



Santiago, 05 de noviembre de 2025

Señores

Comisión para el Mercado Financiero

PRESENTE


Ref: Presenta Estados Financieros al 30 de septiembre de 2025

De nuestra consideración,

Por medio de la presente y en atención a lo dispuesto en la Resolución Exenta N° 298 del 17 de Mayo de 2010 de la Comisión para el Mercado Financiero, adjunto favor encontrar los Estados Financieros de la sociedad según lo dispuesto en el N° 1 de dicha resolución, conteniendo la siguiente información:

- A. Estados Financieros al 30 de septiembre de 2025.
- B. Declaración Jurada de Responsabilidad.

Sin otro particular, le saluda atentamente,

Firmado por:

32EA584974F64A9...

Jan Majkut

Vicepresidente de Finanzas
Sierra Gorda SCM




Razón Social : **Sierra Gorda SCM**

Rut : **76.081.590-K**

DECLARACIÓN JURADA DE RESPONSABILIDAD

El Representante de **Sierra Gorda SCM**, firmante de esta declaración, se hace responsable bajo juramento respecto de la veracidad de toda la información incorporada en los Estados Financieros adjuntos a esta presentación, correspondientes al período de 9 meses terminado al 30 de septiembre de 2025, en cumplimiento de lo dispuesto en la Resolución Exenta N° 298 del 17 de Mayo de 2010 de la Comisión para el Mercado Financiero.

Firmado por:

32EA584974F64A9...

Jan Majkut

Vicepresidente de Finanzas
Sierra Gorda SCM

Santiago, 05 de noviembre de 2025

SIERRA GORDA S.C.M.

Condensed Interim Financial Statements as at
September 30, 2025, and for three-month and nine-month periods
ended September 30, 2025, and 2024.



SIERRA GORDA S.C.M.

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US\$: Amounts expressed in millions of United States dollars, except where indicated.



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CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

(U.S. dollars in millions)

(Unaudited)

	Note	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS			
Current			
Cash and cash equivalents		111.5	116.2
Trade receivables	4	184.3	149.6
Other receivables		50.9	53.8
Due from related parties		8.3	1.8
Inventory	5	228.7	213.2
Current tax assets		14.8	12.7
Total Current Assets		598.5	547.3
Non-Current			
Mineral property, plant & equipment	6	4,756.8	4,609.1
Intangible assets		78.4	82.6
Inventory	5	156.3	142.6
Deferred income tax assets	10	825.6	933.8
Total Non-Current Assets		5,817.1	5,768.1
Total Assets		6,415.6	6,315.4
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Trade and other payables	7	204.1	224.7
Accrued liabilities	8	139.0	137.7
Credit facility	9a	0.4	0.5
Lease liabilities		25.9	25.2
Due to related parties		4.3	5.1
Mining tax		27.7	23.8
Total Current Liabilities		401.4	417.0
Non-Current			
Subordinated sponsors' loans	9b	4,833.3	5,021.7
Credit facility	9a	394.8	393.0
Lease liabilities		117.5	116.8
Accrued liabilities	8	40.8	37.7
Other liabilities		113.4	106.1
Total Non-Current Liabilities		5,499.8	5,675.3
Total Liabilities		5,901.2	6,092.3
Shareholders' Equity			
Share capital		2,838.1	2,838.1
Reserve		(21.4)	(21.4)
Retained earnings		(2,302.3)	(2,593.6)
Total Shareholders' Equity		514.4	223.1
Total Liabilities and Shareholders' Equity		6,415.6	6,315.4

The accompanying notes are an integral part of these condensed interim financial statements.



CONDENSED INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(U.S. dollars in millions)

(Unaudited)

	Note	Nine months ended September 30, 2025	Nine months ended September 30, 2024	Three months ended September 30, 2025	Three months ended September 30, 2024
Revenue	12	1,478.0	1,160.5	527.4	437.2
Cost of sales	13	(713.4)	(721.9)	(238.8)	(258.5)
Gross profit		764.6	438.6	288.6	178.7
Selling costs	13	(57.1)	(55.4)	(21.1)	(20.6)
General and administrative expenses	13	(43.2)	(42.0)	(15.6)	(15.4)
Other income		5.4	8.2	3.7	3.0
Other expenses		(10.8)	(6.9)	(1.7)	(6.8)
Operating profit		658.9	342.5	253.9	138.9
Finance income		4.1	3.6	1.8	1.5
Finance expenses	14	(236.1)	(264.2)	(77.9)	(90.7)
Profit before income tax		426.9	81.9	177.8	49.7
Income tax benefit / (expenses)	10	(108.3)	(10.4)	(46.1)	(13.0)
Mining and other tax expenses	10	(27.3)	(24.1)	(11.3)	(8.0)
Income for the period		291.3	47.4	120.4	28.7
Other comprehensive income/(loss)					
Actuarial profit		(0.1)	(3.5)	0.1	(0.3)
Related tax		0.1	1.1	-	-
Items that will not be subsequently reclassified to profit or loss		-	(2.4)	0.1	(0.3)
Other comprehensive income		-	(2.4)	0.1	(0.3)
Total comprehensive income		291.3	45.0	120.5	28.4

The accompanying notes are an integral part of these condensed interim financial statements.



