

# Mining Potential in Argentina

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Unlocking Synergies

Secretariat of Mining | February 2025



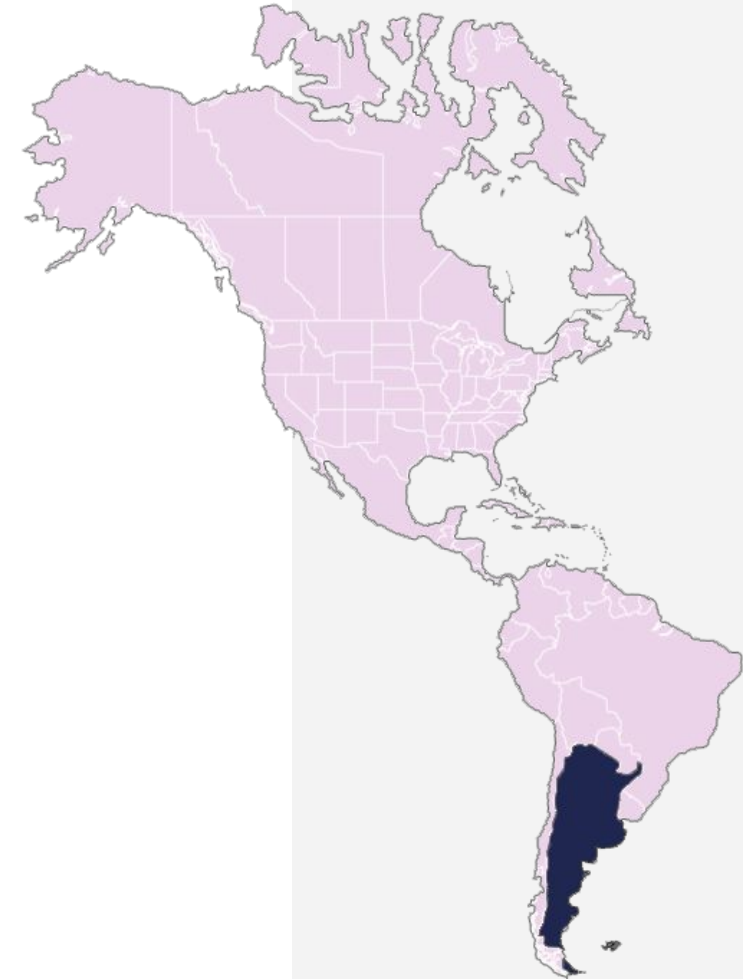
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# Mining in Argentina

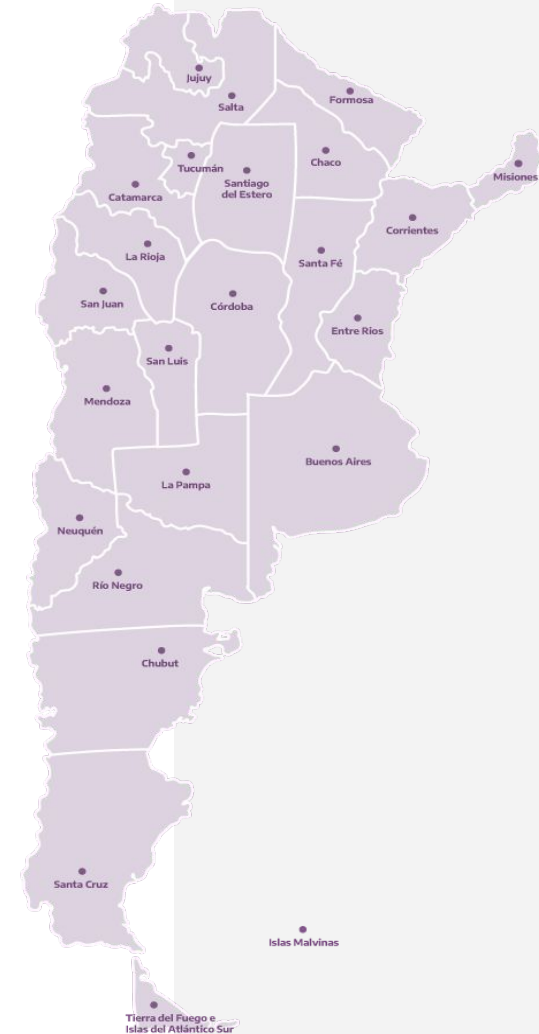
- Argentina is strongly committed to promoting sustainable and transparent mining within an ESG framework.
- There is broad agreement among different sectors of the community (civil society, business enterprises, workers, unions, and all levels of government) to develop the mining industry across the country.
- We have a specific Mining Investment Law (N° 24.196) that includes a 30-year fiscal stability period plus other benefits at each stage of project development.
- The Large Investments Incentive Regime (RIGI), Law N° 27.742 (arts. 164, 228) and Decree 749 /2024.
- The government has implemented recognized transparency standards: Argentina joined the Extractive Industries Transparency Initiative (EITI) in February 2019 and launched the SIACAM initiative in 2022 (A Mining information system open to the public).



