

ARGENTINA



Its aggregates industry challenges

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VicePresident of Cemincor
NZ, July 23, Gain meeting



ARGENTINA IN CONTEXT

3rd South American Economy

GDP US\$ 0,5 Billions

Less than 4% in mining

*Surface area
2,780,400 km²*

46 Million inhabitants

16 inhabitants/km²

Key economic sectors: agriculture, hydrocarbons and manufacturing

90% Aggregates Production in only 12 provinces.

75 % Aggregates Production in Buenos Aires and Cordoba.

131 M tons/Year

3 tons/inhab

8th country in area



OUR ECONOMIC AND POLITICAL ISSUES

Currency Inflation:
114%, 8% monthly

Devaluation of the
Argentine Peso:
200% in 15 months

Bank loan rate:
150%

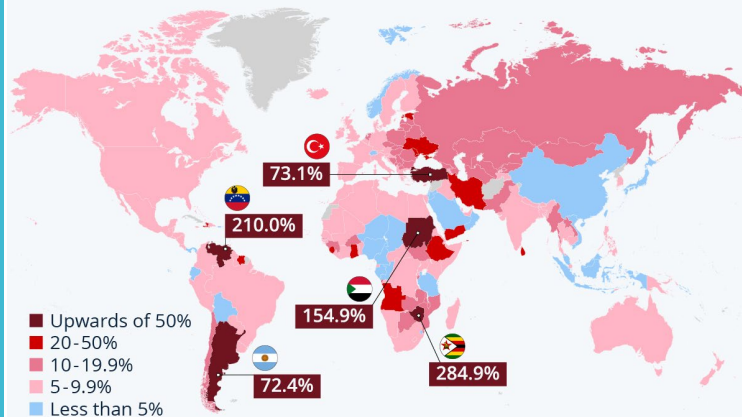
Poverty 40%

Government
changes on 10 Dec
2023

But we are used to
economic
turbulence!