CONDENSED INTERIM STATEMENT OF CASH FLOWS (INDIRECT METHOD)

(U.S. dollars in millions)

(Unaudited)

Note	Nine months ended September 30, 2025	Nine months ended September 30, 2024	Three months ended September 30, 2025	Three months ended September 30, 2024
OPERATING ACTIVITIES				
Result for the period	291.3	47.4	120.4	28.7
Total adjustment to result for the period:	521.8	474.5	193.3	168.2
Depreciation and amortization 13	305.6	265.4	107.6	96.4
Non-cash capitalized to deferred stripping asset 13	(33.0)	(30.5)	(10.9)	(8.5)
Foreign exchange (gains) / losses	(3.8)	(1.6)	(4.4)	4.8
Inventory write down	4.9	3.5	(2.3)	3.5
Change in accruals	4.4	28.9	(11.8)	16.2
Change in related party's transactions	(7.4)	4.9	(2.1)	2.0
Change in interest payables	213.4	229.2	69.7	77.4
Other adjustments	(0.1)	(2.6)	-	(0.3)
Changes in working capital:	(72.3)	(48.6)	(2.6)	(38.2)
Inventories	(25.4)	8.9	(17.1)	(2.1)
Trade and other receivables	(30.4)	(53.8)	(30.1)	0.8
Trade and other payables	(16.5)	(3.7)	44.6	(36.9)
Income tax expenses / (benefit) 10	108.3	9.3	46.1	13.0
Mining and other tax expenses	1.8	16.6	4.0	1.9
Cash provided from operating activities	813.1	521.9	313.7	196.9
INVESTING ACTIVITIES				
Purchase of mineral properties, plant and equipment	(146.2)	(170.2)	(48.6)	(55.3)
Cash cost capitalized to deferred stripping asset 13	(243.0)	(207.4)	(81.0)	(61.9)
Cash used in investing activities	(389.2)	(377.6)	(129.6)	(117.2)
FINANCING ACTIVITIES				
Drawdown on revolving credit facility syndicated loan	-	400.0	-	400.0
Payments associated with syndicated loan	(2.0)	(6.5)	(0.2)	(6.5)
Payments associated with BGK loan	-	(6.8)	-	(2.5)
Payments of credit BGK loan interest	-	(22.4)	-	(7.4)
Payments of Subordinated debt capital	(361.6)	(46.6)	(175.9)	(46.6)
Payments of Subordinated debt interest	(18.4)	(43.4)	(4.1)	(23.4)
Payments of BGK loan principal amount	-	(400.0)	-	(400.0)
Payments of syndicated loan' interest	(19.5)	-	(6.6)	-
Payments under other leases	(19.3)	(19.5)	(6.5)	(6.5)
Payments under leases principal	(7.0)	(7.7)	(2.4)	(2.2)
Payments under leases interest	(1.5)	(2.1)	(0.4)	(0.6)
Cash provided from financing activities	(429.3)	(155.0)	(191.6)	(95.7)
Effect of foreign exchange rate changes on cash and cash equivalents held	0.7	-	0.2	-
Net (decrease) increase in cash and cash equivalents during the period	(4.7)	(10.7)	(11.8)	(16.0)
Cash and cash equivalents, beginning of period	116.2	154.7	123.3	160.0
Cash and cash equivalents, end of period	111.5	144.0	111.5	144.0
Cash and cash equivalents comprised of:				
Cash deposits, bankers acceptances and term deposits	111.5	144.0	111.5	144.0

The accompanying notes are an integral part of these condensed interim financial statements.



CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(U.S. dollars in millions)

(Unaudited)

	Share capital	Reserve	Retained earnings	Total
Balance, January 1, 2025	2,838.1	(21.4)	(2,593.6)	223.1
Income for the period	-	-	291.3	291.3
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	291.3	291.3
Balance, September 30, 2025	2,838.1	(21.4)	(2,302.3)	514.4

	Share capital	Reserve	Retained earnings	Total
Balance, January 1, 2024	2,838.1	(20.1)	(2,693.0)	125.0
Income for the period	-	-	47.4	47.4
Other comprehensive income	-	(2.4)	-	(2.4)
Total comprehensive income	-	(2.4)	47.4	45.0
Balance, September 30, 2024	2,838.1	(22.5)	(2,645.6)	170.0

The accompanying notes are an integral part of these condensed interim financial statements.



