(a) of IFRS 16.

The amendment does not establish specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of lease liabilities arising from a leaseback may result in the seller-lessee determining "lease payments" that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee must develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8.

A seller-lessee applies the amendment to annual reporting periods beginning on or after January 1, 2024. Early application is permitted and that fact must be disclosed. A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application (i.e., the amendment does not apply to sale and leaseback transactions entered into before the date of initial application). The date of initial application is the beginning of the annual reporting period in which an entity first applied IFRS 16.

The entity will assess the impact of the amendment once it comes into force.

IAS 7 and IFRS 7 – Disclosures of Supplier Financing Arrangements

In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The amendments specify disclosure requirements to enhance the current requirements, which are intended to help users of financial statements understand the effects of supplier financing arrangements on an entity's liabilities, cash flows and liquidity risk exposure.

The amendments clarify the characteristics of supplier financing arrangements. In these arrangements, one or more financial services providers pay amounts that an entity owes to its suppliers. The entity agrees to settle those amounts with the financial service providers in accordance with the terms and conditions of the agreements, either on the same date or on date later that the date on which the financial service providers pay the entity's suppliers.

The amendments require that an entity provide information regarding the impact of supplier financing arrangements on liabilities and cash flows, including the terms and conditions of such arrangements, quantitative information about the liabilities related to those arrangements at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of these agreements. Information about those arrangements is required to be presented on an aggregate basis unless the individual arrangements have terms that are not similar to each other or are unique. In the context of quantitative liquidity risk disclosures required by IFRS 7, supplier financing agreements are included as an example of other factors that may be relevant to disclose.

The amendments will come into force for annual periods beginning on or after January 1, 2024. Early adoption is permitted, but must be disclosed. The amendments provide some transition relief with respect to comparative and quantitative information at the beginning of the annual reporting period and disclosures in financial information.

The entity will assess the impact of the amendment once it comes into force.

IAS 21 Effects of Changes in the Exchange Rate – Lack of Exchangeability

The amendments to IAS 21 Effects of Changes in Foreign Exchange Rates specify how an entity must assess whether a currency is exchangeable and how it must determine a spot foreign exchange rate when there is lack of exchangeability.

A currency is considered to be exchangeable for another currency when an entity can obtain the other currency within a normal administrative timeframe and through a foreign exchange market or mechanism where an exchange transaction would create enforceable rights and obligations.

If a currency is not exchangeable for another currency, an entity must estimate the spot foreign exchange rate on the date of measurement. The purpose of this estimate is to reflect the rate at which the foreign exchange transaction would take place as of the measurement date between market participants under prevailing economic conditions. The amendments state that an entity may use an observable foreign exchange rate with no adjustment or other estimating technique.

When an entity estimates a spot exchange rate because the currency is not exchangeable for another currency, it must disclose information that allows the users of its financial statements to understand how this fact affects, or is expected to affect, the financial performance, financial situation or cash flows of the entity.

The amendments will be effective for annual periods beginning as of January 1, 2025. Early application is allowed and must be disclosed. When applying the amendments an entity cannot restate comparative information.

The entity will assess the impact of the amendment once it comes into force.

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures – Sale or Contribution of Assets Between and Investor and its Associate or Joint Venture

The amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) address a recognized inconsistency between the requirements of IFRS 10 and those of IAS 28 (2011) in the treatment of a sale or contribution of assets between an investor and its associate or joint venture.

The amendments issued in September 2014, state that when the transaction involves a business (whether it is in a subsidiary or not) the total profit or loss generated is recognized. A partial profit or loss is recognized when the transaction involves assets that do not constitute a business, even when the assets are in a subsidiary.

The mandatory application date of these amendments is yet to be determined because the IASB is awaiting the results of its research project on equity method accounting. These amendments must be applied retrospectively, and early adoption is permitted, and must be disclosed.

The entity will assess the impact of the amendment once it comes into force.

4. FINANCIAL RISK MANAGEMENT AND DEFINITION OF HEDGING

Global economic uncertainty, raw materials market volatility, oversupply in the steel market that would make the metal price go downwards, the introduction of new producers ofmagnetic iron ore in Australia, and the Company's sales great concentration in Asia, particularly in China, appear as the most important risks the Company will be faced with in the near future.

A sensitivity analysis shows the impact of variations in the price of iron on the financial instruments held by the Company as of the reporting date. A variation in the average price of iron of +/- 10% during the year 2023, would have had an effect of +/- ThUS$ 187,852 on Revenue, based on the Company's sales volume.

In the ordinary course of business and its financing activities, the Company is exposed to various financial risks that could significantly affect the economic value of its cash flows and assets and, as a consequence, its results. The Company's risk management policies are reviewed on a regular basis.

A definition and description of the risks to which the Company is exposed and an explanation of the mitigation measures that have been adopted are detailed as follows.

a. Market risk

Market risk is the possibility that market variable fluctuations, such as interest rates, exchange rates, and product prices etc. may lead to economic losses arising from the devaluation of cash flows or assets or the appreciation of liabilities, due to the impact of indexation on the aforementioned variables.

Market risk management policies established by the Company include specific strategies based on periodic analyses of exchange rate trends, interest rates and production curves.

i. Exchange rate risk

The Company is exposed to exchange rate risk given the nature of its operations, which includes transactions in currencies other than the US dollar, mainly in Chilean pesos.

The Company does not have US dollar to Chilean pesos cash flows hedging instruments as of December 31, 2023.

The sensitivity analysis outlined below shows the impact of a variation in the USD - CLP exchange rate on the Company's results. The effect on Income occurs as a consequence of the valuation of expenses in Chilean pesos, as well as the reconversion of monetary assets such as cash, trade receivables, etc.

If the US dollar had grown stronger by 10% in respect to the Chilean peso as an average during the third quarter of 2023, profit before taxes would have increased by ThUS$ 54,487. If the US dollar had grown weaker by 10% in respect to the Chilean peso on average during that period, profit before taxes would have decreased by ThUS$ 66,595.

b. Credit risk

This risk refers to the ability of third parties to meet their financial obligations with the Company. The items exposed to credit risk are classified into 2 categories:

i. Financial assets

Financial assets include cash balances, mutual funds and term deposits in general. The Company's ability to recover these funds at maturity depends on the creditworthiness of the bank in which they are deposited. Cash and cash equivalents are exposed to low credit risk, because of the high creditworthiness of the banks used by the Company, according to credit ratings issued by international risk rating agencies, and the limited amounts deposited, in accordance with the Company's current investment policy.

ii. Trade receivables

The Group’s trade receivable uncollectability risk is low given that almost all local sales are performed with related companies. Regarding export sales, the quality of customers and their payment methods are high quality. As of the closing date of these Consolidated Financial Statements, the Company has no doubtful accounts.

c. Liquidity risk

Liquidity risk is associated with the Company's ability to amortize or refinance its financial obligations at reasonable market prices, as well as its ability to execute its business plan using stable financing sources.

The Company deems that the generation of cash flows to cover financial obligations is adequate, and it allow the distribution of dividends to its shareholders. On the other hand, the Company deems that the level of indebtedness is adequate for the requirements of its normal and investment operations, established in the 5-year plan.

d. Commodity price risk

The Company is exposed to variations in the price of commodities, mainly the price of coal and other inputs (oil, energy, chemical products, etc). These prices are determined by international market supply and demand.

e. Riesgo de tasa de interés

The financing structure of the Company and its subsidiaries considers a mix of funding sources subject to fixed and variable rates. The portion of financing subject to variable interest rates typically consists of floating rates like the 3 or 6-month LIBOR or SOFR rates plus a margin, exposing the Company to changes in its financial expenses in scenarios where these rates fluctuate.

Currently, the financial obligations correspond primarily to financial leasing and bank financing operations for exporters at fixed rates.

As of December 31 2023, there is no significant variation in the Company's income due to changes in the interest rate.

The current existing contracts for banking financing for exporters use the SOFR (Secured Overnight Funding Rate) in accordance with statements and policies endorsed and recommended due to the phase-out of the LIBOR rate.

f. Global COVID 19 Pandemic risk

With the appearance of the coronavirus disease (COVID 19), which massively spread at a worldwide level, and the declaration of Global Pandemic by the World Health Organization (on March 11, 2020), a series of public health and emergency measures have been put into place to combat the virus. It is still impossible to reliably estimate the duration and impact of COVID-19, or what impact the duration and gravity of these developments will have in future periods.

Considering that in May 2023, the Orgnización mundial de Salud (OMS) declared the end of the global health emergency due to COVID-19, the Company ended a series of measures adopted to control this health emergency. These measures encompassed both public health regulations and internal protocols aimed at minimizing risks for employees, the community, and ensuring the normal operation of facilities.

g. Riesgo Medioambientales

I. Climate Change: The Company identified a specific strategic risk related to climate change, which requires the management of aspects associated with regulatory changes and physical risks. It has promoted actions in governance, strategy, risk management, metrics, and objectives in order to address the risk of climate change. These actions include defining measures aimed at improving energy efficiency and reducing water and carbon footprints.
ii. Greenhouse Gas Emissions (GGE): According to the carbon footprint baseline, the Company has set a goal to reduce Scope 1 and Scope 2 emissions by 40% by the year 2030 compared to the 2020 baseline.

iii. Water Footprint: The Company conducted an assessment of its water footprint baseline and, based on these results, calculated the WiiX (Water Impact Index) and WSF (Water Scarcity Footprint) of its production facilities.

5. DISCLOSURES OF ESTIMATES AND ASSUMPTIONS MADE BY MANAGEMENT WHEN APPLYING THE ENTITY'S ACCOUNTING POLICIES.

The application of International Financial Reporting Standards (IFRS) requires the use of estimates and assumptions that will affect the amounts of assets and liabilities to be reported as of the date of the Consolidated Financial Statements, as well as the amounts of revenue and expenses to be recognized during the reporting period. The Group's Management must apply their professional judgment and make accounting estimates that will have a significant effect on the figures presented in the Consolidated Financial Statements prepared according to IFRS. Changes to these assumptions and estimates could also have a significant impact on the Consolidated Financial Statements.

As indicated, Management necessarily carries out judgements and estimates that have a significant effect on the amounts presented in the financial statements. The most critical accounting estimates and judgments relate to:

a. Economic useful life of assets and estimated ore reserves: The useful lives of assets of property, plant and equipment used for the purposes of depreciation calculation are determined based on technical studies made by internal and external specialists.

The Company's ore reserves were estimated based on the useful life of the mines, according to a model based on the mine's respective useful life, which is the production unit method regarding proven and probable ore reserves. The assumptions used to determine a certain ore reserve may change if new information becomes available.

The depreciation of assets directly involved in production could be affected by an extended production under conditions other than those established in the current production budget, which is based on current estimates of proven and probable ore reserves. This could occur if there are any significant changes to the factors or assumptions used when estimating ore reserves.

These factors may include:

- Expectations of production units or columns;
- Quality of inputs on the production process;
- Extraction and processing method.

b. Impairment of assets: The Company reviews the carrying amount of its tangible and intangible assets in order to determine if there is any indication that these assets could be impaired. In the impairment assessment, assets that do not generate independent cash flows are grouped in an appropriate cash-generating unit ("CGU"). The recoverable amount of these assets and CGUs is measured at fair value (using the discounted future cash flow methodology) or by considering their carrying amount, whichever is greater. As of December 31, 2023, the impairment tests that have been performed show no indication of impairment.

Management applies its professional judgment when grouping assets that do not generate independent cash flows, by estimating the periodicity and value of the underlying cash flows and calculating the interest rates to be used. Subsequent changes to asset grouping, the periodicity of cash flows and interest rates could impact the carrying amounts of the relevant assets.

Impairment of financial assets: In the case of purchased financial assets, the Company has defined a policy to account for impairment provisions based on the risk of expected credit losses.

c. Provisions for dismantling, restoration and environmental costs: Provisions for dismantling, restoration and environmental costs are measured at present value as soon as the related obligation arises. Dismantling costs associated with each project are capitalized and credited to comprehensive income over the useful life of the mine through the depreciation of the asset and/or the amortization or discount of the related provision. Subsequent restoration costs are measured at present value and credited to comprehensive income in proportion to the damage caused by ore extraction. Environmental costs are estimated with the help of internal or external experts. Management applies its professional judgment and experience to provide and amortize these estimated costs over the useful life of the mine.

d. Doubtful account estimate: The Group has estimated the recoverability risk of accounts receivable since initial recognition and has established, among other measures, percentual provisions per maturity tranche discounted from credit insurance taken out, considering expected credit losses for each customer and any changes to the credit risk of accounts receivable.

e. Provisions for unfinished invoicing: As mentioned in Note 3.w. "Revenue recognition", the Company carries out provisional invoicing upon delivery of the goods sold based on provisional pricing. Subsequently, the Company uses information on future iron prices to carry out adjustments to revenue and trade receivable balances. These adjustments are updated monthly.

f. Employee Benefit provisions: Estimated costs of severance payments and other long-term employee benefits are credited to Income for the period. Any actuarial gain or loss, which may arise from differences between actual and expected results from changes to actuarial assumptions, are directly recognized in Other Comprehensive Income.

The assumptions referred to expected costs of employee benefits are established with the help of an external actuary. These assumptions include demographic data, discount rates and expected increases in wages, among others. Although Management believes that the assumptions used are appropriate, any change to these could significantly impact the Company's results.

g. Fair value of derivatives and other financial instruments: As described in Note 4, Management applies its professional judgment when selecting an appropriate valuation technique for financial instruments that are not quoted in an active market. Other valuation techniques that are commonly used by market professionals are applied. In the case of derivative financial instruments, assumptions are made based on market interest rates which are adjusted according to specific characteristics of the derivatives. Other financial instruments are valued using analyses of cash flows updated based on assumptions supportedby observable market prices or interest rates, when possible.

h. Lawsuits and contingencies: The Company periodically evaluates the probability of losses and contingencies arising from current litigation, based on its legal counsels' opinion. In those cases where Management and the Company's lawyers believe that there will be a favorable outcome, where the outcome is uncertain, or for lawsuits pending decision no provisions have been made.

i. Obsolescence: The Company has evaluated inventory obsolescence risk based on status, turnover and net realizable value.

j. Revenue recognition: The Company determines the most appropriate revenue recognition method by analyzing the type, terms and conditions of each contract with customers.

As part of the aforementioned analysis, Management applies professional judgment on whether a contract is legally enforceable and whether the contract includes separate performance obligations. In addition, in-order estimates are required to allocate the total transaction price to each performance obligation, based on the estimated relative selling prices of the promised goods or services underlying each performance obligation.

6. CASH AND CASH EQUIVALENTS

As of December 31, 2023 and 2022, cash and cash equivalents are detailed as follows:

	Cash and cash equivalents	
	12.31.2023 ThUS$	12.31.2022 ThUS$
Cash on hand and in banks	1,252	17,859
Term deposits	40,018	32,011
Mutual funds	34,096	11,457
Total	75,366	61,327

Term deposits and interest earned are classified as cash and cash equivalents when maturing in less than six months from the acquisition date and earn market interest. These are investments are detailed as follows:

Bank	12.31.2023 ThUS$	12.31.2022 ThUS$
BCI	-	12,005
The Bank of Nova Scotia	10,004	-
BNP Paribas	15,007	-
SMBC - NY	15,007	10,004
BBVA - NY	-	10,002
Total	40,018	32,011

Mutual Funds correspond to fixed income funds in Chilean pesos and US dollars, which are recorded at the value of the respective unit as of the closing date of these consolidated financial statements. The fair value of these investments corresponds to the product of the number of units invested and the last value of the unit publicly informed to the market, for each of the mutual funds invested, which in turn also corresponds to the redemption value of this investment. Changes in the fair value of other financial assets at fair value through profit or loss are accounted for in "Finance Income" in the consolidated comprehensive income statements.
The cash and cash equivalent don't have restriction of disponibility

Bank	12.31.2023 ThUS$	12.31.2022 ThUS$
Scotiabank	11,407	3,507
BCI	22,689	7,950
Total	34,096	11,457

The Company does not have financial assets at fair value through profit or loss.

7. TRADE AND OTHER ACCOUNTS RECEIVABLE

Item	Trade and other accounts receivable, current		Trade and other accounts receivable, Non-current	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
	ThUS$	ThUS$	ThUS$	ThUS$
Trade receivables (domestic)	1,856	2,194	-	-
Trade receivables (export)	143,105	158,441	-	-
Mark to market	99,234	96,313	-	-
Advances payments	22,333	10,139	-	-
Staff debt	8,378	9,560	9,311	5,209
Other accounts receivable	3,802	2,223	-	-
Estimate of bad debtors	-	-	-	-
Total	278,708	278,870	9,311	5,209

Considering the solvency of the Company's customers and the collection term of the invoices, the Company has estimated that there are no doubtful accounts at the end of each reporting period.