The Global Inflation Outlook

Projected annual inflation by country in 2022

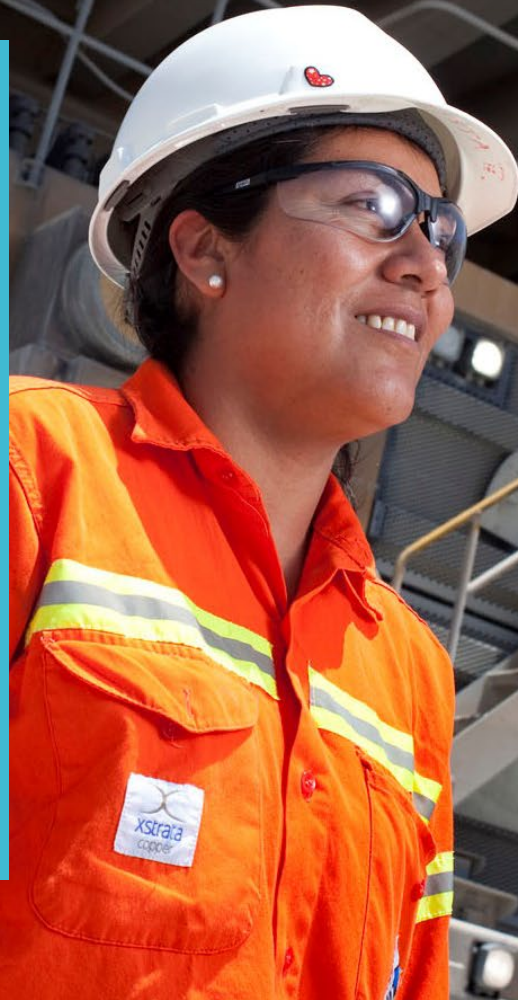


Annual average. Projection as of October 2022

Source: IMF

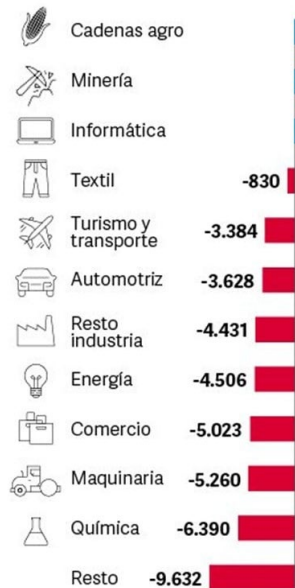


Overview of Argentine mining

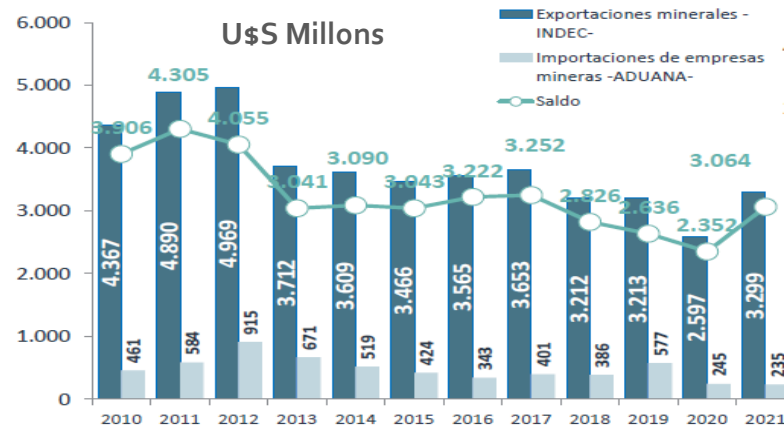


MINING: 6th EXPORT COMPLEX

USD 3.299 millions



Exchange balance
2021. U\$S millions



METAL MINING POTENCIAL

SILVER



- Argentina is currently the 10th largest producer in the world.
- 5 projects in advanced

COPPER



- 12,000 jobs in construction and 4,500 in mining would generate the most important copper projects: Taca Taca, El Pachón, Los Azules, Agua Rica and Josemaría.

LITIU



- Argentina is the 4th world producer.
- 2nd country in lithium reserves worldwide
- Twelve projects that would make Argentina the world's leading producer, with production of more than 300,000 tons of LCE.

GOLD



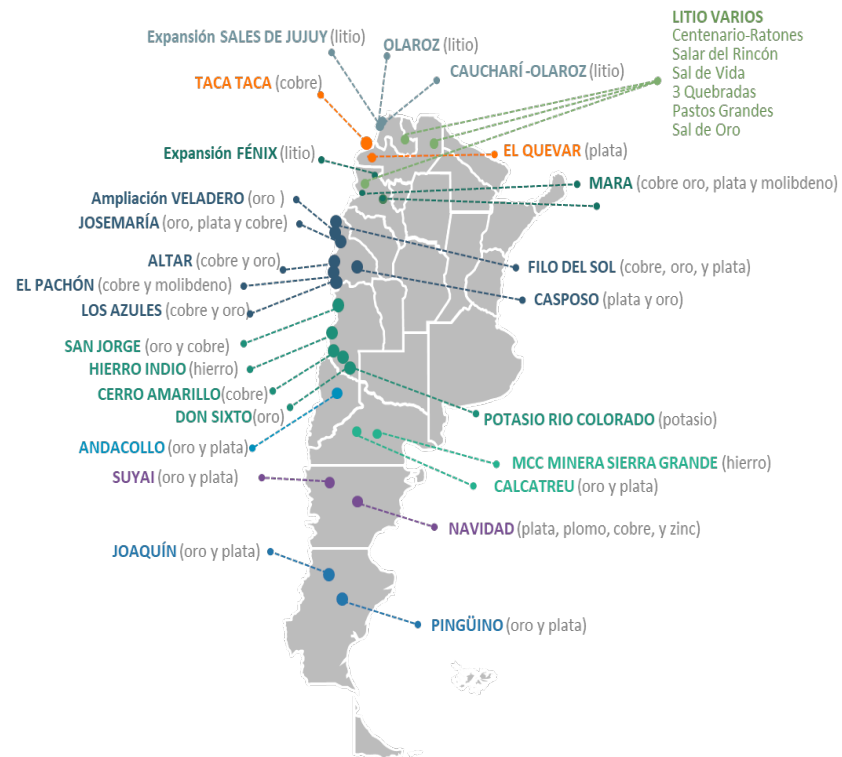
- Argentina is among the top twenty producers worldwide.
- It has 2 of the 25 largest gold mines in the world: Veladero (operated by Barrick – Shandong Gold) and Cerro Negro (Newmont).
- Both with projects to extend their useful life.