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

1 NATURE OF OPERATIONS

Minera Quadra Chile Limitada ("MQCL") was incorporated on April 1, 2004, in the municipality of Santiago in the Republic of Chile under law No. 3,918. On July 29, 2011, MQCL changed its name to Minera Quadra Chile S.C.M. and further to Sierra Gorda S.C.M. ("SG SCM" or the "Company") on March 14, 2011. The Company is in the business of developing and operating the Sierra Gorda mining project in Chile. The Sierra Gorda mining project is an open pit copper and molybdenum mine, with some by-products of gold and silver. The Company's head office is located at Roger de Flor 2775, 13th floor, Las Condes, Santiago. The Company is a joint venture owned 55% indirectly by KGHM Polska Miedz S.A. ("KGHM S.A.") through its subsidiary Quadra FNX Holdings Chile Ltda., and 45% indirectly by South32 Limited through its subsidiary South32 Sierra Gorda SpA.

2 BASIS OF PRESENTATION

a) Statement of presentation and measurement

These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board ("IASB"). The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2024, which have been prepared in accordance with the International Financial Reporting Standards ("IFRS") Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). These condensed interim financial statements do not include all the information required for full annual financial statements prepared in accordance with IFRS.

These unaudited condensed interim financial statements have been prepared on the historical cost basis, except for financial assets and liabilities measured at fair value through profit or loss, using the going concern assumption. The Company maintains its official accounting records in United States dollars, which is the Company's functional currency. All financial information in these condensed interim financial statements is presented in United States dollars rounded to the nearest million, except where indicated otherwise.

Certain balances in the comparative condensed interim financial statements as of September 30, 2024 were reclassified for presentation consistent with the condensed interim financial statements as of September 30, 2025 and as of December 31, 2024. The reclassification in the condensed interim statement of cash flows was made from cash provided from operating activities to cash provided from financing activities, the amount of this reclassification is not material.

b) Use of estimates and judgments

The preparation of condensed interim financial statements in conformity with IFRS requires management to make estimates, assumptions, and judgements that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed interim financial statements, along with reported amounts of revenues and expenses during the period. Actual results may differ from these estimates, and as such, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognized in the period in which the estimates are revised and in any future periods affected. In preparing these condensed interim financial statements, significant judgments made by management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those applied to the annual financial statements as at and for the year ended December 31, 2024.

Critical accounting estimates and judgments areas that have the most significant effect on the amounts recognized in the condensed interim financial statements are disclosed in Note 2 (b) of the Company's audited annual financial statements as at and for the year ended December 31, 2024.



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

3 MATERIAL ACCOUNTING POLICIES

These condensed interim financial statements have been prepared using the same accounting policies as those disclosed in Note 3 to the audited annual financial statements as at and for the year ended December 31, 2024.

New or amended accounting pronouncements (standards and interpretations) applicable for annual periods beginning on January 01, 2025, did not have a significant impact on the Company's condensed interim financial statements.

Other accounting and sustainability pronouncements have been issued and will be applicable in future periods. These are subject to assessment and have not been applied in the preparation of these condensed interim financial statements.

4 TRADE RECEIVABLES

Current	September 30, 2025	December 31, 2024
Trade receivables (subject to provisional pricing)		
Trade receivables	159.6	149.6
Mark-to-Market ("MtM")	24.7	-
Total Trade receivables	184.3	149.6

As at September 30, 2025 due to the changes in the mineral price, a positive Mark-to-market adjustment was recorded by the Company and classified as trade receivables for US\$24.7 million (December 31, 2024 a negative Mark-to-market adjustment was recorded by the Company and classified as trade payables for - US\$19.3 million) which refers to 171.0 million unsettled copper concentrate pounds and 4.9 million unsettled molybdenum pounds (December 31, 2024 – 160.3 million of unsettled copper concentrate pounds and 3.9 million unsettled molybdenum pounds).

The net carrying amount of trade receivables approximates to its fair value and reflects the Company's maximum credit risk associated with each classification of trade receivables. These receivables are neither collateralized nor secured. A financial asset is past due when a counterparty has failed to make a payment when that payment was contractually due.