Provisions for unfinished invoicing

The Company uses information on future iron prices to carry out adjustments to revenue and trade receivable balances. The Company also establishes a provision for unfinished sales invoices.

When the future price of iron is lower or higher than the price provisionally invoiced, a provision is recognized in Current Assets, decreasing or increasing (as appropriate) the balances owed by these customers and the counter entry recognized in revenue.

A classification of trade receivables, pre and post provision, is detailed as follows:

12.31.2023	Total current			Total non-current		
Trade and other accounts receivable	Assets before provisions	Trade receivable provisions	Trade receivables net assets	Assets before provisions	Trade receivable provisions	Trade receivables net assets
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Accounts receivable from credit operations	143,105	-	143,105	-	-	-
Mark to Market (MtM)	99,234	-	99,234	-	-	-
Miscellaneous receivables	3,802	-	3,802	-	-	-
Trade receivable subtotal	246,141	-	246,141	-	-	-
Advances payments	22,333	-	22,333	-	-	-
Other accounts receivable	10,234	-	10,234	9,311	-	9,311
Total	278,708	-	278,708	9,311	-	9,311

12.31.2022	Total current			Total non-current		
Trade and other accounts receivable	Assets before provisions	Trade receivable provisions	Trade receivables net assets	Assets before provisions	Trade receivable provisions	Trade receivables net assets
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Accounts receivable from credit operations	158,411	-	158,411	-	-	-
Mark to Market (MtM)	96,313	-	96,313	-	-	-
Miscellaneous receivables	2,223	-	2,223	-	-	-
Trade receivable subtotal	256,977	-	256,977	-	-	-
Advances payments	10,139	-	10,139	-	-	-
Other accounts receivable	11,754	-	11,754	5,209	-	5,209
Total	278,870	-	278,870	5,209	-	5,209

12.31.2023 Aging of accounts receivable	Not due	Overdues from 1 to 30 days	Overdue from 31 to 60 days	Overdue from 61 to 90 days	Overdue more than 91 days	Total current	Total non-current
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Trade receivables, gross	246,141	-	-	-	-	246,141	-
Gross trade accounts receivable	10,234	-	-	-	-	10,234	9,311
Advances payments	22,333	-	-	-	-	22,333	-
Total	**278,708**	**-**	**-**	**-**	**-**	**278,708**	**9,311**

12.31.2022 Aging of accounts receivable	Not due	Overdues from 1 to 30 days	Overdue from 31 to 60 days	Overdue from 61 to 90 days	Overdue more than 91 days	Total current	Total non-current
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Trade receivables, gross	256,977	-	-	-	-	256,977	-
Gross trade accounts receivable	11,754					11,754	5,209
Advances payments	10,139	-	-	-	-	10,139	-
Total	**278,870**	**-**	**-**	**-**	**-**	**278,870**	**5,209**

12.31.2023	Non-renegotiated portfolio		Renegotiated portfolio		Total portfolio, gross	
Aging of accounts receivable, by type of portfolio	Number of customers	Gross amount	Number of customers	Gross amount	Number of customers	Gross amount
Not overdue	347	278,708	-	-	347	278,708
Overdue from 1 to 30 days	-	-	-	-	-	-
Overdue from 31 to 60 days	-	-	-	-	-	-
Overdue from 61 to 90 days	-	-	-	-	-	-
Overdue from 91 to 120 days	-	-	-	-	-	-
Overdue from 121 to 150 days	-	-	-	-	-	-
Overdue from 151 to 180 days	-	-	-	-	-	-
Overdue more than 180 days	-	-	-	-	-	-
Total	**347**	**278,708**	**-**	**-**	**347**	**278,708**

12.31.2022

Aging of accounts receivable, by type of portfolio	Non-renegotiated portfolio Number of customers	Non-renegotiated portfolio Gross amount	Renegotiated portfolio Number of customers	Renegotiated portfolio Gross amount	Total portfolio, gross Number of customers	Total portfolio, gross Gross amount
Not overdue	162	278,870	-	-	162	278,870
Overdue from 1 to 30 days	-	-	-	-	-	-
Overdue from 31 to 60 days	-	-	-	-	-	-
Overdue from 61 to 90 days	-	-	-	-	-	-
Overdue from 91 to 120 days	-	-	-	-	-	-
Overdue from 121 to 150 days	-	-	-	-	-	-
Overdue from 151 to 180 days	-	-	-	-	-	-
Overdue more than 180 days	-	-	-	-	-	-
Total	**162**	**278,870**	**-**	**-**	**162**	**278,870**

Trade receivable fair values do not significantly differ from invoicing values.

As of December 31, 2023 and 2022 the Company and its subsidiaries have no overdue debt.

8. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a. Shareholders: As of December 31, 2023 the Company's majority shareholders are detailed as follows:

Shareholder	Number of Shares	Ownership %
CAP S.A.	3,521,117	75.00%
MC.Inversiones Ltda.	1,173,710	25.00%
Other shareholders	9	0.00%
Total	4,694,836	100.00%

b. Accounts receivable

12.31.2023

Company	Taxpayer ID	Type of Relation	Currency	Country of Origin	Current: Less than 90 days	Current: 90 days up to 1 year	Current: Total Current	No-Current: One to Three yeas	No-Current: Three to Five yeas	No-Current: More than Five yeas	No-Current: Total Non-Current
Cía. Siderurgica Huachipato S.A.	94.637.000-2	Shareholding	US$	Chile	1,030	-	1,030	-	-	-	-
Puerto Las Losas S.A.	76.498.850-7	Shareholding	US$	Chile	50	-	50	-	-	-	-
Cleanairtech S.A.	76.399.400-7	Shareholding	US$	Chile	2,759	-	2,759	6,429	4,286	6,758	17,473
Mitsubishi Corporation RTM	O-E	Shareholding	US$	Singapore	20,399	-	20,399	-	-	-	-
Total					24,328	-	24,238	6,429	4,286	6,758	17,473

12.31.2022

Company	Taxpayer ID	Type of Relation	Currency	Country of Origin	Current: Less than 90 days	Current: 90 days up to 1 year	Current: Total Current	No-Current: One to Three yeas	No-Current: Three to Five yeas	No-Current: More than Five yeas	No-Current: Total Non-Current
Cía. Siderurgica Huachipato S.A.	94.637.000-2	Shareholding	US$	Chile	9,604	-	9,604	-	-	-	-
Puerto Las Losas S.A.	76.498.850-7	Shareholding	US$	Chile	35	-	35	-	-	-	-
Cleanairtech S.A.	76.399.400-7	Shareholding	US$	Chile	-	-	-	6,429	4,286	8,901	19,616
Mitsubishi Corporation RTM	O-E	Shareholding	US$	Singapore	7,566	-	7,566	-	-	-	-
Total					17,205	-	17,205	6,429	4,286	8,901	19,616

b.1 Accounts payable

12.31.2023

Company	Tax N°	Type of relationship	Type of Currency	Country of origin	Current: Less than 90 days	Current: 90 days to 1 year	Current: Total
CAP S.A.	91.297.000-0	Parent Co.	US$	Chile	595	35,169	35,764
Tecnocap S.A.	76.369.130-6	Shareholding	US$	Chile	316	-	316
Cleanairtech S.A.	76.399.400-7	Shareholding	US$	Chile	9,236	-	9,236
Mitsubishi Corporation	O-E	Shareholding	US$	Japan	500	-	500
Puerto Las Losas S.A.	76.498.850-7	Shareholding	US$	Chile	-	-	-
M.C.Inversiones Ltda.	79.866.800-5	Shareholder	US$	Chile	-	11,723	11,723
Total					10,647	46,892	57,539

12.31.2022

Company	Tax N°	Type of relationship	Type of Currency	Country of origin	Current: Less than 90 days	Current: 90 days to 1 year	Current: Total Current
CAP S.A.	91.297.000-0	Parent Co.	US$	Chile	524	274,977	275,501
Tecnocap S.A.	76.369.130-6	Shareholding	US$	Chile	453	-	453
Cleanairtech S.A.	76.399.400-7	Shareholding	US$	Chile	5,642	-	5,642
Mitsubishi Corporation	O-E	Shareholding	US$	Japan	470	-	470
Puerto Las Losas S.A.	76.498.850-7	Shareholding	US$	Chile	59		59
M.C.Inversiones Ltda.	79.866.800-5	Shareholder	US$	Chile	-	91,659	91,659
Total					7,148	366,636	373,784

b2. Balances and transactions with related entities

a) The Company is a subsidiary of CAP S.A. Balances receivable from and payable to the parent company, the shareholder MC Inversiones Limitada and other related entities are detailed in the tables included in this Note.

b) The short-term account that is payable to Tecnocap S.A. arises from services provided and does not bear interest and is due monthly.

c) The short-term account receivable from Mitsubishi Corporation RtM arises mainly from ore sales and does not bear interest and is due monthly.

d) The balance payable to MC Inversiones Ltda. as of December 31, 2023 and 2022, corresponds to a dividends provision in the amount of ThUS$ 11,723 and ThUS$ 91,659.

e) The balance payable to the parent CAP S.A. as of December 31, 2023, corresponds to a dividends provision in the amount of ThUS$ 35,169 , and services in the amount of ThUS$ 595. As of December 31, 2022, it corresponds to a dividends provision in the amount of ThUS$274,977 and services in the amount of ThUS$524.

f) The account payable to Puerto Las Losas S.A. arises from services provided, does not bear interest and is due monthly.

g) The balance receivable from Cleanairtech S.A. as of December 31, 2023, corresponds to netted services in the amount of ThUS$ 6,477 the next due date is in February 2024.

h) The account receivable from CSH S.A. arises from operating activities, does not bear interest and is due monthly.

i) Balances receivable from and payable to related companies are denominated in US Dollars.

j) Transactions with related companies:

The table below includes all transactions with related companies.

Sales to related companies are carried out at market prices. Total sales to those companies represent 12.08% in the year 2023 and 13.69% from 2022, in respect to the Company's total sales.

k) Stock transactions

As of December 31, 2023 and 2022, neither the majority shareholders nor the Directors or Managers carried out Company share transactions.

b.3 Most significant transactions and their effect on Income

		Accumulated as of 12.31.2023		Accumulated as of 12.31.2022	
Company	Transaction description	Amount ThUS$	Effect on income (credit) debit ThUS$	Amount ThUS$	Effect on income (credit) debit ThUS$
CAP S.A.	Administrative and sales expenses	7,136	(5,997)	6,282	(5,997)
	Services	15	(15)	-	-
	Recoverable Expenses	10	-	-	-
	Dividends paid	470,252	-	533,204	-
	Dividends provisioned	35,169	-	274,977	-
Compañía Siderurgica Huachipato S.A.	Demurrage	39	(39)	29	(25)
	Other income	178	(149)	-	-
	Sales	-	-	977	977
	Sale of Minerals	86,040	72,303	125,747	105,670
Mitsubishi Corporation RtM	Sales	129,636	129,636	118,956	118,956
	Demurrage	396	(396)	716	(716)
	Services Sold	2	(2)	3	(3)
	Services	7	7	-	-
Mitsubishi Corporation	Services Sold	2,000	(2,000)	2,000	(2.000)
MC Inversiones Ltda.	Dividends paid	156,751	-	177,735	-
	Dividends provisioned	11,723	-	91,956	-
Puerto Las Losas S.A.	Purchased Services	689	(579)	565	(475)
	Services (Imopac)	443	372	415	349
	Service	181	152	159	134
	Recoverable Expenses	7	-	-	-
Tecnocap S.A.	Services Sold	962	542	646	543
	Purchased Services	6,048	(5,452)	6,238	(5,242)
Cleanairtech Sudamerica S.A.	Services Sold	25,074	69	17,613	767
	Purchased Services	75,105	(55,955)	68,613	(53,097)
	Interests	1,574	1,574	944	944
	Loans	3,594	-	2,217	-

In October 2012, the Company entered into a contract for the purchase and sale of desalinated water with Cleanairtech Sudamérica S.A. according to which the latter undertakes to produce, sell and deliver a maximum of 200 lt./sec. of desalinated water to Cerro Negro Norte. The contract term is 20 years (extendable) from the first delivery date (2014).

In September 2013, the Company entered into a contract with Tecnocap S.A. to acquire electricity transmission services from Cardones substation to the Cerro Negro Norte and Punta Totoralillo substations, including operating and maintenance services for the Company's electricity transmission line.

In November 2013, the Company signed a contract with Cleanairtech Sudamérica S.A. for the purpose of conducting the desalinated water acquired from the same company for that purpose, to the Magnetite Plant. The contract is for a 20-year term from the date it is put into service, notwithstanding that this term can be extended based on the needs of both parties. This contract began operating in 2014.

In May 2014, the Company entered into a contract with Tecnocap S.A. to provide the Company's electricity transmission line and substations with operating, management and maintenance services.

In November 2019, the Company agreed to grant a loan ("*mutuo*") to related company, Cleanairtech Sudamérica S.A., for the amount of US$ 30 million at a rate of 180 days LIBOR plus 2.5% payable in 28 equal semiannual installments starting in August 2020, with the favorable vote of 99.999808% of the share issued by the Company.

Starting from the semi-annual installment for August 2023 to February 2024, the LIBOR rate has been replaced by the 6-month SOFR (Secured Overnight Financing Rate) published in international media, as agreed upon by the parties. The spread remains at 2.5%.

c. Management and Senior Management

Neither the members of senior management nor other individuals that assume the Company's management, including the general management, shareholders or the individuals or legal entities that they represent, have participated in the Company's non-habitual or relevant transactions in 2023 and 2022.

The Company is managed by a Board of Directors made up of 7 members, who remain in office for a 3-year period (and can be re-elected).

The Company's General Shareholders' Meeting for 2023 was held on April 10, 2023, where the shareholders mainly adopted the following agreements:

i. approval of the Annual Report, balance sheet and Financial Statements and Report of Independent Auditors of CMP for year 2022
ii. renewal of the Board that is composed of Mr.Juan Enrique Rassmuss Raier, Mr. Vicente Irarrázaval Llona, Mrs.Victoria Vásquez García, Julio Bertrand Planella, Mr. Jorge Salvatierra Pacheco, Mr. Tadashi Mizuno, Mr. Takeaki Doi and Francisco Lepeley Contesse, Mr. Roberto de Andraca Adriasola, Mrs. Patricia López Manieu, Mr. Stefan Franken Osorio, Mr. Álvaro Castellón Peña, Mr. Taira Shimizu and Mr. Jaime Andrés González Wenzel.
iii. CMP dividend policy keeps the percentage of profits for distribution unaltered, that is, 75%;
iv. the distribution of a final dividend of 75% of net distributable profits, that is to say, US$ 366,637,092.36;
v. the appointment of EY as Independent Auditors; and
vi. directors' remuneration setting.

d. Remuneration and other benefits

In accordance with the provisions of article 33 of Law No. 18,046 on Public Limited Companies, the Annual Shareholders' Meeting sets the remuneration of the CMP S.A. Board of Directors. In April 2023, the Board set the remuneration of the Board of Directors for the period May from 2023 to April 2024 in 0.5% of the net profits distributable for the year 2023 with a maximum limit of US$200,000 for each director, corresponding to the president in that distribution double what corresponds to each director:

Name	Position	12.31.2023		12.31.2022	
		CMP board of directors MUS$	Board of directors of subsidiaries MUS$	CMP board of directors MUS$	Board of directors of subsidiaries MUS$
Vicente irarrazaval Llona	Chairman	391	-	212	-
Juan Rassmuss Rainer	Director	149	-	244	-
Patricia Nuñez F (7)	Director	49	-	-	-
Hernan Menares D (7)	Director	44	-	-	-
Victoria Vásquez Garcia (6)	Director	145	-	178	-
Jorge Salvatierra Pacheco (3)	Director	159	-	29	-
Nicolás Burr Garcia (5)	Director	-	-	-	-
Tadashi Mizuno	Director	192	-	178	-
Takeaki Doi (3)	Director	192	-	34	-
Marcelo Awad Awad (2)	Director	-	-	134	-
Julio Bertrand Planella (1-4)	Director	-	-	-	-
Angel Milano Rodriguez (2)	Director	-	-	144	-
Total		1,321	-	1,153	-

(1) As of December 31, 2022, and 2021, the directors waived the aforementioned remuneration.
(2) His term as director ceased on April 11, 2022.
(3) His start as director on April 11, 2022.
(4) His term as director ceased on July 05, 2022
(5) Begins as Director on September 20, 2022 waives receiving the adorementioned allowance
(6) His term as director ceased on April 10, 2023
(7) His start as director on April 10, 2023.

The remuneration of key management employees amounted to ThUS$ 3,938 and ThUS$ 3,575 for the periods ended December 31, 2023 and 2022, respectively. The Company does not have any other incentive plans for Directors or key executives. However, Management can grant benefits to some key executives based on profits for the year on a discretionary basis.