MAIN DEPOSITS



* Producción piloto

MAIN MINING PROJECTS





Application Rock
Mining
Development and
economic importance
in Argentina

FEDERACION ARGENTINA DE LA PIEDRA

National Association, representing 75% of the Argentine aggregates production, composed in its majority by family companies.

The Chamber of Stone of Buenos Aires and the Mining Companies Chamber of Cordoba, are the main members of this Federation, being the two most important provinces of Argentina.

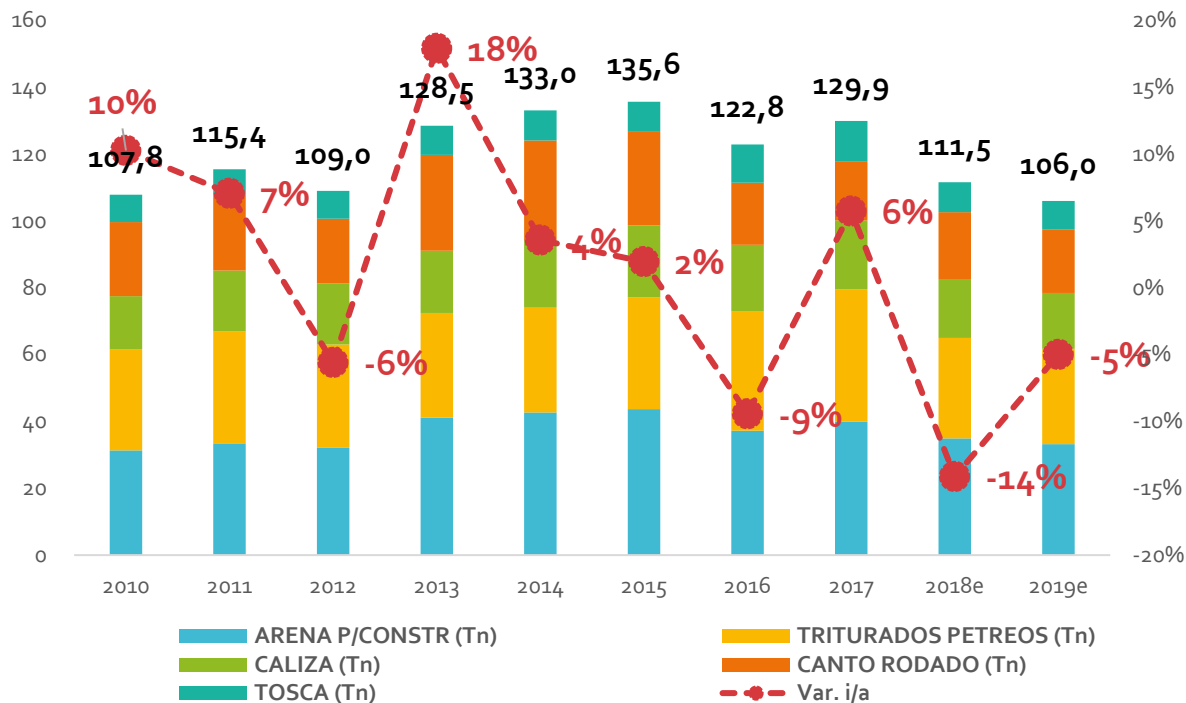


CÁMARA DE LA PIEDRA
DE LA PROVINCIA DE BUENOS AIRES