The Company's trade receivables less MtM corresponding to the expected cash inflow from mineral sales at the reporting date was:

	September 30, 2025	December 31, 2024
Less than 1 month	149.7	124.8
1 to 3 months	8.8	22.9
Greater than 3 months	1.1	1.9
Total Trade Receivables less MtM	159.6	149.6



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

5 INVENTORY

	September 30, 2025	December 31, 2024
Current		
Copper concentrate	15.7	10.4
Molybdenum concentrate	4.9	3.8
Work in progress	22.5	29.9
Supplies	185.6	169.1
Total Current	228.7	213.2
Non-current		
Ore stockpile	156.3	142.6
Total Non-current	156.3	142.6
Total net carrying amount of Inventory	385.0	355.8



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

6 MINERAL PROPERTY, PLANT AND EQUIPMENT

	Land (a)	Plant, buildings and equipment (b)	Equipment under lease (c)	Site closure and reclamation asset (d)	Deferred stripping asset (e)	Asset under construction (f)	Right of use asset (g)	Oxide project (h)	Total
January 1, 2025									
Cost	11.9	6,705.1	198.2	15.3	2,514.2	466.3	83.4	83.7	10,078.1
Accumulated depreciation	-	(2,916.0)	(94.8)	(12.4)	(1,345.8)	-	(70.4)	-	(4,439.4)
Impairment	(6.6)	(3,220.8)	(161.5)	-	(345.4)	-	-	-	(3,734.3)
Impairment reversal	-	1,544.7	54.0	-	-	-	-	-	1,598.7
Impairment accumulated amortization	-	1,023.2	82.8	-	-	-	-	-	1,106.0
Net book value	5.3	3,136.2	78.7	2.9	823.0	466.3	13.0	83.7	4,609.1
Change in cost									
Additions	-	-	-	1.6	276.0	150.5	21.3	-	449.4
Disposals	-	(9.9)	-	-	-	-	-	-	(9.9)
Transfers	-	228.8	-	-	-	(229.2)	-	0.4	-
Sub total	-	218.9	-	1.6	276.0	(78.7)	21.3	0.4	439.5
Change in depreciation									
Additions	-	(222.5)	(10.2)	(0.1)	(93.0)	-	(8.2)	-	(334.0)
Disposals	-	9.6	-	-	-	-	-	-	9.6
Sub total	-	(212.9)	(10.2)	(0.1)	(93.0)	-	(8.2)	-	(324.4)
Change in impairment cost									
Disposals	-	1.0	-	-	-	-	-	-	1.0
Sub total	-	1.0	-	-	-	-	-	-	1.0
Change in impairment amortization									
Additions	-	31.1	1.5	-	-	-	-	-	32.6
Disposals	-	(1.0)	-	-	-	-	-	-	(1.0)
Sub total	-	30.1	1.5	-	-	-	-	-	31.6
September 30, 2025									
Cost	11.9	6,924.0	198.2	16.9	2,790.2	387.6	104.7	84.1	10,517.6
Accumulated depreciation	-	(3,128.9)	(105.0)	(12.5)	(1,438.8)	-	(78.6)	-	(4,763.8)
Impairment	(6.6)	(3,219.8)	(161.5)	-	(345.4)	-	-	-	(3,733.3)
Impairment reversal	-	1,544.7	54.0	-	-	-	-	-	1,598.7
Impairment accumulated amortization	-	1,053.3	84.3	-	-	-	-	-	1,137.6
Net book value	5.3	3,173.3	70.0	4.4	1,006.0	387.6	26.1	84.1	4,756.8



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

6 MINERAL PROPERTY, PLANT AND EQUIPMENT, CONTINUED

- (a) Comprise land acquired for Sierra Gorda project.
- (b) Plant, buildings and equipment include the campsite and its infrastructure, mine and plant equipment, as well as office building, warehouses and workshops in use and mine development regarding drilling activities.
- (c) Equipment under lease includes nine haul trucks, and other mobile equipment and vehicles, as well as power transmission lines embedded lease in Atlantica (previously Abengoa) transmission line construction and operation contracts, port facility embedded lease in Antofagasta Terminal International contract.
- (d) Refer to Note 8 (a) for further information regarding the site closure.
- (e) Deferred stripping asset includes the capitalization of the stripping costs incurred in the mine development recognised and valued in accordance with IFRIC 20, refer to Note 13 for the capitalized amount for the period.
- (f) Assets under construction mainly include the tailing storage facilities, new mobile equipment in the assembly process and the operational projects.
- (g) Right of use includes leasing according IFRS 16 “Leases”.
- (h) Acquisition cost and development of Oxide project.

As at September 30, 2025, the Company has contractual commitments related to capital expenditure by US\$31.2 million for 2025.

7 TRADE AND OTHER PAYABLES

	September 30, 2025	December 31, 2024
Liabilities from deliveries and services	189.1	191.5
Other accounts payable	12.1	26.4
Liabilities from employee tax and social security	2.8	5.9
Liabilities for wages	0.1	0.9
Total	204.1	224.7



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

8 ACCRUED LIABILITIES

	September 30, 2025	December 31, 2024
Current		
Accrued expenses	95.5	94.3
Payroll and benefits	35.7	24.3
Others	7.8	19.1
Total Accrued Liabilities Current	139.0	137.7
Non-Current		
	September 30, 2025	December 31, 2024
Site closure and reclamation provision (a)	26.9	24.9
Severance indemnity provision (b)	13.9	12.8
Total Accrued Liabilities Non-Current	40.8	37.7

(a) Site closure and reclamation provision

Balance at January 1, 2025	24.9
Increase in obligation due to change in foreign exchange	1.6
Unwinding of discount	0.4
Balance at September 30, 2025	26.9

On March 14, 2025, the Company signed with AVLA (insurance company) a guaranteed insurance policy for the closure cost of the mining site by 613,786.00 U.F. (US\$25.0 million), effective from March 14, 2025 to March 14, 2026.