For the 2023, the positions included in the calculation of the amounts referred to in the previous paragraph correspond to 11 Managers, 6 Assistant Managers and 1 Branch Manager. For the year 2022, the amount corresponded to 9 Managers, 6 Assistant Managers and 1 Branch manager.

9. INVENTORY

a. Inventory is detailed as follows:

	Total current	
	12.31.12023	12.31.2022
	ThUS$	ThUS$
Mining products	61,516	43,701
Raw Materials	183,135	153,404
Materials	134,977	123,448
Provision of obsolescence	(33,534)	(33,439)
Total	346,094	287,114

The Company and Subsidiaries' Management estimate that inventory will be realized within one year.

b. Inventory cost recognized in Income

Inventory items recognized as an operating cost expense during the periods ended December 31, 2023 and, 2022, respectively, are detailed as follows:

	Accumulated	
	01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Finished products	1,046,104	988,217
Total	1,046,104	988,217

Inventory cost includes depreciation for the year.

10. CURRENT TAX ASSETS AND LIABILITIES

Current tax assets and liabilities as of December 31, 2023 and 2022, are detailed as follows:

Assets

	Current	
	12.31.2023	12.31.2022
	ThUS$	ThUS$
VAT credit and other recoverable taxes	38,226	13,946
Remaining fical credit subsidiaries	835	-
Income tax from subsidiaries	-	140
Total	39,061	14,086

Liabilities:

	Current	
	12.31.2023	12.31.2022
	ThUS$	ThUS$
Income tax	339	-
Income tax from subsidiaries	11	-
Total	350	-

11. OTHER NON-FINANCIAL ASSETS, CURRENT AND NON-CURRENT

As of December 31, 2023 and 2022, other current and non-current non-financial assets are detailed as follows:

	Total current		Total No current	
	12.31.2023	12.31.2022	12.31.2023	12.31.2022
	ThUS$	ThUS$	ThUS$	ThUS$
Remaining tax credit	18,436	25,260	-	-
Insurance	6,237	6,039	-	-
Employee bonuses	6,432	7,570	10,214	5,777
Other prepaid expenses	6,374	2,472	518	-
Electrical Contract	16,721	-	50,163	-
Total	54,200	41,341	60,895	5,777

12. INVESTMENTS IN SUBSIDIARIES

a. On May 25, 2009, the productive activities of the subsidiary Manganesos Atacama S.A. were halted. In 2023, a decision will be made regarding the future of this subsidiary. The value of its assets represents the historical cost as of the date of stoppage, which does not exceed the recoverable amount of the assets.

b. These Consolidated Financial Statements include the Financial Statements of the Company and its subsidiaries. As of December 31, 2023 and 2022, information for subsidiaries is detailed as follows.

Company	12.31.2023 Current assets ThUS$	Non-current assets ThUS$	Current liabilities ThUS$	Non-current liabilities ThUS$	Revenue ThUS$	Net profit (loss) ThUS$
Imopac Ltda.	7,821	14,664	7,110	713	29,397	4,256
CMP Services Asia Ltd.	562	-	140	-	767	337
Manganesos Atacama S.A.	1,129	5,638	969	2,402	-	(465)
	9,512	20,302	8,219	3,115	30,164	4,128

Company	12.31.2022 Current assets ThUS$	Non-current assets ThUS$	Current liabilities ThUS$	Non-current liabilities ThUS$	Revenue ThUS$	Net profit (loss) ThUS$
Imopac Ltda.	6,570	10,957	3,781	-	27,300	3,242
CMP Services Asia Ltd.	148	-	63	-	892	36
Manganesos Atacama S.A.	1,014	5,642	430	2,418	-	(645)
	7,732	16,599	4,274	2,418	28,192	2,633

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Company	Number of shares	Ownership %	Balace as of 01.01.2023	Additions	Derecognition	Profit share for the year	Dividends	Equity reserve	Total as of 12.31.2023
		12.31.2023	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Tecnocap S.A.	4,000	0.03658	15	-	-	2	-	-	17
Soc. Minera El Aguila SpA	877,678	20.00	640	-	-	(99)	-	-	541
		Total	**655**	-	-	**(97)**	-	-	**558**

As of December 31, 2023 and 2022, the main investments in associates accounted for using the equity method are detailed as follows:

Company	Number of shares	Ownership %	Balace as of 01.01.2022	Additions	Derecognition	Profit share for the year	Dividends	Equity reserve	Total as of 12.31.2022
		12.31.2022	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Tecnocap S.A.	4,000	0.03658	16	-	-	2	-	-	18
Soc. Minera El Aguila SpA	877,678	20.00	714	-	-	(74)	-	-	640
		Total	**730**	-	-	**(72)**	-	-	**658**

On May 20, 2015, CMP Productora SpA was incorporated. Its main corporate purposes are the exploration and development of mining projects, mining operations, ore processing, smelting and refining, and the purchase and sale of mining-related assets. The sole shareholder of CMP Productora SpA is Compañía Minera del Pacífico S.A. (100.00% of stock capital), which exercises administrative and financial control of this company.

The Extraordinary Shareholders Meeting of CMP Productora SpA held on August 27, 2015, approved its merger by absorption with Sociedad Minera El Aguila SpA. As a result, CMP Productora SpA was dissolved. Compañía Minera del Pacífico S.A. acquired 17.5% of the stock capital of Sociedad Minera El Aguila SpA under a stock exchange agreement.

In 2016, the Company acquired additional shares of Sociedad Minera El Aguila SpA for ThUS$ 1,500, equivalent to 2.5% of its total stock capital.

14. INTANGIBLE ASSETS

a. Intangible assets other than goodwill are detailed as follows:

	12.31.2023				
	Owner	**Residual Term**	**Gross value**	**Accumulated amortization/ impairment**	**Net value**
			ThUS$	ThUS$	ThUS$
Mining rights	CMP S.A.	12-2042	957,255	(402,595)	554,660
Water rights	CMP S.A.	12-2030	2,681	(528)	2,153
Software license	CMP S.A.	04-2023	456	(456)	-
Easements	CMP S.A.	12-2030	1,041	(718)	323
Total			961,433	(404,297)	557,136

	12.31.2022				
	Owner	**Residual Term**	**Gross value**	**Accumulated amortization/ impairment**	**Net value**
			ThUS$	ThUS$	ThUS$
Mining rights	CMP S.A.	12-2042	957,255	(377,363)	579,892
Water rights	CMP S.A.	12-2030	2,681	(490)	2,191
Software license	CMP S.A.	04-2023	456	(456)	-
Easements	CMP S.A.	12-2030	1,041	(671)	370
Total			961,433	(378,980)	582,453

In 2010, there was an addition in the amount of ThUS$957,255 which corresponded mainly to the incorporation of mining properties that belonged to Compañía Minera Huasco S.A. and which as indicated in Note 1, were acquired by the Company through its merger with Compañía Minera Huasco S.A. The values were obtained from the fair value determination report of Compañía Minera Huasco S.A. as of April 30, 2010, prepared by Jorge Quiroz C. Consultores Asociados S.A.

- A monthly amortization of mining property is carried out based on the monthly supply of ore delivered to the processing Plant. Under the current production estimates, the aforementioned monthly delivery will last until the year 2042.

- The amortization of water rights and easements is carried out in equal monthly quotas, calculated on the basis of the useful life of the assets they supply until 2030.

The Company does not have any restrictions or guarantees on its intangible assets, neither has it assumed any commitments for the acquisition of new intangibles. As of December 31, 2023, and 2022 there are no fully amortized intangible asset that are still in use.

15. PROPERTY, PLANT AND EQUIPMENT

a. Composition:

As of December 31, 2023 and 2022 of each period, the composition of property, plant and equipment, at net and gross values is detailed as follows:

Property, plant and equipment, net	**12.31.2023**	**12.31.2022**
	ThUS$	**ThUS$**
Work in progress	980,347	828,033
Plots of land	33,758	33,758
Constructions and infrastructure	144,378	152,446
Plant, machinery and equipment	1,408,570	1,400,011
Mine development	363,753	383,727
Motor vehicles	783	803
Other property, plant and equipment	164,691	68,905
Total property, plant and equipment	**3,096,280**	**2,867,683**

Property, plant and equipment, gross	**12.31.2023**	**12.31.2022**
	ThUS$	**ThUS$**
Work in progress	980,347	828,033
Plots of land	33,758	33,758
Constructions and infrastructure	467,956	467,956
Plant, machinery and equipment	2,565,651	2,420,276
Furniture and office machines	11	11

Mine development	781,583	772,796
Motor vehicles	2,856	2,856
Other property, plant and equipment	414,435	264,368
Total property, plant and equipment	**5,246.597**	**4,790,054**

Capitalized interest costs for the year ended December 31, 2023 amounted to ThUS$14,178 and the annual capitalization rate was of 3,22%

As of December 31, 2023 and 2022, accumulated depreciation, at net and gross values is detailed as follows:

Accumulated depreciation	**12.31.2023**	**12.31.2022**
	ThUS$	**ThUS$**
Constructions and infrastructure	323,578	315,510
Plant, machinery and equipment	1,157,081	1,020,265
Furniture and office machines	11	11
Mine development	417,830	389,069
Motor vehicles	2,073	2,053
Other property, plant and equipment	249,744	195,463
Total property, plant and equipment	**2,150,317**	**1,922,371**

b. Accounting changes

As of December 31, 2023 and 2022, the accounting movements of net property, plant and equipment are detailed as follows:

As of December 31, 2023

	Constructions in progress	Plots of land	Constructions and infrastructure	Plant, machinery and equipment	Motor vehicles	Mining properties	Other	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Beginning balance as of 01.01.2023	828,033	33,758	152,446	1,400,011	803	383,727	68,905	2,867,683
Additions (derecognitions)	152,314	-	-	174,624	-	8,787	123,795	459,520
Depreciation	-	-	(8,068)	(138,830)	(20)	(28,761)	(52,267)	(227,946)
Other increase (decrease)	-	-	-	(27,235)	-	-	24,258	(2,977)
Ending balance as of 12.31.2023	**980,347**	**33,758**	**144,378**	**1,408,570**	**783**	**363,753**	**164,691**	**3,096,280**

As of December 31, 2022

	Constructions in progress	Plots of land	Constructions and infrastructure	Plant, machinery and equipment	Motor vehicles	Mining properties	Other	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Beginning balance as of 01.01.2022	569,713	31,737	160,514	1,380,025	838	394,108	115,382	2,652,317
Additions (derecognitions)	258,320	2,021	-	125,609	-	16,454	1,991	404,395
Decrease			-	(552)	-	-	-	(552)
Depreciation	-	-	(8,068)	(97,573)	(35)	(26,835)	(46,722)	(179,233)
Other increase (decrease)	-	-		(7,498)	-	-	(1,746)	(9,244)
Ending balance as of 12.31.2022	**828,033**	**33,758**	**152,446**	**1,400,011**	**803**	**383,727**	**68,905**	**2,867,683**

c. Additional Information

i. Property and buildings measured at fair value

As part of the process of first-time adoption of IFRS, the Group decided to measure certain land assets at fair value as attributed cost as of the date of transition, January 1, 2009. Land fair values amounted to ThUS$30,772. Those values were determined by an external specialist in the industry in which the Group operates.

ii. Works in progress

As of December 31, 2023 and 2022, construction in progress amounts to ThUS$ 980,347 and ThUS$ 828,033, respectively, and these amounts are directly associated with the Company's operating activities, among others, acquisition of equipment and buildings.

iii. Dismantling and restoration costing policy

- An obligation to incur dismantling and restoration costs arises when an alteration caused by site preparation and/or work is being carried out which affects the environment. These costs are estimated at the beginning of a project based on mine closure planning and are subject to formal review on a regular basis.
- Estimated dismantling and restoration costs are updated at present value andincorporated into Property, Plant and Equipment as a provision. Dismantling costs and depreciation are debited to Income during the life of the work as part of operating costs. The provision for dismantling costs is used at the time of dismantling.
- Restoration costs are estimated at present value at the beginning of the work. A provision for restoration costs is credited to Income and used when restoration expenses are incurred.

Provision updates that are due to the effect of time passing or the discount rate are recognized as financial expenses.

Management's professional judgment and experience are used when estimating dismantling and restoration costs, with the help of external and internal experts.

As of December 31, 2023, all the closing plans of sites that are in operation have been approved by the National Department of Geology and Mining (*Servicio Nacional de Geología y Minería*", in compliance with the provisions of Law No. 20.551 dated 2011, which regulates Closure of Mining Sites and Facilities.

iv. Insurance

The Company has taken out insurance to adequately cover the risks to which items of Property, Plant and Equipment are subject, as well as general liability insurance, and said policies sufficiently covers the risk to which they are submitted.

v. Mine development

The item "Mine Development" includes costs related to earthmoving and the extraction of sterile soil incurred during the development stage of a mining project, prior to exploitation. Its depreciation is calculated based on the monthly supply of ore delivered to the processing Plants.

vi. Depreciation cost

Until December 31, 2018, depreciation was calculated on a straight-line basis over the useful lives of the assets. As explained in Note 3, on January 1, 2019, the depreciation calculation method for certain PP&E assets was changed to one based on productive units.

The useful lives of PP&E assets have been determined based on expected natural impairment, technical or commercial obsolescence derived from changes and/or improvements to production and changes to market demand of the products obtained from the operation of these PP&E assets.

The estimated useful lives, by type of PP&E asset, are detailed as follows:

	Minimum useful life (years)	Maximum useful life (years)	Weighted average useful life (years)
Buildings	20	61	36
Plant and equipment	2	61	29
IT equipment	1	5	3
Motor vehicles	3	6	4
Other property, plant and equipment	1	8	6
Mine development	14	16	15

The residual value and useful life of the assets are reviewed and adjusted, if necessary, at each closing date of the Financial Statements.

Depreciation of PP&E credited to Income, which are included in Operating Costs and Administrative Expenses, are detailed as follows:

Depreciation recognized in the Statement of Comprehensive Income

	Accumulated	
	01.01.2023 12.31.2023 ThUS$	**01.01.2022 12.31.2022 ThUS$**
In Operating costs	222,368	173,967
In Administrative and sales expenses	2,598	3,424
In Other expenses by function	2,980	1,842
Total	227,946	179,233

Regarding the "Mine Development" item, its amortization is determined based on the proportion of monthly mineral provided to the Plants. As of December 31, 2023, and 2022, operating costs of ThUS$ 28,761 and ThUS$ 26,835 have been recorded in the income statement for this concept, respectively. The recognized amounts are recorded under operating costs in the amortization expense account.

16. INCOME TAX AND DEFERRED TAXES

a. In the periods ended December 31, 2023 and 2022, income taxes recognized in income are detailed as follows.