Argentina has a recognized mining potential in **Copper, Lithium, Gold, Silver, Uranium and Zinc** and a vast mining territory that is yet to be explored.

## Who is the mining authority in Argentina?

- Argentina is constitutionally organized as a federal republic.
- The Federal government and each provincial government have institutions and regulations that govern the mining sector.
- The National Government provides the general regulatory framework for mining. Since the constitutional reform in 1994, the provinces own the natural resources in their territory.



# Who is the mining authority in Argentina?



## **Federal Level**

The competent authority at the federal level is the Secretariat of Mining within the Ministry of Economy.



## **Provincial Level**

Each province has its own authority that controls mining within the provincial territory. The mining authority is usually subordinate to the provincial executive branch. However, in some provinces (such as Salta), the mining enforcement authorities are subordinate to the judicial branch.

The provinces are responsible for granting exploration and extraction rights (i.e. issuing and revoking permits), charging royalties and other non fiscal contributions for mining activity, and ensuring compliance with the environmental regulatory frameworks (e.g. environmental controls and audits).

Each province has its own mining procedural law.



## **COFEMIN**

The Federal Mining Council (COFEMIN) was created to design, execute, and follow up on the national mining policy.



# Mining in Argentina

## Are there any restrictions concerning foreign investment?



There are no restrictions concerning foreign investment and ownership of companies engaged in the exploration and extraction of mineral resources.



Foreign individuals and entities can therefore acquire and hold mineral rights in Argentina.

## What information does Argentina produce to guide prospecting and exploration activities?



The Argentinian Geological Survey (Servicio Geológico Minero Argentino – SEGEMAR) is a government technical agency within the National Secretariat of Mining that provides access to the geological, topographic and metallogenic maps of the country with information on its mineral resources and provide mining services for exploration.

## Environmental Framework

*Environmental requirements are set out in the Environmental General Protection Act N° 25,675 and Law No. 24,585 incorporated into the Mining Code.*

### Law N° 24,585



Individuals or entities seeking to conduct prospection, exploration, or exploitation activities over a certain area must submit an environmental impact assessment (EIA) to the provincial authority.



If the EIA meets the standards, the provincial enforcement authority issues an environmental impact statement (EIS), which allows the applicant to carry out the proposed activities.



The EIS is issued for two years and establishes a set of conditions and requirements that the interested party must comply with to maintain its validity.



The mining companies must submit updates of the EIS every two years after its initial approval.

## Mining Code (Law N° 24.585)

*Mining activities throughout Argentina are subject to the provisions of the National Mining Code and to provincial laws of procedure that must follow the Mining Code guidelines.*

- The Mining Code establishes the rules and procedures for granting, maintaining, transferring, and revoking mining rights.
- Procedural provisions under the Mining Code are implemented by provincial regulations, which generally follow the standards and guidelines of the National Mining Code.
- The provincial Mining Procedural Codes set out the relevant procedure to request the granting of mining rights.



## **Mining Investment Law (N° 24.585)**

Mining in Argentina is promoted by several regulations granting important benefits to local and foreign investors in these activities.

The main regulations are set forth in the Mining Investment Law.

- The Mining Investment Law provides special benefits that reduce the tax burden and risk of mining activities.
- It is complemented by the Foreign Investment Law 21,382 (1993), which grants equal treatment to foreign and domestic investors.
- It is supported by different Bilateral Investment Treaties with many countries, including Australia, Canada, China, the United States, and South Africa, for the promotion and protection of investment.
- As established by Resolution 30/2018 of the Secretariat of Mining, potential beneficiaries can apply for the benefits established by the law online by means of the remote processing system.