The Company is not able to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future.

(b) Severance indemnity provision

Balance at January 1, 2025	12.8
Service Cost	3.0
Effect of foreign currency translation differences	0.4
Effect of discount rate	0.4
Other comprehensive income (actuarial losses)	0.2
Benefit paid in the period	(2.9)
Balance at September 30, 2025	13.9



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

9 LOANS

(a) Credit facility

	September 30, 2025	December 31, 2024
Current		
Syndicated loan	0.4	0.5
Total Credit Facility Current	0.4	0.5
Non-Current		
Syndicated loan	400.0	400.0
Transaction costs	(7.2)	(7.2)
Amortization of transaction costs	2.0	0.2
Total Credit Facility Non-Current	394.8	393.0

b) Subordinated sponsors' loan

	September 30, 2025	December 31, 2024
Non-current		
Principal		
Quadra FNX FFI Ltd.	1,162.2	1,361.1
South32 Finance 1 B.V.	665.6	779.5
South32 Finance 2 B.V.	285.3	334.1
Non-current principal	2,113.1	2,474.7
Accrued interest and effective interest rate adjustment		
Quadra FNX FFI Ltd.	1,496.1	1,400.9
South32 Finance 1 B.V.	856.9	802.3
South32 Finance 2 B.V.	367.2	343.8
Finance cost discount	(120.5)	(113.3)
Amortization of the discount	120.5	113.3
Non-current accrued interest and effective interest rate adjustment	2,720.2	2,547.0
Total	4,833.3	5,021.7

During the nine months period ended September 30, 2025, the Company paid on Sponsors' request, capital and interest related to the subordinated loans of US\$380.0 million (December 31, 2024 capital and interest - US\$210.0 million).



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

9 LOANS, CONTINUED

c) Reconciliation of movements of liabilities to cash flows arising from financing activities

	Current Liabilities		Non-Current Liabilities			Shareholders' Equity			Total
	Working capital facility	Finance Lease Liabilities	Subordinated sponsors' loans	Working capital facility	Finance Lease Liabilities	Share capital	Reserves	Retained earnings	
Balance at January 1, 2025	0.5	25.2	5,021.7	393.0	116.8	2,838.1	(21.4)	(2,593.6)	5,780.3
Payments of related loans	-	(27.8)	(380.0)	(21.5)	-	-	-	-	(429.3)
Total changes from financing cash flows	-	(27.8)	(380.0)	(21.5)	-	-	-	-	(429.3)
Other changes									
Right of use liabilities	-	1.8	-	-	11.1	-	-	-	12.9
Accrued during the year	(0.1)	20.8	191.6	16.6	-	-	-	-	228.9
Other changes	-	5.9	-	-	(10.4)	-	-	-	(4.5)
Total Liability related other changes	(0.1)	28.5	191.6	16.6	0.7	-	-	-	237.3
Total equity related other changes	-	-	-	-	-	-	-	291.3	291.3
Balance at September 30, 2025	0.4	25.9	4,833.3	394.8	117.5	2,838.1	(21.4)	(2,302.3)	5,886.3



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

10 INCOME AND MINING TAX

	September 30, 2025	December 31, 2024
Deferred tax assets		
Tax losses	746.6	897.0
Foreign intercompany liabilities	705.5	655.8
Lease liabilities	38.7	38.4
Reclamation liability	7.3	6.7
Provisions	2.7	15.5
Deferred tax liabilities		
Mineral property, plant and equipment	(459.7)	(462.3)
Start-up costs	(189.2)	(192.7)
Reclamation asset	(1.2)	(0.8)
Others	(1.8)	(2.8)
Subtotal deferred tax asset, net	848.9	954.8
Recognised deferred mining tax assets, net	(23.3)	(21.0)
Recognised deferred tax assets, net	825.6	933.8

Deferred tax balances are based on the enacted tax rates for when the assets are expected to be realized or the liabilities settled.

As at September 30, 2025, the Company has recognized a net deferred tax asset of US\$825.6 million (December 31, 2024 – US\$933.8 million) where the most significant deductible temporary difference is the accumulated tax losses of US\$2,765.2 million (December 31, 2024 – US\$3,322.4 million). The accumulated tax losses contribute with US\$746.6 million (December 31, 2024 – US\$897.0 million) over the total deferred tax asset recognized.