	Accumulated	
	01.01.2023 12.31.2023 ThUS$	**01.01.2022 12.31.2022** ThUS$
Current tax income (expense)	(150,548)	(188,129)
Specific tax on mining	(29,522)	(34,261)
Other current tax income (expenses)	(622)	(540)
Total current tax income (expense), net	(180,692)	(222,930)
Income (expense) from deferred taxes		
Income (expense) from deferred taxes relating to the creation and reversal of temporary differences	-	-
Income (expense) from deferred taxes arising from the PP&E temporary difference	(16,968)	11,829
Total income (expense) from deferred taxes, net	(16,968)	11,829
Total income (expense) from income tax	(197,660)	(211,101)

b. Reconciliation of accounting income and tax income

A reconciliation of the statutory tax rate in force in Chile and the effective tax rate is detailed as follows:

	Accumulated	
	01.01.2023 12.31.2023 ThUS$	**01.01.2022 12.31.2022 ThUS$**
Profite (loss) for the year before taxes	598,049	690,693
Legal tax rate	27.0%	27.0%
Tax Benefit (expense) using the legal rate	(161,473)	(186,487)
Share in profito f associates accounted for using the equity method	26	19
Effect of mining tax	(29,522)	(34,261)
Effect to temporary difference of mining tax	(11,514)	1,411
Provisional payments earnings	-	-
Other increase (decrease) in legal tax charge	4.823	8,217
Total adjustment to tax expense usin the legal rate	(36,187)	(24,614)
Tax benefit (expense) using the effective rate	(197,660)	(211,101)
Legal tax rate	27.0	27.0
Effect og non-deductible tax expenses on tax rate (%)	4.9	5.0
Other increase (decrease) in legal tax carge %	1.1	(1.4)
Total adjustment to the legal tax rate (%)	6.0	3.6
Effective tax rate (%)	33.0	30.6

The tax rate used for reconciliation as of December 31, 2023, is the corporate tax rate of 27%, which entities must pay on their taxable income under current tax legislation. The specific mining tax applied as of December 31, 2023, was 5.00%.
Regarding the increase in the specific mining tax provided for in Law No. 20.469, which establishes that Chilean companies such as the Company can apply a system of tax invariability similar to that of DL600 on Foreign Investment statutes. The Company decided not to opt for the Tax invariability system permitted by the mentioned law.

c. Deferred taxes

As of December 31, 2023 and 2022, accumulated balances of deferred tax assets and liabilities are detailed as follows:

Recognized deferred tax assets related to:	**12.31.2023 ThUS$**	**12.31.2022 ThUS$**
Vacation provision	6,533	5,345
Provision for seniority premium	1,336	1,402
Provisions	90,660	84,809
Others	-	-
Total deferred tax assets	98,529	91,556

Recognized deferred tax liabilities related to:

	12.31.2023 ThUS$	12.31.2022 ThUS$
Intangible assets	169,815	177,531
Manufacturing expenses	1,594	1,129
Depreciation of PP&E	235,182	201,288
Leased assets	4,151	7,684
Prepaid expenses	5,787	4,097
Others	2,455	3,476
Total deferred tax liabilities	418,984	395,205
Total net	(320,455)	(303,649)
Deferred taxes are presented in the balance sheet as follows:		
In Non-current assets	2,713	2,120
In Non-current liabilities	(323,168)	(305,769)
Net	(320,455)	(303,649)

d. Changes in deferred taxes

Deferred tax assets (liabilities) have experienced the following changes:

Changes in deferred tax liabilities

	12.31.2023 ThUS$	12.31.2022 ThUS$
Deferred tax assets (liabilities), beginning balance	(303,649)	(317,833)
Effect on Profit (loss)	(16,806)	14,184
Effect on Other comprehensive income	-	-
Total changes in deferred tax assets (liabilities)	(16,806)	14,184
Deferred tax assets (liabilities), final balance	(320,455)	(303,649)

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17. OTHER FINANCIAL LIABILITIES

As of December 31, 2023 and 2022, other financial liabilities are detailed as follows:

a) Obligations with financial entities:

	12.31.2023 ThUS$	12.31.2022 ThUS$
Current		
Loans from financial institutions	358,280	243,000
Total	358,280	243,000

	12.31.2023 ThUS$	12.31.2022 ThUS$
Non-Current		
Loans from financial institutions	459,141	-
Total	459,141	-
Total	744,421	243,000

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b. Obligations with financial entities, maturities and currency

i. The currency and maturities of bank loans and finance lease obligations are detailed asfollows:

As of December 31,2023

Current Period

Debtor Company`s Taxpayer ID No.	Debtor Company	Country	Creditor Entity`s Taxpayer ID No.	Creditor Entity	Country	Currency	Nominal Interest Rate	Type of Int. Rate	Effective Interest Rate	Method of payment	12.31.2023 Currente: Less than 90 days	More than 90 day	Total Current	No-current: More than 1 year up to 2 years	More than 2 year up to 3 years	More than 3 year up to 4 years	More than 4 year up to 5 years	More than 5 year up	Total non-current
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.88%	Fixed	6.88%	Annual	30.785	-	30.785	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.09%	Fixed	6.09%	Annual	51.345	-	51.345	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.45%	Fixed	6.45%	Annual	41.018	-	41.018	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-k	Itau	Chile	USD	6.66%	Fixed	6.66%	Annual	40.548	-	40.548	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.78%	Fixed	6.78%	Annual	35.725	-	35.725	-	-	-	-	-	-
94.638.000-8	CMP	Chile	96.836.390-5	Estado	Chile	USD	6.92%	Fixed	6.92%	Annual	30.628	-	30.628	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-k	Itau	Chile	USD	6.71%	Fixed	6.71%	Annual	-	10.147	10.147	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.47%	Fixed	6.47%	Annual	-	20.913	20.913	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.004.000-5	Banco de Chile	Chile	USD	6.85%	Fixed	6.85%	Annual	-	50.704	50.704	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.40%	Fixed	6.40%	Annual	-	50.418	50.418	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.004.000-5	Banco de Chile	Chile	USD	6.67%	Fixed	6.67%	Annual	-	20.137	20.137	-	-	-	-	-	-
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.26%	Fixed	11.26%	Annual	-	1.046	1.046	-	-	-	-	-	-
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.88%	Fixed	11.88%	Annual	1.023	-	1.023	-	-	-	-	-	-
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.64%	Fixed	11.64%	Annual	-	843	843	-	-	-	-	-	-
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.21%	Fixed	7.21%	Biannual	-	-	-	70.028	-	-	-	-	70.028
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.45%	Fixed	7.45%	Biannual	-	-	-	-	134.250	-	-	-	134.250
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.49%	Fixed	7.49%	Biannual	-	-	-	-	76.171	-	-	-	76.171
94.638.000-8	CMP	Chile	O-E	BCI Miami	USA	USD	7.46%	Fixed	7.46%	Biannual	-	-	-	2.781	4.900	4.900	4.900	-	17.481
94.638.000-8	CMP	Chile	O-E	BLADEX	Panama	USD	6.91%	Fixed	6.91%	Biannual	-	-	-	50.720	-	-	-	-	50.720
94.638.000-8	CMP	Chile	O-E	SuMi Trust	USA	USD	6.84%	Fixed	6.84%	Biannual	-	-	-	-	30.427				30.427
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.22%	Fixed	7.22%	Biannual	-	-	-	-	80.064				80.064
										Total	**231.072**	**154.208**	**385.280**	**123.529**	**325.812**	**4.900**	**4.900**	-	**459.141**

As of December 31, 2022

Prior Period

Debtor Company´s Taxpayer ID No.	Debtor Company	Country	Creditor Entity´s Taxpayer ID No.	Creditor Entity	Country	Currency	Nominal Interest Rate	Type of Int. Rate	Effective Interest Rate	Method of payment	12.31.2022 Currente: Less than 90 days	More than 90 day	Total Current	No-current: More than 1 year up to 2 years	More than 2 year up to 3 years	More than 3 year up to 4 years	More than 4 year up to 5 years	More than 5 year up	Total non-current
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	3.52%	Fixed	3.52%	Annual	50.743	-	50.743	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-K	Banco Chile	Chile	USD	3.81%	Fixed	3.81%	Annual	50.804	-	50.804	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.030.007-7	Banco Estado	Chile	USD	4.56%	Fixed	4.56%	Annual	30.365	-	30.365	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.004.000-5	Banco Chile	Chile	USD	5.07%	Fixed	5.07%	Annual	-	50.472	50.472	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	5.81%	Fixed	5.81%	Annual	-	20.216	20.216	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-K	Itaú	Chile	USD	5.37%	Fixed	5.37%	Annual	-	40.400	40.400	-	-	-	-	-	-
										Total	**101.547**	**111.088**	**243.000**	-	-	-	-	-	-

ii. The undiscounted amounts owed (or estimated future cash flows to be disbursed by theGroup) from obligations with financial entities are detailed as follows:

As of December 31,2023

Current Period

Debtor Company´s Taxpayer ID No.	Debtor Company	Country	Creditor Entity´s Taxpayer ID No.	Creditor Entity	Country	Currency	Nominal Interest Rate	Type of Int. Rate	Effective Interest Rate	Method of payment	12.31.2023 Currente: Less than 90 days	More than 90 day	Total Current	No-current: More than 1 year up to 2 years	More than 2 year up to 3 years	More than 3 year up to 4 years	More than 4 year up to 5 years	More than 5 year up	Total non-current
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.88%	Fixed	6.88%	Annual	30.785	-	30.785	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.09%	Fixed	6.09%	Annual	51.345	-	51.345	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.45%	Fixed	6.45%	Annual	41.290	-	41.290	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-k	Itau	Chile	USD	6.66%	Fixed	6.66%	Annual	40.888	-	40.888	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.78%	Fixed	6.78%	Annual	36.173	-	36.173	-	-	-	-	-	-
94.638.000-8	CMP	Chile	96.836.390-5	Estado	Chile	USD	6.92%	Fixed	6.92%	Annual	31.038	-	31.038	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-k	Itau	Chile	USD	6.71%	Fixed	6.71%	Annual	-	10.336	10.336	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	6.47%	Fixed	6.47%	Annual	-	21.294	21.294	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.004.000-5	Banco de Chile	Chile	USD	6.85%	Fixed	6.85%	Annual	-	51.713	51.713	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	6.40%	Fixed	6.40%	Annual	-	51.582	51.582	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.004.000-5	Banco de Chile	Chile	USD	6.67%	Fixed	6.67%	Annual	-	20.667	20.667	-	-	-	-	-	-
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.26%	Fixed	11.26%	Annual	-	1.021	1.021	-	-	-	-	-	-
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.88%	Fixed	11.88%	Annual	1.044	-	1.044	-	-	-	-	-	-
94.638.000-8	IMOP	Chile	97.006.000-6	BCI	Chile	CLP	11.64%	Fixed	11.64%	Annual	-	843	843	-	-	-	-	-	-
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.21%	Fixed	7.21%	Biannual	-	-	-	72.552	-	-	-	-	72.552
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.45%	Fixed	7.45%	Biannual	-	-	-	-	139.819	-	-	-	139.819
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.49%	Fixed	7.49%	Biannual	-	-	-	-	77.857	-	-	-	77.857
94.638.000-8	CMP	Chile	O-E	BCI Miami	USA	USD	7.46%	Fixed	7.46%	Biannual	-	-	-	2.780	6.951	6.951	6.951	-	23.633
94.638.000-8	CMP	Chile	O-E	BLADEX	Panama	USD	6.91%	Fixed	6.91%	Biannual	-	-	-	51.709	-	-	-	-	51.709
94.638.000-8	CMP	Chile	O-E	SuMi Trust	USA	USD	6.84%	Fixed	6.84%	Biannual	-	-	-	-	31.009				31.009
94.638.000-8	CMP	Chile	O-E	SMBC NY (RCF)	USA	USD	7.22%	Fixed	7.22%	Biannual	-	-	-	-	82.934				82.934
										Total	**232.563**	**157.456**	**390.019**	**127.041**	**338.570**	**6.951**	**6.951**	-	**479.513**

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As of December 31, 2022

Prior Period

											12.31.2022								
										Currente			No-current					
Debtor Company`s Taxpayer ID No.	Debtor Company	Countr	Creditor Entity`s Taxpayer ID No.	Creditor Entity	Countr	Curren	Nomina Interes Rate	Type of Int. Rat	Effecti Interes Rate	Method of payment	Less than 90 days	More than 90 day	Total Current	More than 1 year up to 2 years	More than 2 year up to 3 years	More than 3 year up to 4 years	More than 4 year up to 5 years	More than 5 year up	Total non-current
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	3.52%	Fixed	3.52%	Annual	50.875	-	50.875	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-K	Banco Chile	Chile	USD	3.81%	Fixed	3.81%	Annual	50.963	-	50.963	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.030.007-7	Banco Estado	Chile	USD	4.56%	Fixed	4.56%	Annual	30.680	-	30.680	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.004.000-5	Banco Chile	Chile	USD	5.07%	Fixed	5.07%	Annual	-	51.253	51.253	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.018.000-1	Scotiabank	Chile	USD	5.81%	Fixed	5.81%	Annual	-	20.575	20.575	-	-	-	-	-	-
94.638.000-8	CMP	Chile	76.645.030-K	Itaú	Chile	USD	5.37%	Fixed	5.37%	Annual	-	41.063	41.063	-	-	-	-	-	-
										Total	**132.518**	**112.891**	**245.409**	-	-	-	-	-	-

c. Additional information regarding bank loans

The company had an open bank financing line (Syndicated Loan) led by MUFG Bank, Ltd., New York, which was not utilized during the first half of the year 2022.

On September 15, 2022, the same original bank financing line with MUFG Bank Ltd was modified and a new Syndicated Loan entered into force with Sumitomo Mitsui Banking Corporation (as Agent Bank), HSBC Bank USA, National Association, MUFG Bank Ltd., Banco Santander, S.A., Bank of China Limited (Panama Branch), BNP Paribas, Export Development Canada, Banco Latinoamericano de Comercio Exterior S.A., and China Construction Bank, Agency in Chile.

This new syndicated loan is aimed at funding working capital, investments, and exports, and is not secured. The maturity date is September 14, 2026, and the credit line is committed for up to ThUS$ 375,000.

d) Changes to financial liabilities

The following table shows the movement of current and non-current financial liabilities:

As of December 31, 2023

Liabilities arising from financing activities	Balance as of 1/1/2023	Financing cash flows			Changes that do not represent cash flows						Balance as of 12/31/2023
		Arising from	Used	Total	Adquisition of subsidiaries	Sales of subsidiaries	Changes in fair value	Exchange difference	New finance leases	Other changes	
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Bank loans (Note 18)	243,000	1,538,150	(951,000)	587,150	-	-	-	-	-	14,271	844,421
Financial lease liabilities	39,722	-	(8,863)	(8,863)	-	-	-	-	-	-	30,859
Total	**282,722**	1,538,150	**(959,863)**	**578,287**	-	-	-	-	-	**14,271**	**875,280**

As of December 31, 2022:

Liabilities arising from financing activities	Balance as of 1/1/2022	Financing cash flows			Changes that do not represent cash flows						Balance as of 12/31/2022
		Arising from	Used	Total	Acquisition of subsidiaries	Sales of subsidiaries	Changes in fair value	Exchange difference	New finance leases	Other changes	
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Bank loans (Note 18)	44,206	240,000	-	240,000	-	-	-	-	(44,206)	3,000	243,000
Total	**44,206**	**240,000**	-	**240,000**	-	-	-	-	**(44,206)**	**3,000**	**243.000**

18. RIGHT OF USE ASSETS AND LEASE LIABILITIES

As lessee, the Company recognizes right of use assets associated to service agreements with the purpose of developing the activities of our business, which are classified as Right of use assets; it also recognizes the lease liability.

Rights of use

Reconciliation of changes in right of use assets as of December 31, 2023, net value	Plant, machinery & equipment ThUS$	Total ThUS$
Beginning balance as of 01.01.2023	76,437	76,437
Aditions	4,698	4,698
Amortization expense	(13,072)	(13,072)
Ending balance as of 12.31.2023	**68,063**	**68,063**

Reconciliation of changes in right of use assets as of December 31, 2022, net value	Plant, machinery & equipment ThUS$	Total ThUS$
Beginning balance as of 01.01.2022	58,743	58,743
Aditions	46,266	46,266
Amortization expense	(28,572)	(28,572)
Ending balance as of 12.31.2022	**76,437**	**76,437**

Lease liabilities, current and non-current

	Current		Non-Current	
	12.31.2023 ThUS$	**12.31.2022 ThUS$**	**12.31.2023 ThUS$**	**12.31.2022 ThUS$**
Finance lease	9,666	9,666	21,193	30,056
Other lease liabilities	3,921	3,194	18,020	17,431
Total	**13,587**	**12,860**	**39,213**	**47,487**

LEASES, ACCOUNTING VALUE MATURITIES

As of December 31,2023

Current Period

Debtor Company`s Taxpayer ID No.	Debtor Company	Countr	Creditor Entity`s Taxpayer ID No.	Creditor Entity	Countr	Curren	Nomina Interes Rate	Type of Int. Rat	Effecti Interes Rate	Method of payment	12.31.2023 Currente: Less th 90 days	More than 90 day	Total Current	No-current: More than 1 year up to 2 years	More than 2 year up to 3 years	More than 3 year up to 4 years	More than 4 year up to 5 years	More than 5 year up	Total non-current
94.638.000-8	CMP	Chile	96.545.600-7	Empresa de Transporte Ferroviario	Chile	USD	2.90%	Fixed	2.90%	Monthly	787	2.360	3.147	2.839	2.839	2.839	2.839	2.839	14.195
94.638.000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	3.18%	Fixed	3.18%	Monthly	1.211	3.634	4.845	4.265	4.265	1.421	-	-	9.951
94.638.000-8	CMP	Chile	97.006.000-6	Banco Itaú	Chile	USD	2.10%	Fixed	2.10%	Monthly	1.205	3.616	4.821	4.497	4.497	2.248	-	-	11.242
94.638.000-8	CMP	Chile	77.035.862-0	Las Gaviotas SpA	Chile	USD	0,58%	Fixed	0,58%	Monthly	194	580	774	546	546	546	546	1.641	3.825
										Total	**3.397**	**10.190**	**13.587**	**12.147**	**12.147**	**7.054**	**3.385**	**4.480**	**39.213**

As of December 31, 2022

Prior Period

Debtor Company`s Taxpayer ID No.	Debtor Company	Countr	Creditor Entity`s Taxpayer ID No.	Creditor Entity	Countr	Curren	Nomina Interes Rate	Type of Int. Rat	Effecti Interes Rate	Method of payment	12.31.2022 Currente: Less th 90 days	More than 90 day	Total Current	No-current: More than 1 year up to 2 years	More than 2 year up to 3 years	More than 3 year up to 4 years	More than 4 year up to 5 years	More than 5 year up	Total non-current
94.638.000-8	CMP	Chile	96.545.600-7	Empresa de Transporte Ferroviario	Chile	USD	2.90%	Fixed	3.76%	Monthy	726	2.235	2.961	2.851	2.851	2.851	2.851	6.027	17.431
94.638.000-8	CMP	Chile	76.038.566-2	Soc. Rent a Car Copiapo Ltda.	Chile	USD	2.90%	Fixed	14.30%	Monthy	233	-	233	-	-	-	-	-	-
94.638.000-8	CMP	Chile	97.006.000-6	Banco BCI	Chile	USD	3.18%	Fixed	3.18%	Monthy	1.211	3.634	4.845	3.850	3.850	3.850	2.777	-	14.327
94.638.000-8	CMP	Chile	97.006.000-6	Banco Itaú	Chile	UF	2.10%	Fixed	3.18%	Monthy	1.209	3.612	4.821	4.209	4.209	4.209	3.102	-	15.729
										Total	**3.379**	**9.481**	**12.860**	**10.910**	**10.910**	**10.910**	**8.730**	**6.027**	**47.487**

19. TRADE PAYABLES AND OTHER ACCOUNTS PAYABLE

As of December 31, 2023 and 2022, trade and other accounts payable are detailed as follows:

	Current		Non- Current	
	12.31.2023 ThUS$	12.31.2022 ThUS$	12.31.2023 ThUS$	12.31.2022 ThUS$
Trade receivables	260,552	298,179	-	-
Miscellaneous receivables	5,665	5,665	-	-
Advance payments on sale of minerals	-	-	-	-
			-	-
Total	266,217	303,844		

The average payment term of accounts payable to suppliers is 30 days. Therefore, the fair value of trade payables does not significantly differ from their carrying amount.