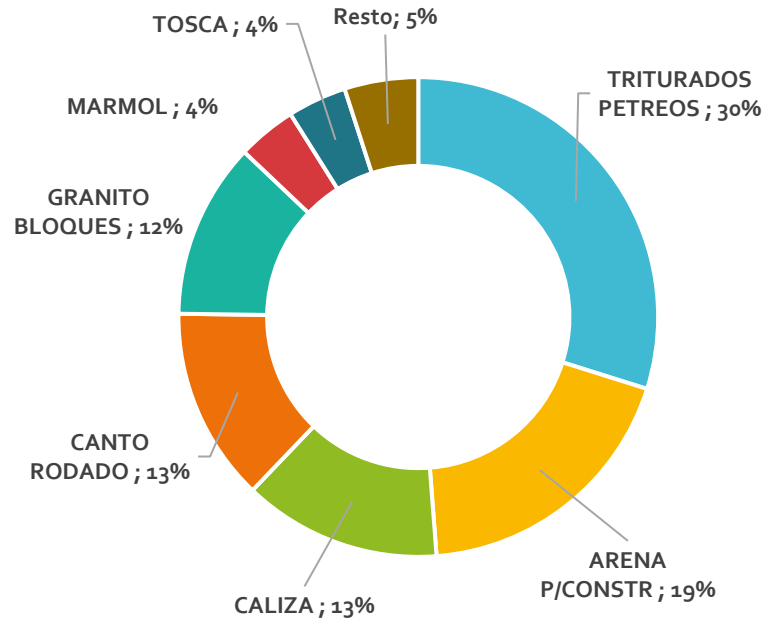
Aggregates production evolution

At present, based on data from the first semester 120.000 tons (Presidential election year)



Four of the first seven application rocks in terms of value and volume produced are materials for construction aggregates, sand, boulder, crushed stone and rough-, gathering 66% of the production value and 77% of the volume.

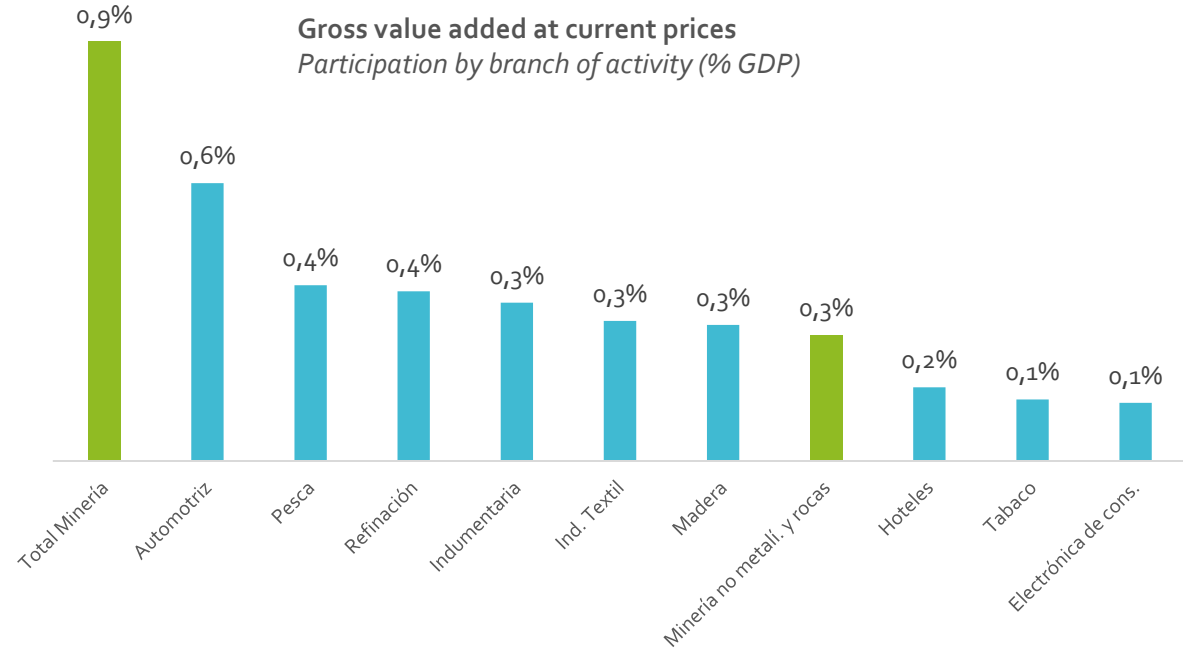
Limestone, raw material for the manufacture of lime and cement, constitutes 14% of the value of the application rocks and 19% of the total volume..