# Legal Overview | Mining Investment Law (N° 24.196)

				
TAX STABILITY	IMPORTS	EXPLORATION PROMOTION	ACCELERATED DEPRECIATION	ROYALTIES
Applies to all taxes (federal and provincial) for a period of 30 years; it is applicable from the date of submission of the feasibility study to the Federal Government.	0% tax on capital goods (equipment & spare parts) and raw materials imports for mining purposes.	Double 'Income Tax' deduction of Exploration expenditures until the Feasibility study is complete. VAT Reimbursement within 6 months.	3 years accelerated depreciation scheme.	The Law sets an upper bound of 3% for Provincial Royalties.



# Legal Overview

## 3. Large Investments Incentive Regime (RIGI)

- The Large Investments Incentive Regime (RIGI in Spanish) applies to large-scale projects involving an investment of over USD 200 million.
- Investments over USD 2 billion qualify as Long-Term Strategic Export Projects. In these cases, certain additional benefits under the FX regime apply.
- Companies can participate in the RIGI through Investment Project Vehicles (VPU in Spanish), which must own one or more phases of a Project qualifying as a Large Investment.



## Legal Overview

### 3. Large Investments Incentive Regime (RIGI)

- In years 1 and 2 following the plan's date of approval, an investment in eligible assets of no less than 40% of the total value of the Project must be made.
- The RIGI provides a 2-year period for companies to join, with the possibility of a 1-year extension, ensuring 30 years of stability under the regime from the date of accession.





# Legal Overview

## 3. RIGI | Benefits of the RIGI

The RIGI guarantees that the rights, protections, and incentives provided under the regime will remain stable for 30 years. Investors will have a secured right, akin to ownership, over tax and customs incentives, foreign exchange regulations, jurisdiction and arbitration, which cannot be altered by future regulations. This means that any newly imposed taxes or increases in existing ones will not apply to VPU's, while these will still benefit from any tax incentives or reductions.



# Legal Overview

## 3. RIGI | Income Tax Benefits

- Income tax rate of 25% (compared to a general rate of 35%).
- Net profits from dividends and earnings will be taxed at a rate of 7%. For foreign beneficiaries, this percentage will be withheld as a single and final payment.
- 7 years after joining the RIGI, taxes on dividends and earnings will be halved to 3.5%.





## VAT Incentives for RIGI investments



Companies can utilize tax credit certificates to pay VAT on supplier invoices or directly to the Revenue and Customs Control Agency (ARCA) when importing goods. These certificates can be put toward the purchase, construction, manufacturing, production, or definitive import of goods for use, as well as for investments in infrastructure projects and services essential to their development and construction.

Tax credit certificates for suppliers receiving these will be treated as a tax balance in favor of the taxpayer arising from direct income. These means that they can be freely offset against other taxes or even refunded by the ARCA.

# Legal Overview

## 3. RIGI | Foreign Exchange and Foreign Trade Benefits

Payment collection for exports of products from the Project covered by the RIGI, conducted by the VPU, are exempt from the obligation of entry and/or negotiation and settlement in the foreign exchange market, according to the following percentages:

- Twenty percent (20%) after two (2) years have elapsed from the date of implementation of the VPU;
- Forty percent (40%) after three (3) years have elapsed from the date of implementation of the VPU;
- One hundred percent (100%) after four (4) years have elapsed from the date of implementation of the VPU.

The funds will be freely available in the percentages referred to above.

In the case of Strategic, Long Term Investments these terms are shorten in 1 one year each.

## Legal Overview

### 3. RIGI | Foreign Exchange and Foreign Trade Benefits

Foreign currency obtained from local or external financing by VPU's under the RIGI, disbursed after the law's enactment, will not be subject to restrictions on its availability, either domestically or abroad. These funds will be freely available to the VPU and/or the Project under the RIGI and may be used for any purpose without limitation.





# Legal Overview

## 3. RIGI | Accounting Benefits

VPU's adhering to the RIGI may choose to keep their accounting records and financial statements in USD according to International Financial Reporting Standards (IFRS).