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

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(Unaudited)

10 INCOME AND MINING TAX, CONTINUED

Effective tax rate reconciliation

	September 30, 2025	September 30, 2024
Profit before income tax	426.9	81.9
Current corporate tax rate	27.0%	27.0%
Tax expenses using corporate rate	(115.3)	(22.1)
Current mining tax effect	(27.3)	(14.6)
Thin Cap tax effect	-	(9.5)
Deferred mining tax effect	7.0	11.7
Total adjustments to the loss for taxes using corporate rate	(20.3)	(12.4)
Tax expenses using effective rate	(135.6)	(34.5)
Effective tax rate	31.8%	42.2%

	September 30, 2025	September 30, 2024
Origination of temporary differences	(108.3)	(10.4)
Mining tax expenses	(27.3)	(14.6)
Other tax expenses	-	(9.5)
Total income tax expenses	(135.6)	(34.5)

11 RELATED PARTY TRANSACTIONS

For the nine-month period ended at September 30, 2025 and 2024, the main transactions with related parties are detailed as follows:

Company	Relationship	Transaction description	Amount	2025	Amount	2024
				Effect on profit or loss (debit)/credit		Effect on profit or loss (debit)/credit
Quadra FNX FFI Ltd.	JV Partner	Interest Subordinated Loans	105.4	(105.4)	114.4	(114.4)
		Payments of Sub sponsor's loan	209.0	-	49.5	-
South32 Finance 1 B.V.	JV Partner	Interest Subordinated Loans	60.4	(60.4)	65.5	(65.5)
		Payments of Sub sponsor's loan	119.7	-	28.4	-
South32 Finance 2 B.V.	JV Partner	Interest Subordinated Loans	25.8	(25.8)	28.0	(28.0)
		Payments of Sub sponsor's loan	51.3	-	12.1	-
South32 Limited	JV Partner	Interest Guarantee Fee	0.3	(0.3)	2.9	(2.9)
		Payment Guarantee Fee	0.6	-	1.9	-
KGHM Polska Miedz S.A.	JV Partner	Interest Guarantee Fee	0.3	(0.3)	3.6	(3.6)
		Payment Guarantee Fee	0.8	-	2.4	-
KGHM Chile SpA	JV Partner	Service Fee	3.0	(3.0)	2.7	(2.7)
DMC Mining Services Chile SPA	JV Partner	Deep Drilling services	15.6	-	16.8	-
Bank Gospodarstwa Krajowego	Poland Entity related to KGHM Polska Miedz SA	Interest Credit Facility	-	-	27.5	(27.5)
		Payments of Int Credit Facility	-	-	22.4	-
		Payments of Credit Facility	-	-	400.0	-



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

12 REVENUE

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Copper	1,138.4	990.4
Molybdenum	132.7	83.8
By product Gold	136.1	101.0
By product Silver	34.8	29.3
Total	1,442.0	1,204.5
Mark-to-Market	43.9	5.3
Treatment Charges	(7.9)	(49.3)
Total	1,478.0	1,160.5

13 EXPENSES BY NATURE

As at September 30, 2025 and 2024, the costs and expenses by nature are detailed as follows:

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Cost of sales	713.4	721.9
Selling costs	57.1	55.4
General and administrative expenses	43.2	42.0
Total	813.7	819.3



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

13 EXPENSES BY NATURE, CONTINUED

The breakdown of the above-mentioned costs and expenses as at September 30, 2025 and 2024 are detailed as follows:

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Depreciation and amortization	305.6	265.4
External services	236.8	214.1
Energy	145.5	152.4
Employee benefits expenses	94.3	87.6
Materials	75.6	78.4
Fuel and lubricant	68.1	74.1
Replacements parts	63.9	59.8
Ocean and inland freight	57.1	55.4
Other costs	24.5	24.7
Personnel services	15.2	11.7
Conversion costs	10.0	6.1
Service fees	3.0	2.7
Water	1.9	2.0
Technical obsolescence write-off	0.8	3.7
Change in inventories of finished goods and work in progress	(12.6)	19.1
Expenses capitalized to deferred stripping asset (*)	(276.0)	(237.9)
Total	813.7	819.3

(*) Cash cost of US\$243.0 for nine months ended September 30, 2025 (US\$207.4 for 2024) and non-cash cost of US\$33.0 for nine months ended September 30, 2025 (US\$30.5 for 2024), refer to Note 6.