Trade payables mainly include operating accounts payable and obligations associated with investment projects developed by the Company.

The Company's main creditors and their the total trade payable percentage are detailed as follows:

Current period
12.31.2023

Creditor	Creditor's tax No	Debtor	%	ThUS$
Cia. Contrac. Minera Candelaria	85.272.800-0	CMP	6.78%	17,654
Guacolda Energía S.A.	76.418.918-3	CMP	6.76%	17,603
Promet Montajes Spa	76.543.046-1	CMP	2.55%	6.637
Consorcio Montec-Bueno S.A.	77.044.792-5	CMP	2.19%	5,707
Cía Petróleos de Chile Copec S.A.	99.520.000-7	CMP	1.93%	5,025
Amanecer Solar Spa	76.273.559-8	CMP	1.83%	4,773
Enaex Servicios S.A.	76.041.871-4	CMP	1.24%	3,222
Serv. Explot. Minera Depetris Ltda.	76.963.200-K	CMP	0.86%	2,231
Transelec S.A.	75.555.400-4	CMP	0.81%	2.105
Others		CMP	75.05%	195,595
			100%	260,552

Previous period
12.31.2022

Creditor	Creditor's tax No	Debtor	%	ThUS$
Guacolda Energía S.A.	76.418.918-3	CMP	8.04%	23,970
Enaex Servicios S.A.	76.041.871-4	CMP	1.97%	5,860
Amanecer Solar SpA	76.273.559-8	CMP	0.92%	2,757
CIA.Contract.Minera Candelaria	85.272.800-0	CMP	0.92%	2,743
IP Proyectos Industriales SPA.	76.780.551-9	CMP	0.53%	1,595
LLorente Industrial SA	81.426.700-8	CMP	0.47%	1,389
Soc.Const. y Serv. Dorgambide Ltda	78.962.750-9	CMP	0.44%	1,306
Finning Chile S.A.	91.489.000-4	CMP	0.42%	1,240
Cruz Dávila Ingeniería y Construcción	88.359.600-5	CMP	0.31%	912
Others		CMP	85.98%	256,407
			100%	298,179

Current trade payables, by maturity, are detailed as follows:

Current period

	12.31.2023 ThUS$			
	Goods	Services	Others	Total
Up to 30 days	35,962	17,022	207,568	260,552
Between 31 and 60 days	-	-	-	-
Between 61 and 90 days	-	-	-	-
Between 91 and 120 days	-	-	-	-
Between 121 and 365 days	-	-	-	-
More than 365 days	-	-	-	-
Total	**35,962**	**17,022**	**207,568**	**260,552**

Previous period

	12.31.2022 ThUS$			
	Goods	Services	Others	Total
Up to 30 days	38,747	9,160	250,772	298,179
Between 31 and 60 days	-	-	-	-
Between 61 and 90 days	-	-	-	-
Between 91 and 120 days	-	-	-	-
Between 121 and 365 days	-	-	-	-
More than 365 days	-	-	-	-
Total	**38,747**	**9,160**	**250,772**	**298,179**

20. OTHER PROVISIONS

a. Other provisions are detailed as follows:

Other provisions	Current 12.31.2023 ThUS$	Current 12.31.2022 ThUS$	Non-current 12.31.2023 ThUS$	Non-current 12.31.2022 ThUS$
Provision for restoration and dismantling of PP&E assets	-	-	278,471	264,436
Green tax	1,000	-	-	-
Other provision	5,883	5,933	-	-
Total	6,883	5,933	278,471	264,436

The provision for dismantling and restoration of PP&E assets (ThUS$ 278,471) correspondsto the updated valuation of all mine closure plans for mine sites in operation, which have been approved by the National Geology and Mining Service and comply with the provisions of Law No. 20,551 from 2011.

b. The provision cash-flow schedule is detailed as follows:

Provisions	2024 ThUS$	2025 ThUS$	2026	2027 onwards ThUS$	Total ThUS$
Provision for restoration and dismantling of PP&E assets	-	-	-	278,471	278,471
Other provisions	6,883	-	-	-	6,883
Total	6.883	-	-	278,471	285,354

c. Changes in provisions are detailed as follows:

As of December 31, 2023:

Current	Provision for restoration ThUS$	PP&E asset dismantling ThUS$	Other provisions ThUS$
Beginning balance as of 01.01.2023	-	-	5,933
Additional provisions	-	-	5,751
Provision used	-	-	(5,340)
Increase (decrease) due to foreign exchange	-	-	539
Other increase (decrease)	-	-	-
Final balance as of 12.31.2023	-	-	6,883

Non-current	Provision for restoration ThUS$	PP&E asset dismantling ThUS$	Other provisions ThUS$
Beginning balance as of 01.01.2023	15,113	249,323	-
Additional provisions	200	33,471	-
Provision used	-	(19,636)	-
Increase (decrease) due to foreign exchange	-	-	-
Other increase (decrease)	-	-	-
Final balance as of 12.31.2023	15,313	263,158	-

As of December 31, 2022:

Current	Provision for restoration ThUS$	PP&E asset dismantling ThUS$	Other provisions ThUS$
Beginning balance as of 01.01.2022	-	-	6,784
Additional provisions	-	-	4,992
Provision used	-	-	(5,843)
Increase (decrease) due to foreign exchange	-	-	-
Other increase (decrease)	-	-	-
Final balance as of 12.31.2022	-	-	5,933

Non-current	Provision for restoration ThUS$	PP&E asset dismantling ThUS$	Other provisions ThUS$
Beginning balance as of 01.01.2022	15,063	224,945	-
Additional provisions	50	24,378	-
Provision used	-	-	-
Increase (decrease) due to foreign exchange	-	-	-
Other increase (decrease)	-	-	-
Final balance as of 12.31.2022	15,113	249,323	-

21. OTHER NON-FINANCIAL LIABILITIES, NON-CURRENT

As of December 31, 2023 and 2022, other non-financial liabilities are detailed as follows:

	Non-current 12.31.2023 ThUS$	Non-current 12.31.2022 ThUS$
Others	8	8
Total	8	8

22. EMPLOYEE BENEFIT PROVISIONS

As of December 31, 2023 and 2022, the concepts included in the provision for employee benefits are detailed as follows:

	Current 12.31.2023 ThUS$	Current 12.31.2022 ThUS$	Non-current 12.31.2023 ThUS$	Non-current 12.31.2022 ThUS$
Vacation provision	4,547	4,520	15,372	13,736
Provision for seniority premium	386	306	38,214	30,349
Statutory bonus provision	627	658	3,759	3,942
Other personnel provisions	13,319	12,657	-	-
Total	**18,879**	**18,141**	**57,345**	**48,027**

Changes in employee benefit provisions:

Current	Vacation provision ThUS$	Provision for seniority premium ThUS$	Statutory bonus provision ThUS$	Other personnel provisions ThUS$
Beginning balance as of 01.01.2023	4,520	306	658	12,657
Additional provisions	15,052	2,366	176	27,745
Provision used	(12,928)	(4,022)	(822)	(28,570)
Transfer from the long-term	(1.592)	(1,525)	1,124	-
Increase (decrease) in foreign exchange rate	(505)	3,261	(509)	1,487
Ending balance as of December 31, 2023	**4,547**	**386**	**627**	**13,319**

Non-current	Vacation provision ThUS$	Benefit plan (defined) ThUS$	Provision for seniority premium ThUS$	Other personnel provisions ThUS$
Beginning balance as of 01.01.2023	13,736	30,349	3,942	-
Additional provisions	115	-	-	-
Provision used	-	-	-	-
Transfer from the long-term	1,592	1.525	(1,124)	-
Increase (decrease) in foreign exchange rate	(71)	6.340	941	-
Other increase (decrement)	-	-	-	
Ending balance as of December 31, 2023	**15,372**	**38,214**	**3,759**	**-**

Current	Vacation provision ThUS$	Provision for seniority premium ThUS$	Statutory bonus provision ThUS$	Other personnel provisions ThUS$
Beginning balance as of 01.01.2022	3,096	237	531	15,322
Additional provisions	5,793	1,188	194	21,775
Provision used	(4,363)	(906)	(307)	(23,460)
Transfer from the long-term	(570)	(405)	84	(876)
Increase (decrease) in foreign exchange rate	564	192	156	(104)
Ending balance as of December 31, 2022	**4,520**	**306**	**658**	**12,657**

Non-current	Vacation provision ThUS$	Benefit plan (defined) ThUS$	Provision for seniority premium ThUS$	Other personnel provisions ThUS$
Beginning balance as of 01.01.2022	10,804	23,421	3,179	-
Additional provisions	2,311	5,230	1,079	-
Provision used	-	-	-	-
Transfer from the long-term	570	1,281	(84)	-
Increase (decrease) in foreign exchange rate	51	417	(232)	-
Ending balance as of December 31, 2022	**13,736**	**30,349**	**3,942**	**-**

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The main assumptions used for actuarial calculation purposes are as follows:

Actuarial bases used	December 2022	December 2023
Discount rate	2.30% (Average BCU bond 20 years)	2.44% (Average BCU bond 20 years)
Expected rate of wage increase	1.00%	1.14%
Inflation	3.00%	3.00%
Rotation rate-r voluntary	According to agreement	According to agreement
Rotation rate- dismissal	According to agreement	According to agreement
Retirement Age (1)		
Men	65 age	65 age
Women	60 age	60 age
Disability rate	30% Table Mort 2014	30% Tabla Mort 2020
Mortality Table	CB 2014 / RV 2014	CB 2014 / RV 2014

The actuarial study was prepared by Deloitte Auditores y Consultores Ltda., based on the assumptions provided by the administration.

(1) In the case of mining operations, the estimated closing dates of the projects.

he following is the reconciliation of benefit provision balances post employment:

Movimientos	01.01.2023 12.31.2023	
	Indemnity for years of service ThUS$	**Seniority Award ThUS$**
Initial balance	**30,655**	**4,600**
Cost of service	3,284	154
Financial expenditure	1,585	238
Contributions paid	(4,022)	(822)
Exchange rate differences	(743)	(112)
Subtotal	***30,759***	***4,058***
Actuarial variation	7.841	328
Total	**38,600**	**4,386**

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On the other hand, the effects it would have on the provisions of compensation benefits for years of service (IAS) and for seniority award (PANT) as of December 31, 2023 a change in the discount rate by one percentage point, shows in the following table:

Awareness discount rate in ThUS$						
Year	January – December 2023					
Discount rate	1.44%			3.44%		
Concept	*IAS*	*PANT*	*Total*	*IAS*	*PANT*	*Total*
Obligation at the beginning of the year	30,655	4,600	35,255	30,655	4,600	35,255
Total cost of the result period	3,563	162	3,725	3,041	147	3,188
Benefits paid	(4,022)	(822)	(4,844)	(4,022)	(822)	(4,844)
Financial cost	1,585	518	1,823	1,585	238	1,823
Total Actuarial Variation to Comprehensive Results	10,544	518	11,062	5,486	154	5,640
Financial cost to expenses for change to UF a USD	(743)	(112)	(855)	(743)	(112)	(855)
Obligation at the end of the year	41,582	4,584	46,166	36,002	4,205	40,207

23. FINANCIAL INSTRUMENTS

a) Financial instruments by category, financial assets

The Company's accounting policies related to financial instruments have been applied to the items detailed as follows:

As of 12.31.2023	**Amortized Cost ThUS$**	**Fair value through profit or loss ThUS$**	**Total ThUS$**
Trade and other accounts receivable	288,019	-	288,019
Accounts receivable from related entities	41,711	-	41,711
Cash and cash equivalents	**75,366**	**-**	**75,366**
Cash on hand and in banks	1,252	-	1,252
Term deposits	40,018	-	40,018
Mutual funds	34,096	-	34,096
Total financial assets	405,096	-	405,096

As of 12.31.2022	**Amortized Cost ThUS$**	**Fair value through profit or loss ThUS$**	**Total ThUS$**
Trade and other accounts receivable	284,079	-	284,079
Accounts receivable from related entities	36,821	-	36,821
Cash and cash equivalents	**61,327**	**-**	**61,327**
Cash on hand and in banks	17,859	-	17,859
Term deposits	32,011	-	32,011
Mutual funds	11,457	-	11,457
Total financial assets	382,227		382,227

b) Interest rate and currency risks

The exposure of the Company's financial assets to interest rate and currency risks is detailed as follows:

As of 12.31.2023

	Financial assets					**Financial asset fixed rate**	
	Total ThUS$	**Variable rate ThUS$**	**Fixed rate ThUS$**	**Equity investments ThUS$**	**Interest free ThUS$**	**Average rate %**	**Average term (years)**
USD	374,012	-	71,336	-	302,676	5.33	-
Chilean pesos	31,084	-	-	-	31,084	0,63	-
Total financial assets	405,096	-	71,336	-	333,760		

As of 12.31.2022

	Financial assets					**Financial asset fixed rate**	
	Total ThUS$	**Variable rate ThUS$**	**Fixed rate ThUS$**	**Equity investments ThUS$**	**Interest free ThUS$**	**Average rate %**	**Average term (years)**
USD	338,282	-	51,332	-	286,950	2.59	
Chilean pesos	43,945	-	7,946	-	35,999	0.89	
Total financial assets	382,227	-	59,278	-	322,949		

c) Financial instruments by category, financial liabilities

The Company's accounting policies related to financial instruments have been applied to the items detailed as follows:

Balances as of 12.31.2023	**Amortized Cost ThUS$**	**Total ThUS$**
Trade and other accounts payable	266,217	266,217
Accounts payable to related entities	57,539	57,539
Other financial liabilities	844,421	844,421
Lease liabilities	52,800	52,800

Total financial liabilities	**1,220,977**	**1,220,977**
	Amortized Cost	**Total**
Balances as of 12.31.2022	**ThUS$**	**ThUS$**
Trade and other accounts payable	303,844	303,844
Accounts payable to related entities	373,784	373,784
Other financial liabilities	243,000	243,000
Lease liabilities	60,347	60,347
Total financial liabilities	**980,975**	**980,975**

d) Fair value of assets and liabilities measured at fair value on a regular basis

As of December 31, 2023 and 2022, the Company does not have any financial assets and liabilities measured at fair value.