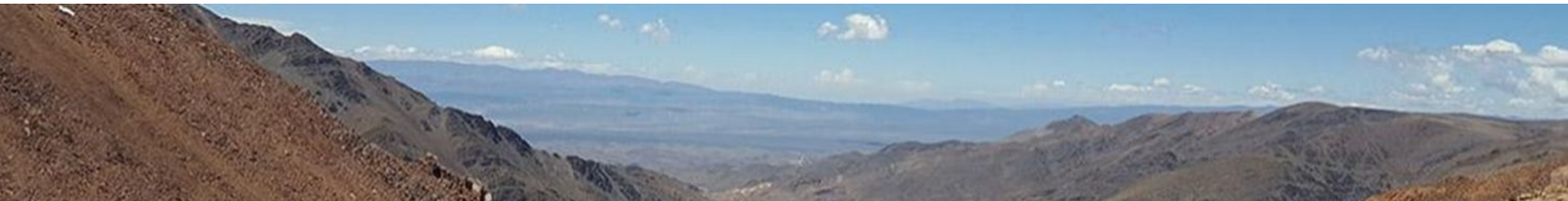


# Legal Overview

## 3. RIGI | Dispute Resolution

All disputes will be resolved first through friendly consultation and negotiation within 60 days. If this is not successful, the dispute will be submitted to arbitration at the discretion of the VPU, who may choose among the following options:

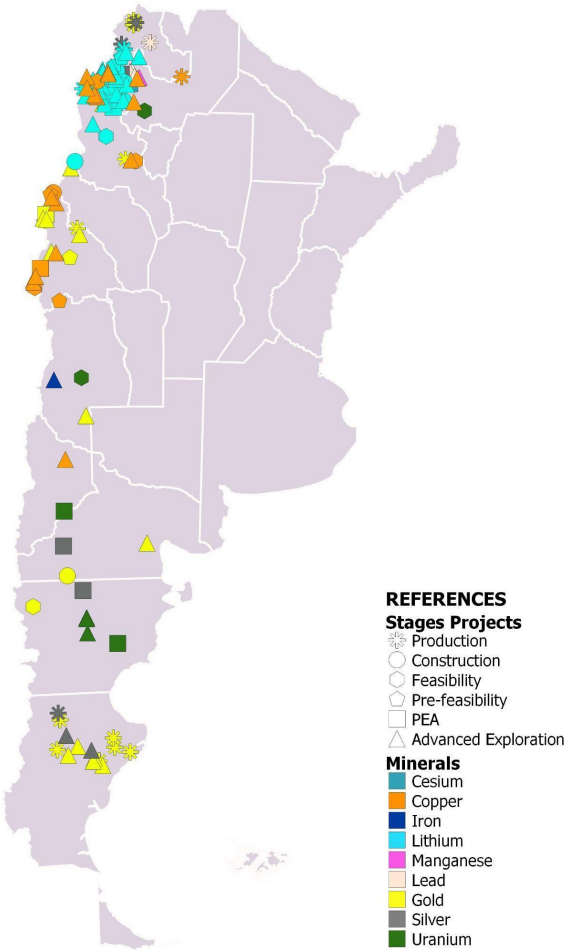
- a) PCA Arbitration Rules 2012;
- b) The Rules of Arbitration of the International Chamber of Commerce (except the Rules of Expedited Procedure), or;
- c) The International Convention on the Settlement of Investment Disputes (ICSID) between States and nationals of other States of March 18, 1965 or, where applicable, the ICSID Arbitration (Additional Facility) Rules.



# Portfolio of Mining Projects

The portfolio of national projects includes gold, silver, copper, lithium, zinc, lead, uranium, iron, manganese and cesium.

128	National Projects in advanced stages
25	PRODUCTION
7	CONSTRUCTION
10	FEASIBILITY
7	PRE-FEASIBILITY
11	PEA <small>PRELIMINARY ECONOMIC EVALUATION</small>
68	ADVANCED EXPLORATION