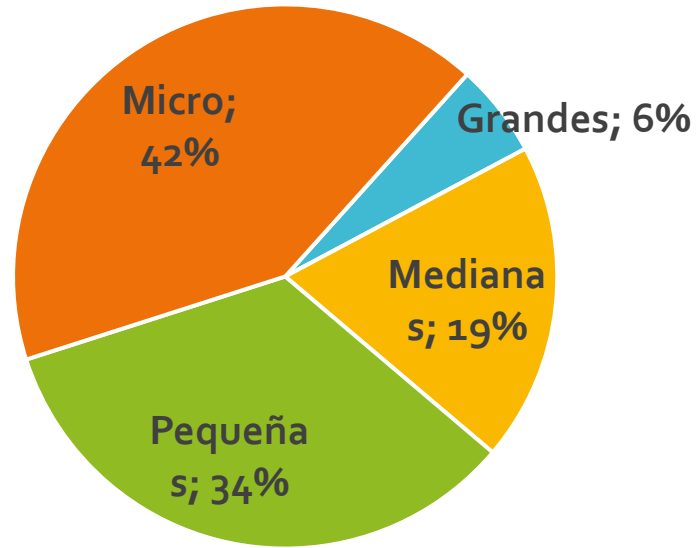
Value Added

USD 827 Millons

0,2%
GDP



Participation by company size

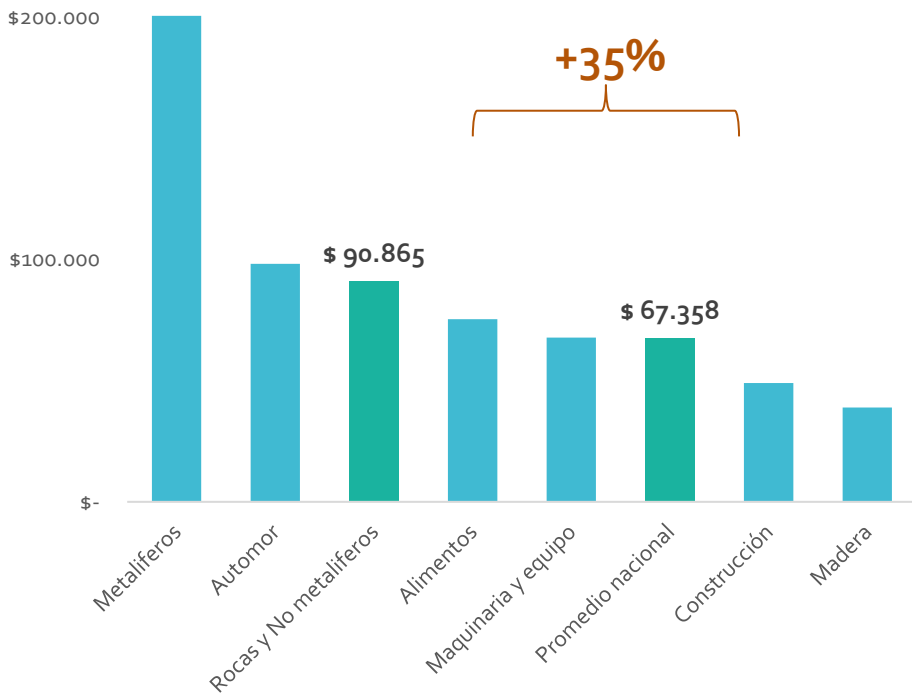


94% of them are estimated to be SMEs

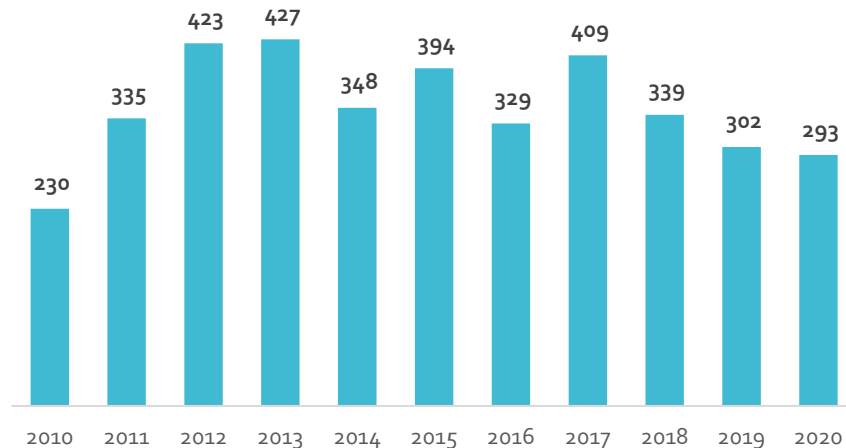
685 Non-metalliferous mining companies exist in Argentina according to the Ministry of Labor

It generates a direct wage bill of almost USD 300 million, given that the sector's remuneration is 35% higher than the average for private activity.

Average remuneration by economic activity
Year 2020

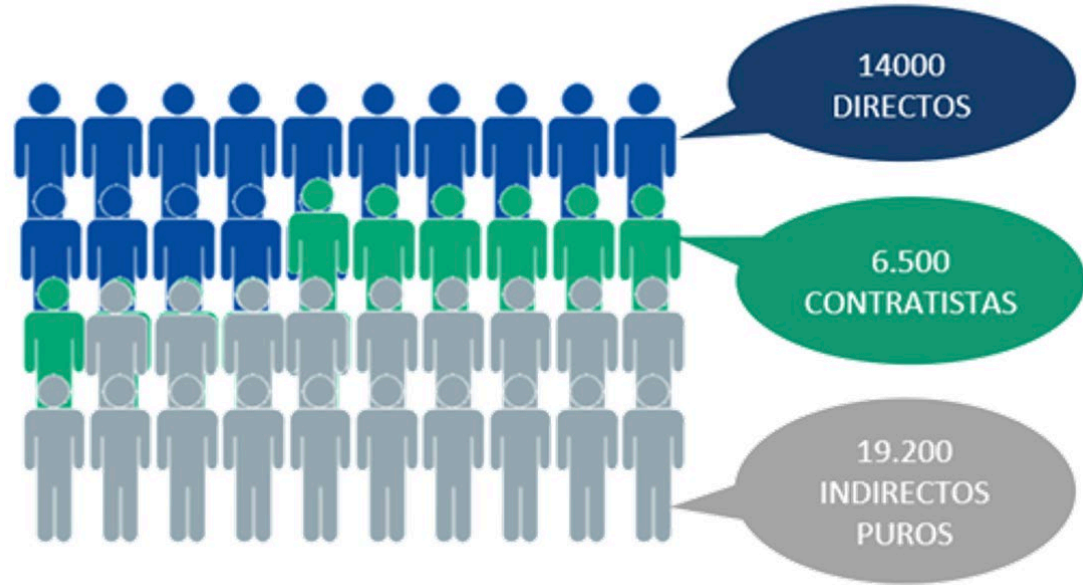


Annual wage bill of the sector
USD 293 Million



Employment Generation

39.700 Familys



Final Ideas

- Synergy with mining projects under development
- Plan of works to reactivate the economy, in the long term with coordination on the demand for resources.
- Change of government in December 2023. A more difficult year will come, with the possibility of great political and economic changes.
- Tax and competitiveness aspects.
- Access to natural resources
- Promotion of good quarrying practices and professionalization of companies
- Continue interacting with society to better facilitate granting of the licence to operate