IFRS 13 Fair value measurement

The Company has applied IFRS 13 *Fair Value Measurement*, which establishes a single guideline for fair value measurement and disclosures. The scope of IFRS 13 is broad. Fair value measurement requirements under IFRS 13 apply to both financial and non-financial instruments for which other IFRS require or allow fair value measurement and disclosures.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, on the main or most advantageous marker, at the measurement date. According to IFRS 13, fair value is a starting price, regardless of whether that price is directly observable or estimated using anothervaluation technique.

e) Interest rate and currency risks

The exposure of the Company's financial liabilities to interest rate and currency risks is detailed as follows:

12.31.2023	**Total**	**Variable rate** ThUS$	**Fixed rate** ThUS$	**Interest free** ThUS$	**Average Rate** ThUS$	**Average term** ThUS$
USD	934,228	-	858,009	76,219	6.81	-
Chilean pesos	286,749	-	21,941	264,808	3.30	-
Total Financial Liabilities	1,220,977	-	879,950	341,027		

12.31.2022	**Total**	**Variable rate** ThUS$	**Fixed rate** ThUS$	**Interest free** ThUS$	**Average Rate** ThUS$	**Average term** ThUS$
USD	736,360	-	282,765	453,595	4.26	-
Chilean pesos	244,615	-	20,625	223,990	1.25	-
Total Financial Liabilities	980,975	-	303,390	677,585		

24. NET EQUITY DISCLOSURE

a. Subscribed and paid-in stock capital and number of shares:

As of December 31, 2023 and 2022, the composition of the Company’s capital is detailed as follows:

Number of shares	**Series**	**Number of subscribed shares**	**Number of paid-in shares**	**Number of voting shares**
	Single	4,694,840	4,694,836	4,694,836

Stock capital	**Series**	**Issued capital** ThUS$	**Paid-in capital** ThUS$
	Single	887,224	887,221

b. Dividend reserves

The Ordinary Shareholders´ Meeting of the Company was held on April 10, 2023 in wich the shareholders agreed to the following:

Maintain the dividends policy, i.e. distribute 75% of distributable profits.

On April 19, June 27 and October 18, 2023, payments of ThUS$ 138,000, ThUS$ 138,000 and ThUS$ 90,637, respectively, were made as part of the distributable net income for the 2022 business year, so the payment was fully materialized. At the same time, in board meeting No. 555 of October 2, 2023, the decision was made to advance the dividend payment resulting from applying the current policy in an estimated result for the year 2023, interim dividends 2023 that were paid on October 18 (ThUS$ 91,129) and December 27 (ThUS$ 169,239). At the close of the 2023 business year, the distributable profit will be determined and any difference, with respect to the final value and the interim dividends already paid, will be settled in April 2024.

c. Net distributable profits

On August 10, 2010, the Company's Board of Directors agreed to exclude the concepts outlined below from Income for the period in order to calculate net distribute profits in accordance with the provisions of the Financial Market Commission's Circular No. 1,983, dated July 30, 2010:

- Income from the fair value of assets and liabilities arising from 50% interest previously held in Compañía Minera Huasco S.A., which is unrealized due to the merger carried out between both companies (see Note 1).

- The effect of deferred taxes associated with the merger mentioned in the previous paragraph.

As of December 31, 2023 and 2022, as described in the previous paragraphs, distributable profits were detailed as follows:

Net distributable profits	**12.31.2023** ThUS$	**12.31.2022** ThUS$
Income for the period	400,391	479,595
Adjustment according to policy :		
Fair value realization	9,288	9,254
Net distributable profits	**409,679**	**488,849**

The fair value profit is realized through the amortization of mining property and the depreciation of PP&E assets remeasured at fair value.

According to the previous paragraph, profit pending realization from CMP's business combination with Compañía Minera Huasco S.A. is detailed as follows:

Non-distributable profit control	**12.31.2022**	**12.31.2023**	
	Effect of the merger CMP-CMH	**Non-distributable profit realized during the period**	**Non-distributable profit to be realized**
Non-distributable profit calculation	**ThUS$**	**ThUS$**	**ThUS$**
Profit from business combination	419,716	-	419,716
Fair value realization	(177,588)	(13,422)	(191,010)
Deferred taxes	6,096	4,134	10,230
Non-distributable profits	248,224	(9,288)	238,936

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d. IFRS first-time adoption adjustments

The Company has ratified a policy of controlling IFRS first-time adoption adjustments separately from the remaining retained earnings and recognizing these adjustments in the item "Retained Earnings (Losses)" of the Statement of Changes to Equity. Thus, the Company controls the realized portion of retained earnings arising from IFRS first-time adoption adjustments.

		12.31.2022		**12.31.2023**	
	First-time adoption adjustments as of 01-01-2009 ThUS$	**Cumulative realized amount** ThUS$	**Amount to be realized** ThUS$	**Amount realized during the year** ThUS$	**Amount to be realized** ThUS$
Unrealized adjustments:					
Property, plant and equipment	2,666	(2,666)	-	-	-
Land appraisal (attributed cost)	27,507	-	27,507	-	27,507
Deferred tax	(5,129)	570	(4,559)	-	(4,559)
Total	25,044	(2,096)	22,948	-	22,948

e. Other reserves

Other reserves for each period are detailed as follows:

	12.31.2023 ThUS$	**12.31.2022** ThUS$
Profit and loss reserves from defined benefit plans	(18,743)	(13,090)
Reserve resulting from an associate's capital increase (Note 14)	1,370	1,370
Translation reserve resulting from business combination	512,500	512,500
CMH's retained earning capitalization	(83,698)	(83,698)
Total	**411,429**	**417,082**

25. NON-CONTROLLING INTERESTS

As of December 31, 2023 and 2022, the effects arising from the participation of third parties in equity by company and the income of subsidiaries as of December 31, 2023 and 2022, are detailed as follows:

	Non-controlling interest		**Non-controlling equity interst**		**Retained earnings share Accumulated**	
Company	**12.31.2023**	**12.31.2022**	**12.31.2023**	**12.31.2022**	**01.01.2023 12.31.2023**	**01.01.2022 12.31.2022**
	%	%	ThUS$	ThUS$	ThUS$	ThUS$
Manganesos Atacama S.A.	0.48083	0.48083	16	18	(2)	(2)
Total			16	18	(2)	(2)

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26. REVENUE

Revenue for the periods ended December 31, 2023 and 2022, is detailed as follows:

	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Revenue from sale of ore	1,803,534	1,711,665
Revenue from sale of pellets	74,988	106,964
Other	17,276	13,963
Total	1,895,798	1,832,592

The breakdown of other income refers to ThUS$ 8,906 for storage and Cu shipment service performed in Puerto Punta Totoralillo, ThUS$ 4,779 associated to wharfage for using our ports and ThUS$ 3,594 associated to the drilling and boring service of the subsidiary IMOPAC.

Revenue recognition schedule

As of December 31, 2023 and 2022, revenue, as per the classification established in IFRS 15 is detailed as follows:

As of December 31, 2023

Recognition	Mining ThUS$	Imopac tda ThUS$	CMP Services Asia ThUS$	Magnesos Atacama S.A. ThUS$	Eliminations ThUS$	Total ThUS$
At a point in time	1,892,207	29,397	767	-	(26,573)	1,895,798
Total	**1,892,207**	**29,397**	**767**	**-**	**(26,573)**	**1,895,798**

As of December 31, 2022

Recognition	Mining ThUS$	Imopac tda ThUS$	CMP Services Asia ThUS$	Magnesos Atacama S.A. ThUS$	Eliminations ThUS$	Total ThUS$
At a point in time	1,831,267	27,300	892	-	(26,867)	1,832,592
Total	**1,831,267**	**27,300**	**892**	**-**	**(26,867)**	**1,832,592**

27. ADMINISTRATIVE EXPENSES

As of December 31, 2023 and 2022, respectively, administrative expenses are detailed as follows:

	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Personnel expenses	26,453	15,638
Services	26,591	25,230
General expenses	11,064	7,483
Depreciation	2,598	3,424
Total	**66,706**	**51,775**

28. OTHER INCOME AND EXPENSES BY FUNCTION

As of December 31, 2023 and 2022, respectively other income and expenses by function are detailed as follows:

Other Income	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Sale of services	3,564	4,579
Sale of materials.	6,501	3,597
Sale of assets	215	-
Dispatch soon	404	223
Isapre return	314	-
Return of insurance policy	214	-
Refund of non-claims bonus	-	370
Claims compensation CAEX CNN	-	1,127
Sale of land – lease of mining property	502	334
Other sale non operational	1,299	1,535
Guacolda claim indemnity	.	12,831
Newcrest Chile SPA Contract clause	-	293
Real vacation day values	-	1,474
Rail way lease	-	858
Supplier balance adjustment	-	244
Mining property rental	-	187
Demurrage on client port	-	167
Territorial tax treasury refund	718	-
Total	13,731	27,819

Expenses by Function	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Non-operational expenses Mining Development	7,315	-
Non-operating expenses Operation Management	2,917	4,438
Obsolescence expenses	6,153	5,293
Demurrage	8,184	6,812
Prior year's adjustment expense	306	-
Adjustments for actual holiday values	-	8,538
Other settings Negatic cortrate Kunza	155	-
Mining patent expenses Loss Guacolda II	-	3,287
Mining Patents	2,116	1,746
Mining/metallurgical studies and projects	-	786
Form N° 22 AT 2022	138	-
Transelec	1,824	-
toll year 2016/2019	-	712
Assets written off	-	552
Reimbursement Soc. Minera El Águila	874	411
Industrial security and emergency expenses	462	-
Expenses P. Olivicola and P. Japanese	304	127
Geology	-	3,080
Exploration	-	884
Other expenses	40	545
Plant Algarrobo and Cristales	-	449
Mining properties	-	347
Project arbitration	-	345
Other expenses	1,119	2,125
Total	**31,907**	**40,477**

29. FINANCIAL INCOME AND FINANCIAL COSTS

As of December 31, 2023 and 2022, financial income and financial costs are detailed as follows:

Financial Income:

	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Investments held to maturity (1)	1,608	1,582
Interest operations in Statement of Income do not Consolidate	1,574	944
Total	**3,182**	**2,526**

(1) "These are investments in mutual funds and term deposits"

	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Investments in mutual funds and term deposits	1,608	1,582
Total	**1,608**	**1,582**

Financial costs:

	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Bank Loan intesest cost	33,037	3,819
Activation of financial expenses in PEP	(14,178)	(1,754)
Financial expenses uddraw fee RCF Sumitomo	1,331	1,896
Financial expenses provision of closing plans	5,049	8,885
Financial expenses	614	245
Financial expenses for early discount letter of credit	463	-
Financial expenses mine closure guarantee policy	542	589
Financial costs IFRS 16 operational	684	785
Financial cost IFRS 16 financing	940	1,149
Financial costo syndicated credit	485	217
Other financial costs	2,127	981
Total	**28,967**	**15,831**

30. DEPRECIATION AND AMORTIZATION

As of December 31, 2023 and 2022, this item is detailed as follows:

	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Depreciation	227,946	179,233
Amortization of Intangibles	25,317	25,263
Amortization of rights of use	13,072	28,572
Total	**266,335**	**233,068**

31. OPERATING SEGMENTS

As of December 31, 2023 and 2022, the following customers represent more than 10% of the Company's revenue:

As of 12.31.2023

Customer	Tax No.	Amount ThUS$	Segment revenue %
Prosperity Steel United Singapore	200305455G	247,158	13.10%

As of 12.31.2022

Customer	Tax No.	Amount ThUS$	Segment revenue %
Prosperity Steel United Singapore	200305455G	232,908	12.70%
POSCO, Corea del Sur	301-87-02315	185,214	11.90%

As of December 31, 2023 and 2022, sales by country are detailed as follows:

As of December 31, 2023

Amount MUS$

Local market	Revenue %	Foreign market	Revenue %	Local	Foreign
Chile	4.9%	China	74.7%	92,264	1,416,317
		Corea	8.6%		163,692
		Barhain	8.4%		159,329
		Japan	2.7%		51,170
		USA	0.7%		13,026

As of December 31, 2022

Local market	Revenue %	Foreign market	Revenue %	Local	Foreign
Chile	6.6%	China	71.7%	120,927	1,314,536
		Corea	10.1%		185,214
		Barhain	5.8%		106,617
		Japon	2.7%		49,379
		USA	1.5%		27,323
		Enmirates	1.3%		23,942
		Australia	0.3%		4,654

32. EMPLOYEE EXPENSES

As of December 31, 2023 and 2022, employee expenses are detailed as follows:

	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Wages and salaries	112,715	87,243
Short-term employee benefits	28,700	31,594
Severance payment	8,254	8,520
Seniority bonus	(115)	74
Other employee expenses	42,925	42,965
Total	**192,479**	**170,396**

33. GUARANTEES COMMITTED WITH THRID PARTIES

a. Direct guarantees

In compliance with Law 20,551, dated 2011, which regulates the closure of mining sites and facilities and its regulation DS 41, dated 2012, on November 11, 2014, the Company presented to the SERNAGEOMIN (*Dirección Nacional del Servicio Nacional de Geología y Minería*) its proposal for valuation of closure activities for all mining facilities. During the second half of 2015, SERNAGEOMIN approved the mentioned closure plans, which must be guaranteed to SERNAGEOMIN in accordance with the procedures defined in the respective regulation.

In order to comply with the law, the Company provided Guarantee Bonds for a total of UF 5.397.672, equivalent to ThUS$ 226,397 valued as of December 31, 2023. Those instruments are included in Category A.1, and all were issued by banks and insurance companies domiciled in Chile.

As of December 31, 2023 the guarantees established are detailed as follows:

				Guarantees					Guarantee release
Creditor of the guarantee	Guarantor	Date of issue	Maturity date	Type of guarantee	Currency	Carrying amount ThUS$	12.31.2023 ThUS$	2022 ThUS$	2023 and more ThUS$
Sernageomin	CMP S.A. Minas El Romeral y Puerto de Guayacan	01-09-2023	01-09-2024	Bill guarantee	UF	19,124	19,124	-	19,124
Sernageomin	CMP S.A. El Algarrobo	03-21-2023	02-21-2024	Bill guarantee	UF	17,496	17,496	-	17,496
Sernageomin	CMP S.A. Planta de Pellets	02-13-2023	02-13-2024	Bill guarantee	UF	29,677	29,677	-	29,677
Sernageomin	CMP S.A. Minas Los Colorados	01-31-2023	01-31-2024	Bill guarantee	UF	28,677	28,677	-	28,677
Sernageomin	CMP S.A Pleito	03-19-2023	03-19-2024	Bill guarantee	UF	576	576	-	576
Sernageomin	CMP S.A. Cerro Negro Los cristales	11-04-2022	11-04-2024	Bill guarantee	UF	1,455	1,455	-	1,455
Sernageomin	CMP S.A. Planta de Magnetita	02-13-2023	02-13-2024	Bill guarantee	UF	5,141	5,141	-	5,141
Sernageomin	CMP S.A. Cerro Negro Norte	01-31-2023	01-31-2024	Bill guarantee	UF	118,022	118,022	-	118,022
Sernageomin	CMP S.A. Puerto Punta Totoralillo	01-31-2023	01-31-2024	Bill guarantee	UF	6,016	6,016	-	6,016
Total						226,397	226,397	-	226,397

The documents provided by the Company are not subject to capital amortization, issue interest rate or purchase interest rate.

b. Indirect guarantees

Guarantee creditor	Debtor		Assets committed			Balances pending		Liberation of guarantee	
	Name	Relationship	Type of guarantee	Currency	Carrying amount ThUS$	12.31.2023 ThUS$	12.31.2022 ThUS$	2023 ThUS$	2023 and following ThUS$
International bond in US$	CAP S.A.	Parent	Solidarity	US$	40,858	40,858	40,858	-	40,858

Compañía Minera del Pacífico S.A. granted a joint and several guarantee to CAP S.A. (its parent company) to support the issuance and placement of an International Bond for ThUS$ 200,000. On September 15, 2011, this International Bond was prepaid but only 66.685% was settled. In 2016, partial recoveries of this Bond were obtained. In 2016, there were also partial redemptions of this Bond, leaving a balance of ThUS$ 40,858, including interest as of December 31, 2022.

On May 27, 2014, an Extraordinary Shareholders' Meeting of the Company agreed to grant a first-grade pledge on transferable securities and a promise of a first-degree pledge on transferable securities under Law 4,287, over the total number of the shares of Tecnocap S.A. held by the Company, in addition to a prohibition to encumber and dispose of those shares. These pledges are intended to guarantee obligations that Tecnocap S.A. will assume in connection with a bank financing agreement.

c) Guaranties obtained from third parties

	Accumulated 12.31.2023 ThUS$	Accumulated 12.31.2022 ThUS$
Securities and notes received from suppliers and contractors to guarantee work and advances	40,025	32,277
Mortgages of employees on mortgage loans and others	15	17
Total	**40,040**	**32,294**

Guarantors provided by third parties:

As of December 31, 2023 and 2022, the Company has no guarantors provided by third parties.

d. Lawsuits and contingencies

1. Lawsuit contingencies

The report below includes the following probability categories:

- Remote: there is a present obligation for which an outflow of resources is considered unlikely.

- Possible: there is a present obligation for which an outflow of resources is considered to be possible.
- Probable: there is a present obligation that is likely to require an outflow of resources.
- Certain: there is a present obligation that will require an outflow of resources.

Litigation against CMP and subsidiaries (Relevant litigation due to the amount (over ThUS$ 1), or due to the matter).