14 FINANCE EXPENSES

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Subordinated sponsors' loans interest	191.6	207.9
WHT subordinated sponsors' loans	12.6	11.5
Revolving credit facility – BGK	-	28.0
Syndicated loan interest	22.6	-
Lease interest	7.5	8.4
Guarantee fee	0.6	6.5
Other finance cost	1.2	1.9
Total	236.1	264.2



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

15 MANAGEMENT OF CAPITAL RISK

The Company's objectives when managing capital risk are to safeguard the Company's ability to continue as a going concern and to pursue the operation with low risk, development of mineral property and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable risk.

The Company includes the components of shareholders' equity and long-term debt in the management of capital. The capital structure is managed in conjunction with the structure of joint venture partners (KGHMI and South32). To maintain or adjust the capital structure, the Company may issue new common shares, issue new debt, repay debt, and acquire or dispose of assets.

To facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The Owners Council approves the annual and updated budgets.

To maximize ongoing development efforts, the Company does not pay out dividends. The investment policy is to invest its cash in highly liquid short-term interest-bearing investments with maturities of three months or less when acquired and are selected with consideration of the expected timing of expenditures from the business and to meet the stable production process.

16 FINANCIAL INSTRUMENTS AND RISK

The Company's activities expose it to a variety of financial risks: market risk (currency, interest rate and commodity price risk), credit risk and liquidity risk. These risks are assessed regularly and, when appropriate, the Company takes steps to mitigate these risks.

Financial instruments include cash and any contracts that give rise to a financial asset to one party and a financial liability or equity instrument to another party. Financial instruments carried at fair value on the statement of financial position are classified within a hierarchy that prioritizes the inputs to fair value measurements. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly.

Level 3 – Inputs that are not based on observable market data.

The Company has not disclosed the fair values of financial instruments due to carrying amounts are a fair approximation to the fair value.



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

16 FINANCIAL INSTRUMENTS AND RISK, CONTINUED

(a) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and commodity prices - will affect the Company's income or the value of its holdings of financial instruments.

Currency risk

The Company prepares its financial statements in its functional currency, the United States dollar (U.S. dollar). The construction and operation budget are primarily made up of U.S. dollars and Chilean Pesos. The cost of the project is subject to foreign currency exchange risk due to exchange rate movements affecting transaction costs and the translation of underlying net assets. The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities are as follows (denominated in U.S. dollars in million):

	September 30, 2025	December 31, 2024
Financial asset	70.1	38.0
Financial liabilities	178.0	179.0

The following table shows the effect of financial instruments considered sensitive to foreign exchange rates where they are not in U.S. dollars. Since the Company has a net financial liability position in foreign currency, an appreciation in Chilean peso regarding U.S dollar would generate an increase in loss before tax.

	September 30, 2025	December 31, 2024
Loss (before tax)		
10% appreciation in Chilean peso	(10.8)	(14.1)
Total	(10.8)	(14.1)

Interest rate risk

The Company does not have significant exposure to interest rate risk since most of its financial liabilities are issued at fixed interest rates.



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

16 FINANCIAL INSTRUMENTS AND RISK, CONTINUED

Commodity price risk

The Company has not entered into derivative commodity contracts. Unsettled provisionally priced sales are carried at fair value through profit or loss as part of trade receivables or trade payables at each reporting date.

The Company's exposure at September 30, 2025 and December 31, 2024 to the impact of movements in commodity prices upon unsettled provisionally priced sales is detailed in the following table:

Commodity	September 30, 2025 (*)		December 31, 2024	
	Net exposure - Mlbs	Impact on equity and profit of 10% movement in market price (before tax) - USD M	Net exposure - Mlbs	Impact on equity and profit of 10% movement in market price (before tax) - USD M
Copper	171.0	77.3	160.3	64.3
Moly	4.9	11.5	3.9	8.3
Total	175.9	88.8	164.2	72.6

(*) It is expected that most of the final price of these sales will be determined during the next 6 months.

(b) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial asset fails to meet its contractual obligations. The Company's significant counterparty exposures are related to cash and cash equivalents and trade receivables, the carrying amount of financial assets represents the maximum credit exposure. The counterparties consist of customers, banks and government (tax recoverable). Investments are made in accordance with the investment policy approved by the owners. In monitoring customer credit risk, due diligence is carried out on the prospective counterparties prior to entering into a contract. The Company monitors the compliance with payment terms and takes corrective action where there is non-compliance.

The Company's investment policy has pre-defined exposure, and requires monitoring of the concentration of exposure to reduce the risk concentration. The Company does not believe there are any material credit risks at the issuing date of these financial statements.

At September 30, 2025 and December 31, 2024, the provisional priced trade receivables were as follows:

	September 30, 2025	December 31, 2024
Less than 1 month	149.7	124.8
1 to 3 months	8.8	22.9
Greater than 3 months	1.1	1.9
Total Trade Receivables less MTM	159.6	149.6

The above-mentioned amounts do not include the MTM effect on the provisional priced trade receivables.



