

## Mines analysis

# Kinsevere

### Location

**Democratic  
Republic of Congo**



### Products

Copper cathode  
Cobalt hydroxide



### Revenue (US\$ million)

**\$423.6**



### Ore milled (tonnes)

**2,609,130**



### Ownership



■ MMG Limited

100%

### Copper cathode produced (tonnes)

**44,597**



**Kinsevere delivered a turnaround in EBITDA of US \$67.8 million, driven by higher copper sales volumes and prices supported by lower third-party ore consumption.**

**Kinsevere's expansion project successfully completed mechanical construction as planned, and commissioning of the concentrator and roasting systems is underway to gradually increase production.**





# Mines Analysis: Kinsevere Continued

Year ended 31 December	2024	2023	Change % Fav/(Unfav)
<b>Production</b>			
Ore mined (tonnes)	3,343,818	1,726,145	94%
Ore milled (tonnes)	2,609,130	2,107,223	24%
Waste movement (tonnes)	18,418,088	32,646,890	(44%)
Copper cathode (tonnes)	44,597	44,068	1%
Cobalt (tonnes)	2,926	105	2,687%
<b>Payable metal in product sold</b>			
Copper (tonnes) <sup>1</sup>	44,892	43,710	3%
Cobalt (tonnes)	1,617	-	n/a

Year ended 31 December	2024 US\$ million	2023 US\$ million	Change % Fav/(Unfav)
<b>Revenue</b>	<b>423.6</b>	<b>354.6</b>	<b>19%</b>
<b>Operating expenses</b>			
<b>Production expenses</b>			
Mining	(64.3)	(18.7)	(244%)
Processing	(164.9)	(188.0)	12%
Other	(98.6)	(90.8)	(9%)
<b>Total production expenses</b>	<b>(327.8)</b>	<b>(297.5)</b>	<b>(10%)</b>
Freight	(10.2)	(7.3)	(40%)
Royalties	(26.6)	(17.8)	(49%)
Other <sup>2</sup>	28.9	(32.2)	190%
<b>Total operating expenses</b>	<b>(335.7)</b>	<b>(354.8)</b>	<b>5%</b>
Other expenses	(20.1)	(31.8)	37%
<b>EBITDA</b>	<b>67.8</b>	<b>(32.0)</b>	<b>312%</b>
Depreciation, amortisation and impairment expenses	(118.4)	(27.5)	(331%)
<b>EBIT</b>	<b>(50.6)</b>	<b>(59.5)</b>	<b>15%</b>
<b>EBITDA margin</b>	<b>16%</b>	<b>(9%)</b>	

1 Kinsevere sold copper includes copper cathode, copper scrap and copper ore.

2 Other operating expenses include changes in inventories, corporate recharges and other costs of operations.

## Mines Analysis: Kinsevere Continued

Kinsevere revenue increased by US\$69.0 million (19%) to US\$423.6 million in 2024 compared to 2023, driven by higher copper prices (US\$36.0 million), additional cobalt sales volumes (US\$20.5 million) and higher copper sales volumes (US\$12.5 million).

Total production expenses increased by US\$30.3 million (10%) in 2024 compared to 2023. This increase resulted from: higher mining costs due to accelerated mining at Sokoroshe II pit and lower capitalisation of deferred mining costs (US\$53.1 million); higher costs at the newly commissioned cobalt plant (US\$26.3 million) and sulphide ore circuit of the concentrator (US\$4.8 million); and increased power cost (US\$4.4 million). Lower third-party ore consumption (US\$63.0 million) partially offset these increases.

Royalties increased by US\$8.8 million (49%) due to higher copper revenue and cobalt sales.

Other operating expenses were US\$61.1 million lower in 2024 than in 2023, primarily due to a US\$61.2 million favourable change in inventories resulting from increased ore stocks driven by higher mining volumes.

Depreciation and amortisation expenses increased by US\$90.9 million (331%) in 2024 compared to 2023. This increase stemmed from a US\$53.0 million impairment at Kinsevere, reflecting a weakened cobalt outlook, and an additional US\$35.1 million increase due to higher mining volumes at the Sokoroshe II pit.

The C1 costs of US\$3.26/lb for 2024 were lower than the 2023 C1 costs of US\$3.29/lb due to higher by-product credits, partially offset by increased cash production expenses.

### 2025 Outlook

Kinsevere copper cathode production for 2025 is expected to be between 63,000 and 69,000 tonnes. Following the mechanical completion of the Kinsevere expansion project on 15 September 2024, the focus is on ramping up the concentrator and roasting systems and integration with the existing SXEW plant. This phased approach is expected to gradually increase copper cathode production towards nameplate capacity.

C1 costs in 2025 are expected to be between US\$2.50/lb and US\$2.90/lb. This improvement compared to 2024 is primarily attributed to the ramp-up of the Kinsevere sulphide copper project.