- CMP was sued by RGM Mining Services before the Third Civil Court of La Serena. The plaintiff requests damages for $743,321,884 for an alleged breach of contract. The trial is in the discussion stage. Payment probability: Remote.

- CMP was sued before the Arbitration and Mediation Center (CAM) of the Santiago Chamber of Commerce, by Consorcio Montec Bueno (CMB). During the development of Construction and Assembly Works in the Cerro Negro Norte Concentraduct Replacement Project on October 8, 2020, and after a series of previous letters in which CMP filed demands before the EPC contractor, Consorcio Montec Bueno, CMP demanded the replacement of 51 kilometers of interior liner that did not meet the contract specifications, without obtaining a satisfactory response; CMP communicated that it would proceed to make the required corrections via reversed charges, as stipulated in the contract. For this purpose, the Bank Guarantee Letters of the contract were presented for collection. On November 9, 2020, notification was received from the Arbitration and Mediation Center (CAM) of the Santiago Chamber of Commerce to proceed with the appointment of an arbitrator. The arbitrator appointed was Mr. Jorge Baraona González. The claim filed by Consorcio Montec Bueno amounts to UF578,820 and on Augist 22, 2023, a judgment was issued condemning CMP to pay UF 105.036 of wich UF 95.787 correspond to obligations recognized by CMP in court. Both parties filed Appeals against that judgment. Possibility of materialization: Possible.

  -In parallel, CMP filed an arbitration request to CAM to begin an arbitration process against Consorcio Montec Bueno and its guarantors for the payment of reversed charges and fines according to Contract. This request for arbitration began an arbitration process also led by Mr. Jorge Baraona González. The claim filed by CMP amounts to UF815,451 and on August 22nd, a judgment was issued condemning CMP and its guarantors to pay an amount of UF 155,722. The Nullity Appleal regulated by the international Commercial Arbitration Law is applicable against said judgment. Term of 3 months. Due to the fact that CMP is the plaintiff in this process, the possility of outflow of resources is not considered.

- Claim filed before the Arbitration and Mediation Center (CAM) of the Santiago Chamber of Commerce, by CONSTRUCTORA MAR CANTÁBRICO SPA., requesting a total of Ch$6,420,092,183. -, for fulfillment of Contract 4643003289, "EPC Celda Magnética y Tambores TAI" Project. This lawsuit is currently under discussion. Possibility of materialization: Possible

  Other contingencies (Potential litigations and/or administrative sanctions).

- On January 10, 2018, the Superintendency of the Environment (SMA) filed charges against CMP (Ex. Resolution No. 1/ID No. D-002-2018), including findings from 27 inspections that have verified certain non-compliances in operations related to the Los Colorados Mine, Pellets Plant and the railway linking both sites. Faced with this sanctioning procedure, CMP decided to present a Compliance Program, which was submitted to the SMA on January 31, 2018, and later, in response to various observations made by the SMA, a consolidated version was submitted on November 30, 2018. The Compliance Program was approved by Ex. Resolution 18/ID No. D-002-2018 of March 26, 2019, with which the sanctioning procedure was suspended. Possibility of materialization: Remote.

- On October 28, 2022, Compañía Contractual Minera Candelaria (CCMC), filed a formal claim against CMP for an alleged breach of the tailings purchase and sale agreement of September 5, 2005, fornot having purchased 100% of CCMC's Fresh Tailings, with preference to any other raw material option or alternative during the period from January 2021 to August 2022, CCMC failing to receive the payment equivalent to the production of approximately 1.5 MTS of final iron concentrate. The damages are valued by the plaintiff at US $42.3 million. The parties have complied with the dispute resolution procedure established in the contract, but were unable to resolve the matter, so it must be submitted to arbitration before the Arbitration and Mediation Center (CAM) of the Santiago Chamber of Commerce. As of the date of this report, there is no proof that CCMC has requested appointment of an arbitrator. Possibility of materialization: Finished..

- On June 2, 2023, and considering two environmental audit reports (2017 and 2022), as well as the RCAs of three projects related to Planta Magnetita, the Environmental Superintendency (SMA) formulated two charges against CMP. The first one corresponds to the location of the route of the Electrical Transmission Line (LTE) that would differ from the route presented in the Addendum of the "110 kV Cardones Magnetite Plant Electrical Line" project, authorized by RCA 109/2006 (serious charge); while the second one refers to the application of binder in dry sectors of the stockpile, which would not have been done with the appropriate frequency to ensure its effectiveness in controlling emissions of particulate matter (minor charge). In the face of this sanctioning procedure, CMP has the option of presenting discharges or a Compliance Program. Probability of materialization: Possible.

- On December 18, 2023, for reasons that are still under investigation, while the rail transport operator, Ferronor, was carrying out maneuvers to couple the convoy after the ore loading process at Mina Los Colorados, the worker of said company, Mr. Jorge Andrés Letelier Gonzalez (RIP), was trapped between the locomotive and the wagon, with lethal consequences. As a result of this accident, investigations were initiated by Sernageomin, the Public Prosecutor's Office, the Health Service and the Labor Inspection, which may lead to litigation, the amount and effects of which cannot yet be assessed due to the initial stage of development of these investigations.

2. Insurance taken out:

As of December 31, 2023, the Company has insurance on its property, plant and equipment and other business risks for an amount of approximately ThUS$ 4,342,444, whose maximum indemnity amount is approximately ThUS$ 531,617.

In relation to the accident occurred at Puerto Guacolda II (November 21, 2018), the effective coverage can be determined once the results and conclusions of the technical analyses of the experts have been provided and the end of the work associated to the mentioned insurance. In this sense, the Company was notified on December 30, 2020, by email, that the Adjustment Report prepared by Crawford for Compañía de Seguros Mapfre had been issued. In clause 16 of that adjustment report, the Adjuster (Crawford) proposed to Mapfre Seguros Generales S.A., payment of an indemnity for the single and total sum of 42.8 million dollars. The Company is waiting for final acceptance from Mapfre Seguros Generales S.A.

In March 2021, the Company was indemnified in the amount of 30 million US dollars, for damages suffered due to the accident occurred on November 21, 2018, at Puerto Guacolda II. The balance of 12.8 million US dollars, which is part of the indemnity that the Adjuster (Crawford) issued its Adjustment Report, is being disputed by Mapfre Seguros Generales S.A., since the latter contested this amount of the Adjusters Report.

As of February, 2022, Mapre Seguros Generales S.A. paid the Company the retained Clp $12,8 million, therefore the total amount claimed with the insurance company for the incident at Guacolda II, occurred on November 21, 2018, was paid in full.

The Company has not recorded a provision for this item as it expects that the nature of contingent revenue is absolutely guaranteed under IAS 37.

3. Management Restrictions and Minimum Financial Ratios

3.1. The financing of the Syndicated Loan with Sumitomo Mitsui Banking Corporation in New York (SMBC-as the lead bank) for US$375,000 with maturity in September 2026, requires that the Company meet the following consolidated financial indicators, calculated for a moving period that considers the last twelve months (on the financial statements of CMP S.A.).

i) Hedge of Financial Expense: the ratio between EBITDA and the net financial expenses must be higher or equal to 2.5. The EBITDA is defined as gross profit less administrative and distribution expenses, plus depreciation and amortization expenses.
ii) Leverage Ratio- the ratio between the net financial debt to EBITDA must be equal og higher that 4.0. The net financial debt is the total of the financial liabilities less cash balances, term deposits and marketable securities in the amount over ThUS$5,000.
iii) Equity- the minimum equity level must be ThUS$ 1,500,000

34. COMMITMENTS

1. Purchase futures contracts:

On September 5, 2005, Compañía Minera del Pacífico S.A. entered into a purchase contract of tailings of Mina Candelaria, located en in the commune Tierra Amarilla, in the Third Region, with Compañía Contractual Minera Candelaria (CCMC) under which CCMC commits to sell enough fresh tailings to Compañía Minera del Pacífico S.A to reach an estimated annual production of 3,000,000 tons of iron concentrates until December 31, 2022.

On March 9, 2011, an amendment to the aforementioned contract was signed wherein the Company was authorized to process iron ore fines at the Magnetite Plant.

On June 8, 2023 modification No. 03 of the tailings purchase and sale agreement between CMP SA and CCMC was signed, now modifying its expiration date to December 31, 2023.

On December 27, purchase and sale contract was signed, wich expires in December 2030.

2. Sales futures contracts:

Sales futures contracts entered into with domestic and foreign customers aim to secure future sales of ore products at the selling price in force at the end of each year. Prices are agreed upon with customers under FOB or CIF conditions, as appropriate, and are negotiated on an annual basis. The average term of these agreements is 3 years. There are no penalty clausesor fines for non-compliance as the parties can negotiate the final quantities of ore to be shipped per year.

Ore sales commitments based on the contracts signed amount to:

	Accumulated 12.31.2023	Accumulated 12.31.2022
Future sales up to one year	1,207,965	944,818
Future sales for more than one year	175,646	230,537
	1,383,611	**1,175,355**

3. Agreement between Compañía Minera del Pacífico S.A and Hot Chili Limited

On December 24, 2014, Compañía Minera del Pacífico S.A. (hereinafter CMP) entered into a Memorandum of Understanding (hereinafter MOU), with Hot Chili Limited (hereinafter HCHL) a company incorporated under Australian Law. This agreement is subject to the approval of CMP's Board of Directors and HCHL's shareholders, among other conditions.

HCHL and Kalgoorlie Auto Service Pty Ltda. (hereinafter KAS) own 99.9% and 0.1%, respectively, of Sociedad Minera El Corazón Limitada's stock capital (hereinafter El Corazón).

In turn, El Corazón and KAS are the only shareholders of Sociedad Minera El Águila SpA (hereinafter, SMEA) with 99.9995% and 0.00005%, respectively, and SMEA owns the "Producer" Project. On the other hand, CAP S.A. (CMP's parent company) holds 11.08% ownership of HCHL, through its subsidiary Port Finance Ltd. NV (hereinafter, Port).

According to the draft Letter of Intent called "Infrastructure for the Producer", SMEA will issue new shares representing 17.5% of its stock capital, which will be fully subscribed and paid by CMP S.A. As payment for such shares, CMP S.A. is obliged to provide SMEA with a series of rights, easements and mining right shares necessary to build the "Infrastructure for the Producer". In compliance with this contribution, CMP must:

- Transfer all rights, titles and interests to SMEA that are held under an option to purchase a share of mining rights which were acquired by CMP on October 5, 2009;
- Transfer the property called "Estancia Higuera de Las Minillas" to SMEA after making a property subdivisión; and
- Grant easements of land and mining rights to SMEA for the purposes of building an aqueduct between the "Producer" and the seashore.

While a Pre-Feasibility Study (hereinafter the PFE) for the Project is prepared, CMP'sinterest in the "Producer" will be considered as a free-carried interest. Upon completion ofthe EPF, CMP will also contribute to project expenses in proportion to its interest in SMEA.

CMP will be granted a stock purchase option for an additional 32.6% as part of the agreement, which will allow CMP to acquire up to 50.1% of the shares issued by SMEA. The price of this option will be US$ 1,500,000. If the purchase option is exercised by CMP, the price will be discounted from the price of these shares, as follows:

The aforementioned stock purchase option establishes two stages that will be exercised at different periods. The first stage consists of a 10% stake for ThUS $ 25,000 and the second a 22.6% stake for ThUS $ 55,000. The dates on which these two stages must be completed have been established in the option agreement. Additional economic information on the project must be available on these dates, which will be issued by an external specialist.

On the other hand, CMP and El Corazón will conclude a Shareholders Agreement regarding SMEA. The terms of this agreement have not yet been established. Neither have SMEA's bylaws been amended to allow CMP's increased interest.

Furthermore, if CMP and HCHL make the decision not to develop the "Producer" Project by the time the first or second stages must be completed, the "Capital Increase, Subscription and Payment of Shares and Others" contract will be resiliated. In this case, HCHL must refund any amounts paid by CMP for the share purchase option.

If HCHL decides to build a mine in the "Producer" Project through SMEA despite CMP's opposition, SMEA must pay CMP the following amount: (i) ThUS $ 42,900 or (ii) 17.5% of the value of the "Producer" Project, whichever is greater. SMEA may avoid the aforementioned payment by renouncing the assets contributed by CMP and resiliate the "Capital Increase, Subscription and Payment of Shares and Others" contract.

If HCHL decides to build a mine in the "Producer" Project through SMEA after CMP's payment of the first-stage option price and completion of the Feasibility Study, (despite CMP's opposition), CMP's acquired interest arising from payment of the first-stage option price will be:

- Subject to standard dissolution rules according to the expenses disbursed by HCHL;
- Put up for sale to third parties with the right of first refusal granted to HCHL; or
- If the selling price has not been fully paid or does not exist after 9 months from the notification to HCHL of CMP's decision not to build the mine, HCHL will pay CMP ThUS$ 20,000 for the shares acquired upon payment of the first-stage option price.

The aforementioned terms are subject to a series of additional conditions, including the approval of CMP's Board of Directors.

CMP is responsible for the use of the corporate name and the administration of the Company CMP, acting individually and separately, and shall have dispository and administrative powers, as well as the power to represent the Company in a judicial and non-judicial manner in respect of the Company's affairs, businesses, operations, actions, trials, acts, contracts related to its line of business or that are necessary or conducive to its objectives.

In order to formalize the foregoing, on May 20, 2015, a Company called CMP Productora SpA was created; its main objective is the exploration, exploitation and development of mining projects, mining operations, ore processing, ore melting and refining, purchase and sale of mining related assets. CMP Productora SPA has one shareholder, Compañía Minera del Pacífico S.A. that owns 100.00% interests in its share capital and has the administrative and financial control of the Company.

On August 27, 2015, the Extraordinary Shareholders Meeting of CMP Productora SpA agreed on a merger by absorption with Sociedad Minera El Aguila SpA. As a result, CMP Productora SpA. was dissolved and CMP acquired a 17.5% interest in Sociedad Minera El Aguila SpA.

At a meeting held on June 23, 2016, CMP's Board of Directors approved a purchase of shares equivalent to a 2.5% interest in Sociedad Minera El Aguila SpA for US$ 1,500,000. That purchase of shares was completed at the end of June 2016. The Board also agreed to start negotiations with HCHL in order to supplement background information regarding the Project and the Prefeasibility Study which had already been issued. The Board also authorized the commencement of negotiations in order to update the Project's valuation model and amend all existing contracts between the parties, as required.

The Company's Board of Directors agreed not to exercise the share purchase option of Sociedad Minera El Aguila SpA at a meeting held on November 28, 2016. The Board also authorized negotiations to be commenced with HCHL to establish the conditions under which a third party could be included in the agreement as a controller for the "Producer" Project

4. Advances on account of future sales

In 2011, the Company entered into a contract with Prosperity Steel United Singapore Pte. Ltd. for the sale and purchase of 500,000 tons per year of iron ore pellet feed for 10 years from April 1, 2013. The buyer agreed to pay the Company ThUS$ 37,500 upfront. As of June 30, 2013, the total advance has been received, of which ThUS$12,500 were received in 2013 and the rest in previous years.

In February 2013, the Company entered into a new contract with Prosperity Steel United Singapore Pte. Ltd for the sale and purchase of 500,000 tons per year of iron ore pellet feed for 10 years from April 1, 2014. The buyer agreed to pay the Company ThUS$ 37,500 upfront. This advance payment was received in full on June 10, 2013.

As of December 31, 2022, both contracts signed with Prosperity Steel United Singapore PTE are no longer relevant since all advance payments received were paid in full (within the first quarter of 2022).

5. Ore transport contract from Los Colorados to the Pellet Plant

In October 2011, the Company entered into a contract with Empresa de Transportes Ferroviario S.A. for ore transport from Los Colorados Mines to the Pellet Plant. The term of this contract is from July 1, 2011, to December 31, 2029.

The transport service provider promised to sell all the equipment and other goods necessary for the provision of the services to the Company if the contract ends before December 2028, for any reason attributable to the service provider.

6. Port services contract

In April 2011, the Company entered into a service provision agreement with Santa Fe Mining, under which the Company committed to receive, store, handle and ship the iron produced or owed by Santa Fe Mining at the Company's Mechanized Port of "Punta Totoralillo". As of June 30, 2019, this agreement was temporarily suspended by mutual agreement of the parties.

In November 2016, the Company signed a service provision agreement with SCM Minera Lumina Copper Chile (MLCC), under which the Company committed to receive, store, handle and ship copper concentrate produced by MLCC at the Company's Mechanized Port "Punta Totoralillo". For the provision of the aforementioned services, the Company developed the project "Modification of the Totoralillo Port", which was completed in February 2018. The total value of this project was ThUS $ 35,013.

In December 2017, the first shipments under this contract were carried out.