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

16 FINANCIAL INSTRUMENTS AND RISK, CONTINUED

(b) Credit risk, continued

At September 30, 2025 and December 31, 2024, the trade receivables by geographic area were as follows:

	September 30, 2025	December 31, 2024
Asia	131.5	120.7
Chile	25.5	21.1
Europe	2.6	7.8
Total Trade Receivables less MTM	159.6	149.6

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will always have satisfactory financial resources to meet its liabilities when due.

The Company uses monthly cash flow forecasts to monitor available cash based on expected cash inflows and outflows. The Company ensures it has sufficient available cash to meet expected operational expenses and capital expenditures, including the servicing of financial obligations.

During the nine months period ended September 30, 2025, the Company incurred a total comprehensive income of US\$291.3 million (US\$45.0 million at September 30, 2024) and a net equity of US\$514.4 million (US\$223.1 million as at December 31, 2024). The Company was in a net asset current position of US\$197.1 million as at September 30, 2025 (net asset current position of US\$130.3 million as at December 31, 2024).

The Company's operational strategy is to continue with the improvement of production with special focus on plant reliability, asset efficiency, and Cu recovery, which has allowed an average of 130,746 tons of throughput per day as at September 30, 2025 (134,702 tons as at December 31, 2024). The before-mentioned represent an increase of 18%, from the original designed capacity of 110.000 tons of throughput per day. Drilling Program has achieved additional mineral resources compared to previous year with no significant impact on the extraction model and pit design. The 2025 Drilling Program continues drillings and improving estimation of the Company's reserves and resources, incorporating a Deep drilling program and brownfield program.

The Operational Cash-neutral strategy continues focus on cost reduction through the renegotiation of service and purchase contracts, contract's scope rationalization, internalization of several categories of activities, reducing discretionary spending, internal and contractor headcount excellence. This strategy is supported by the Value Creation Program (VCP) sponsored by the Owners Council, which is focused on activities on revenue acceleration and cost reduction.



NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(U.S. dollars in millions)

Nine months ended September 30, 2025 and 2024

(Unaudited)

16 FINANCIAL INSTRUMENTS AND RISK, CONTINUED

(c) Liquidity risk, continued

Since the year 2020, the Company has not received capital contributions from the Owners. Since 2021, the Company has been gradually repaying its liabilities to the Owners under the Subordinated Debt agreement, accordingly, the Company has made payments by US\$1,570 million. As at September 30, 2025, the cash balance amounted to US\$111.5 million, and trade receivables from clients amounted to US\$184.3 million. The before-mentioned represents a total of US\$295.8 million of highly liquid assets.

The following are the remaining contractual maturities of liabilities at the reporting date:

September 30, 2025	Bank loans and other loans	Due to related parties	Lease liabilities	Other liabilities	Total
Maturity date					
Less than 1 year	0.4	4.3	25.9	370.8	401.4
Between 1 and 3 years	394.8	-	49.1	-	443.9
Between 3 and 5 years	-	-	18.2	-	18.2
More than 5 years	4,833.3	-	50.2	154.2	5,037.7
Balance as at September 30, 2025	5,228.5	4.3	143.4	525.0	5,901.2

The outflows disclosed in the above table represent the contractual discounted cash flows relating to liabilities. It is not expected that the cash flows included in the maturity analysis will occur significantly earlier, or significantly later than the settlement date.

The Company continues the cash preservation strategy focusing on improving operational efficiency, costs optimization and a variety of measures assuring the Company's liquidity.



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16 FINANCIAL INSTRUMENTS AND RISK, CONTINUED

(d) Classification of financial instruments

All financial assets and financial liabilities are initially recognised at the fair value of the consideration paid or received, net of transaction costs applicable and, subsequently measured at fair value through profit or loss or amortized cost, as indicated in the table below. The Company does not have financial instruments measured at a fair value through other comprehensive income.

Financial assets and financial liabilities are presented by type in the table below at their carrying amount, which, in general, approximates their fair value.

September 30, 2025	Note	Amortized cost	Fair Value through profit or loss	Total
Financial assets				
Cash and cash equivalents		111.5	-	111.5
Trade receivables	4	-	184.3	184.3
Current tax		14.8	-	14.8
Other receivables		50.9	-	50.9
Due from related parties		8.3	-	8.3
Total financial assets		185.5	184.3	369.8
Financial liabilities				
Trade and other payables	7	204.1	-	204.1
Mining tax		27.7	-	27.7
Loans and credit facility	9	5,228.5	-	5,228.5
Lease liabilities		143.4	-	143.4
Due to related parties		4.3	-	4.3
Total financial liabilities		5,608.0	-	5,608.0

17 SUBSEQUENT EVENTS

No significant events have occurred subsequent to September 30, 2025, which might affect the amounts and/or disclosures included in these condensed interim financial statements.