7. **Electric power and NCRE credit purchase contracts with Amanecer Solar SPA and Sunedison Chile Construction Limitada**

On January 28, 2013, the Company entered into a 20-year contract with Amanecer Solar SpA and Sunedison Chile Construction Limitada for the purchase of photovoltaic electric power. This electric power will be generated by a plant with a capacity of 100 MW per year. The contract will allow the Company to comply with legal regulations on the matter as it must prove the use of a percentage of Non-Conventional Renewable Energies (NCRE) from 2016 onwards. The photovoltaic electric power purchased will be used by Cerro Negro Norte from 2015 onwards.

8. **Electric power purchase and sale contract with Guacolda Energía S.A.**

In September 2012, the Company entered into an electric power purchase and slase contract with Guacolda Energía S.A., under which the latter undertakes to sell and deliver the electricity the Company requires for its mining-industrial facilities and operations located in the Atacama and Coquimbo Regions. The electric power supply will be carried out during theperiod between January 1, 2016, and December 31, 2027.

9. **Other commitments**

	Accumulated 12.31.2023	Accumulated 12.31.2022
Purchase orders placed	498,982	502,325
Consignment stock	3,030	4,040
	502,012	506,365

35. ENVIRONMENT

As of December 31, 2023, and 2022, expenses incurred for the concept of the environment are detailed as follows:

Amounts disbursed

Concept	01.01.2023 12.31.2023 ThUS$	01.01.2022 12.31.2022 ThUS$
Consulting and improvement projects	132,506	117,173
Total	**132,506**	**117,173**

The expenses to be disbursed in the period from January to December 2023 are detailed as follows:

Amounts to be disbursed

Consulting and improvement projects	53,616
Total	**53,616**

The expenses incurred and expenses to be disbursed for the concept of the environment are detailed as follows:

Acumulated expenses as of December 31, 2023

Company	Project name (spanish)	Project status	Concept	Active/Expense	Asset Item/Cost center	Account 01.01.2023 31.12.2023	Acumulated account	Amounts to be disbursed	Estimated date
CMP S.A.	Obras de Sustentabilidad y Protección Guayacan	In progress	Environment	Asset	Work in progress	53	382	155	2024
CMP S.A.	Manejo de Aguas PP	In progress	Environment	Asset	Work in progress	15.236	16.809	141	2024
CMP S.A.	Ingenieria, Inversional Descabonización VH	In progress	Environment	Asset	Work in progress	411	831	881	2024
CMP S.A.	Precepitador Electroestatico Planta Pellets	In progress	Environment	Asset	Work in progress	13	76.088	-	2024
CMP S.A.	Solución Relaves en tierra	In progress	Environment	Asset	Work in progress	56	59	9.398	2024
CMP S.A.	Adecuación DS43 Bodehas Sust. Peligrosas y Luminaria:	In progress	Environment	Asset	Work in progress	244	6.174	13	2024
CMP S.A.	Canal de Contorno Botaderos Norte (INV)	In progress	Environment	Asset	Work in progress	1.659	2.086	-	2024
CMP S.A.	Estudio Sistema Control de Polución VH	In progress	Environment	Asset	Work in progress	94	668	-	2024
CMP S.A.	Estudio Sistema de Transporte Agua	In progress	Environment	Asset	Work in progress	620	676	123	2024
CMP S.A.	Depósito Relave Filtrado VH (EP)	In progress	Environment	Asset	Work in progress	94.259	188.878	37.801	2024
CMP S.A.	Sustentabilidad PCG	In progress	Environment	Asset	Work in progress	495	1.848	76	2024
CMP S.A.	Inversiones Mina Los Colorados	In progress	Environment	Asset	Work in progress	1.016	1.529	367	2024
CMP S.A.	Inversiones Normalización Valles	In progress	Environment	Asset	Work in progress	2.416	3.267	4.632	2024
CMP S.A.	Normalización Condiciones CAO´H	In progress	Environment	Asset	Work in progress	443	443	29	2024
CMP S.A.	Adm. Medio Ambiente- Valle de Elqui	Planed	Environment	Expense	Cost	48	-	-	2023
CMP S.A.	Adm. Medio Ambiente- Valle de Huasco	Planed	Environment	Expense	Cost	18	-	-	2023
CMP S.A.	Adm. Medio Ambiente- Valle de Copiapo	Planed	Environment	Expense	Cost	28	-	-	2023
CMP S.A.	Proyectos ambientales	Planed	Environment	Expense	Cost	2.373	-	-	2023
CMP S.A.	Administración Sustentabilidad	Planed	Environment	Expense	Cost	1.379	-	-	2023
CMP S.A.	Programa de Cumplimiento	Planed	Environment	Expense	Cost	212	-	-	2023
CMP S.A.	Gestión Territorial-Valle de Elqui	Planed	Environment	Expense	Cost	786	-	-	2023
CMP S.A.	Gestión Territorial-Valle de Huasco	Planed	Environment	Expense	Cost	2.547	-	-	2023
CMP S.A.	Gestión Territorial-Valle de Copiapo	Planed	Environment	Expense	Cost	1.540	-	-	2023
CMP S.A.	Control ambiental- Romeral	Planed	Environment	Expense	Cost	507	-	-	2023
CMP S.A.	Control ambiental- Puerto Guayacan	Planed	Environment	Expense	Cost	264	-	-	2023
CMP S.A.	Control ambiental- Pleito	Planed	Environment	Expense	Cost	108	-	-	2023
CMP S.A.	Control ambiental- Planta Pellets	Planed	Environment	Expense	Cost	2.194	-	-	2023
CMP S.A.	Control ambiental- Puerto Guacolda II	Planed	Environment	Expense	Cost	341	-	-	2023
CMP S.A.	Control ambiental- Mina Los Colorados	Planed	Environment	Expense	Cost	1.205	-	-	2023
CMP S.A.	Control ambiental- Planta Magnetita	Planed	Environment	Expense	Cost	426	-	-	2023
CMP S.A.	Control ambiental- Cerro Negro Norte	Planed	Environment	Expense	Cost	1.112	-	-	2023
CMP S.A.	Control ambiental- Puerto Punta Totoralillo	Planed	Environment	Expense	Cost	403	-	-	2023
					Total	**132.506**	**299.738**	**53.616**	

Company	Project name	Project status	Concept	Active/Expense	Asset Item/Cost center	Account 01.01.2022 31.12.2022	Acumulated account	Amounts to be disbursed	Estimated date
CMP S.A.	Construcción obras hidraulicas Canalon MLC	In progress	Environment	Asset	Work in progress	103	6.117	-	2024
CMP S.A.	Cese descarga de relaves en PP	In progress	Environment	Asset	Work in progress	7.555	13.693	684	2022
CMP S.A.	Precipitador Electroestatico Planta de Pellets	In progress	Environment	Asset	Work in progress	13.591	76.175	-	2022
CMP S.A.	Solución Relaves en tierra (S/CMP-21-12)	In progress	Environment	Asset	Work in progress	214	16.588	-	2022
CMP S.A.	Adecuación DS43 Bodegas Sust. Peligrosas y Luminar	In progress	Environment	Asset	Work in progress	2.077	5.930	257	2022
CMP S.A.	Canal de Contorno Botadero Norte (INV)	In progress	Environment	Asset	Work in progress	427	427	631	2022
CMP S.A.	Estudio Sistema Control de Polución	In progress	Environment	Asset	Work in progress	507	1.017	-	2022
CMP S.A.	RRCC Plaza Comunitaria Guayacan (Continuidad)	In progress	Environment	Asset	Work in progress	407	407	26	2022
CMP S.A.	Depósito Relave Filtrado VH (EP)	In progress	Environment	Asset	Work in progress	70.036	78.031	132.704	2022
CMP S.A.	Sustentabilidad PCG	In progress	Environment	Asset	Work in progress	1.353	1.353	571	2022
CMP S.A.	Inversiones Minas El Romeral	Planed	Environment	Expense	Work in progress	-	-	10.763	2022
CMP S.A.	Inversiones Valle de Huasco	Planed	Environment	Expense	Work in progress	9.825	9.825	125.454	2022
CMP S.A.	Inversiones Valle de Copiapó	Planed	Environment	Expense	Cost	-	-	571	2022
CMP S.A.	Adm. Medio Ambiente- Valle de Elqui	Planed	Environment	Expense	Cost	56	-	-	2022
CMP S.A.	Adm. Medio Ambiente- Valle de Huasco	Planed	Environment	Expense	Cost	26	-	-	2022
CMP S.A.	Adm. Medio Ambiente- Valle de Cipiapó	Planed	Environment	Expense	Cost	22	-	-	2022
CMP S.A.	Proyectos Ambientales- Administración	Planed	Environment	Expense	Cost	2.436	-	-	2022
CMP S.A.	Control ambiental- Romeral	Planed	Environment	Expense	Cost	620	-	-	2022
CMP S.A.	Control ambiental-Guayacán	Planed	Environment	Expense	Cost	260	-	-	2022
CMP S.A.	Control ambiental-Puerto Cruz Grande	Planed	Environment	Expense	Cost	2	-	-	2022
CMP S.A.	Control ambiental-Pleito	Planed	Environment	Expense	Cost	108	-	-	2022
CMP S.A.	Control ambiental-Planta Pellets	Planed	Environment	Expense	Cost	1.969	-	-	2022
CMP S.A.	Control ambiental-Guacolda II	Planed	Environment	Expense	Cost	474	-	-	2022
CMP S.A.	Control ambiental-Mina Los Colorados	Planed	Environment	Expense	Cost	1.518	-	-	2022
CMP S.A.	Control ambiental-Planta Magnetita	Planed	Environment	Expense	Cost	469	-	-	2022
CMP S.A.	Control ambiental-Cerro Negro Norte	Planed	Environment	Expense	Cost	1.268	-	-	2022
CMP S.A.	Control ambiental- Puerto Punta Totoralillo	Planed	Environment	Expense	Cost	423	-	-	2022
CMP S.A.	Programa de Cumplimiento	Planed	Environment	Expense	Cost	203	-	-	2022
CMP S.A.	P.Cumplimiento descarga submarina de relaves	Planed	Environment	Expense	Cost	1	-	-	2022
CMP S.A.	Administración Sustentabilidad	Planed	Environment	Expense	Cost	1.223	-	-	2022
					Total	**117.173**	**209.563**	**271.661**	

36. FOREIGN CURRENCY

The Company's assets and liabilities denominated in foreign currency are detailed as follows:

As of December 31, 2023

IFRS Item	Currency ThUS$	12.31.2023 ThUS$	12.31.2022 ThUS$
Cash and Cash equivalent	Fixed	17,423	10,503
Cash and Cash equivalent	USD	57,943	50,824
Other financial assets Current	Fixed	54,200	41,341
Other financial assets Current	USD		
Trade and other accounts receivable, net Current	Fixed	21,065	26,465
Trade and other accounts receivable, net Current	USD	257,643	252,405
Account receivable from related entities, Current	Fixed		
Account receivable from related entities, Current	USD	24,238	17,205
Inventary	Fixed		
Inventary	USD	346,094	287,114
Current tax assets	Fixed	39,061	14,086
Current tax assets	USD	-	-
Other non-financial assets. Non-Current	Fixed	60,895	5,777
Other non-financial assets. Non-Current	USD	-	-
Receivable right, Non-Current	Fixed	9,311	5,209
Receivable right, Non-Current	USD	-	-
Accounts receivable from related entities, Non-Current	Fixed	-	-
Accounts receivable from related entities, Non-Current	USD	17,473	19,616
Investments accounted for using the equity method	Fixed	-	-
Investments accounted for using the equity method	USD	558	658
Intangible assets other that goodwill	Fixed	-	-
Intangible assets other that goodwill	USD	557,136	582,453
Propertu, plant and equipment, net	Fixed	-	-
Propertu, plant and equipment, net	USD	3,096,280	2,867,683
Assets for rights of use, net	Fixed	-	-
Assets for rights of use, net	USD	68,063	76,437
Deferred tax assets	Fixed	-	-
Deferred tax assets	USD	2,713	2,120
Total		**4,630,096**	**4,259,896**

Liabilities
As of December 31, 2023

IFRS Item	Currency	Up to 90 days	91 days to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	More than 10 years
Other financial liabilities, Current	Fixed	-	-	-	-	-	-
Other financial liabilities, Current	USD	385,280	-	-	-	-	-
Lease liabilities, Current	Fixed	-	-	-	-	-	-
Lease liabilities, Current	USD	3,397	19,190	-	-	-	-
Trade and other accounts payable Fixed	Fixed	119,765	-	-	-	-	-
Trade and other accounts payable USD	USD	146,452	-	-	-	-	-
Accounts payable yo related entities, Current	Fixed						
Accounts payable yo related entities, Current	USD	57,539	-	-	-	-	-
Other short-term provisions	Fixed	6,883	-	-	-	-	-
Other short-term provisions	USD	-	-	-	-	-	-
Current tax libilities	Fixed	350	-	-	-	-	-
Current tax libilities							
Employee benefit provisions, Current	Fixed	14,159	4,720	-	-	-	-
Employee benefit provisions, Current	USD						
Non-current liabilities	Fixed	-	-	-	-	-	-
Non-current liabilities	USD	-	-	459,141	-	-	-
Lease liabilities, Non Current	Fixed	-	-	-	-	-	-
Lease liabilities, Non Current	USD	-	-	24,294	10,439	4,480	-
Other long-term provisions	Fixed	-	-	-	-	-	-
Other long-term provisions	USD	-	-	-	-	278,471	-
Deferred tax libialities	Fixed	-	-	-	-	-	-
Deferred tax libialities	USD	-	-	323,168	-	-	-
Employee benefit provisions, Non-current	Fixed	-	-	-	-	-	-
Employee benefit provisions, Non-current	USD	-	-	12,616	-	-	44,729
Other non-financial liabilities, Non-current	Fixed	-	-	-	-	-	-
Other non-financial liabilities, Non-current	USD	-	-	-	-	-	-
Total		**733,825**	**14,910**	**819,227**	**10,439**	**282,951**	**44,729**

Liabilities
As of December 31, 2022

IFRS Item	Currency	Up to 90 days	91 days to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	More than 10 years
Other financial liabilities, Current	Fixed	-	-	-	-	-	-
Other financial liabilities, Current	USD	243,000	-	-	-	-	-
Lease liabilities, Current	Fixed	91,610	-	-	-	-	-
Lease liabilities, Current	USD	212,234	-	-	-	-	-
Trade and other accounts payable Fixed	Fixed	-		-	-	-	-
Trade and other accounts payable USD	USD	3,250	9,610	-	-	-	-
Accounts payable yo related entities, Current	Fixed						
Accounts payable yo related entities, Current	USD	373,784	-	-	-	-	-
Other short-term provisions	Fixed	5,933	-	-	-	-	-
Other short-term provisions	USD	-	-	-	-	-	-
Current tax libilities	Fixed	-	-				
Current tax libilities				-	-	-	-
Employee benefit provisions, Current	Fixed	18,141	-	-	-	-	-
Employee benefit provisions, Current	USD	-	-	-	-	-	-
Lease liabilities, Non Current	Fixed						
Lease liabilities, Non Current	USD	-	-	31,806	10,602	5,079	-
Other financial liabilities, Non-Current	Fixed	68	-	-	-	-	-
Other financial liabilities, Non-Current	USD	-	-	-	-	-	-
Other long-term provisions	Fixed	-	-	-	-	264,436	-
Other long-term provisions	USD	-	-	-	-	-	-
Deferred tax libialities	Fixed	-	-	-	-	-	-
Deferred tax libialities	USD	-	-	-	305,769	-	-
Employee benefit provisions, Non-current	Fixed	-	-	-	11,495	-	36,532
Employee benefit provisions, Non-current	USD	-	-	-	-	-	-
Other non-financial liabilities, Non-current	Fixed	-	-	-	8	-	-
Other non-financial liabilities, Non-current	USD	-	-	-	-	-	-
Total		**948,020**	**9,610**	**349,078**	**10,602**	**269,515**	**36,532**

37. EXCHANGE DIFFERENCE AND INDEXED UNITS

The effect of exchange differences and indexed units on Income for the period is detailed as follows:

Item	Currency	Accumulated 01.01.2023 12.31.2023 ThUS$	Accumulated 01.01.2022 12.31.2022 ThUS$
Current Assets	Fixed	(58,461)	(51,717)
Non-current Assets	Fixed	5,837	7,583
Total Assets		(52,624)	(44,134)
Current Liabilities	Fixed	56,265	54,139
Non-current Liabilities	Fixed	(1,793)	(1,145)
Total Liabilities		54,472	52,994
Total Exchange Difference		1,848	8,860

38. SUBSEQUENT EVENTS

In the period from December 31 to the date of issuance of these consolidated financial statements, there have been no significant events that may affect them.

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