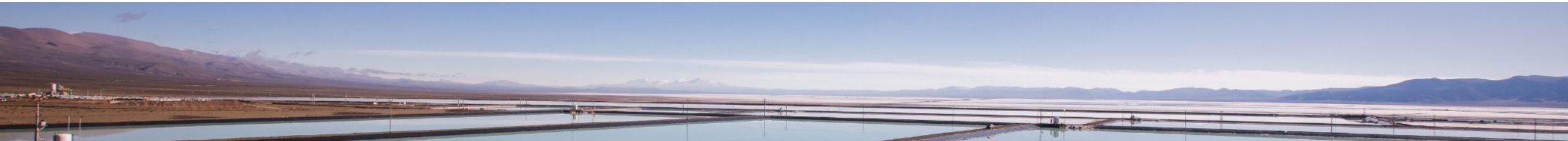


# Portfolio of Mining Projects

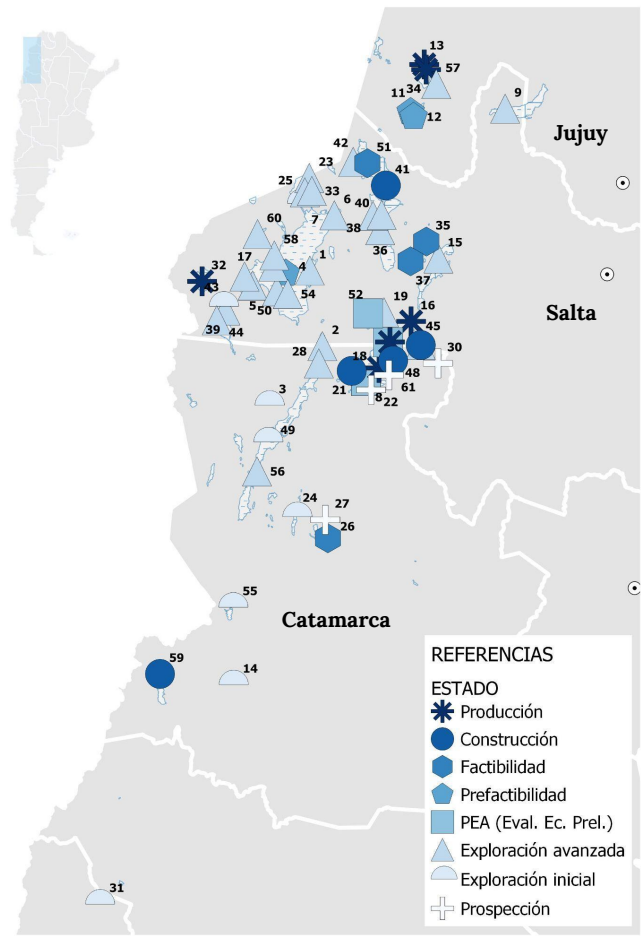
The portfolio of national projects includes gold, silver, copper, lithium, zinc, lead, uranium, iron, manganese and cesium.

47	National Lithium Projects in advanced stages
6	PRODUCTION
5	CONSTRUCTION
4	FEASIBILITY
3	PREFEASIBILITY
3	PEA <small>PRELIMINARY ECONOMIC EVALUATION</small>
26	ADVANCED EXPLORATION

24	National Copper Projects in advanced stages
1	PRODUCTION*
1	CONSTRUCTION
3	FEASIBILITY
2	PREFEASIBILITY
1	PEA <small>PRELIMINARY ECONOMIC EVALUATION</small>
16	ADVANCED EXPLORATION
*Martin Bronce - small-scale copper production project	



# Advanced Lithium Projects



- 1 – Alba X

2 – Alcalina

3 – Antofalla Norte

4 – Arizaro

5 – Arizaro

6 – Arizaro Norte

7 – Candela II

8 – Candelas

9 – Cangrejillos

10 – Cateos

11 – Cauchari

12 – Cauchari Jv

13 – Cauchari-Olaroz

14 – Cazadero Grande

15 – Centenario

16 – Centenario – Ratones

17 – Doncellas

18 – Fénix

19 – Gallego

20 – Hombre Muerto Norte

21 – Hombre Muerto Oeste

22 – Hombre Muerto Sur

23 – Incahuasi

24 – Incahuasi

25 – Incahuasi Moncho

26 – Kachi

27 – Karachi Salar Escondido

28 – Laguna Verde

29 – Lipetrén (Río Negro)

30 – Litio Gold I, Ii Y Iii

31 – Los Sapitos

32 – Mariana

33 – Mina Sisifo – Mina Patilla

34 – Olaroz

35 – Pastos Grandes

36 – Pocitos I

37 – Pozuelos (PPG)

38 – Pular

39 – Reina Sofia IV

40 – Rincón

41 – Rincón Oeste

42 – Río Grande

43 – Río Grande

44 – Río Grande Sur

45 – Sal de la Puna

46 – Sal de los Ángeles

47 – Sal de Oro

48 – Sal de Vida

49 – Salar De Antofalla I Al

50 – Salar de Arizaro

51 – Salar del Rincón

52 – Salar Tolillar

53 – Salari

54 – Salari 22

55 – San Jorge

56 – Sincera

57 – Solaroz

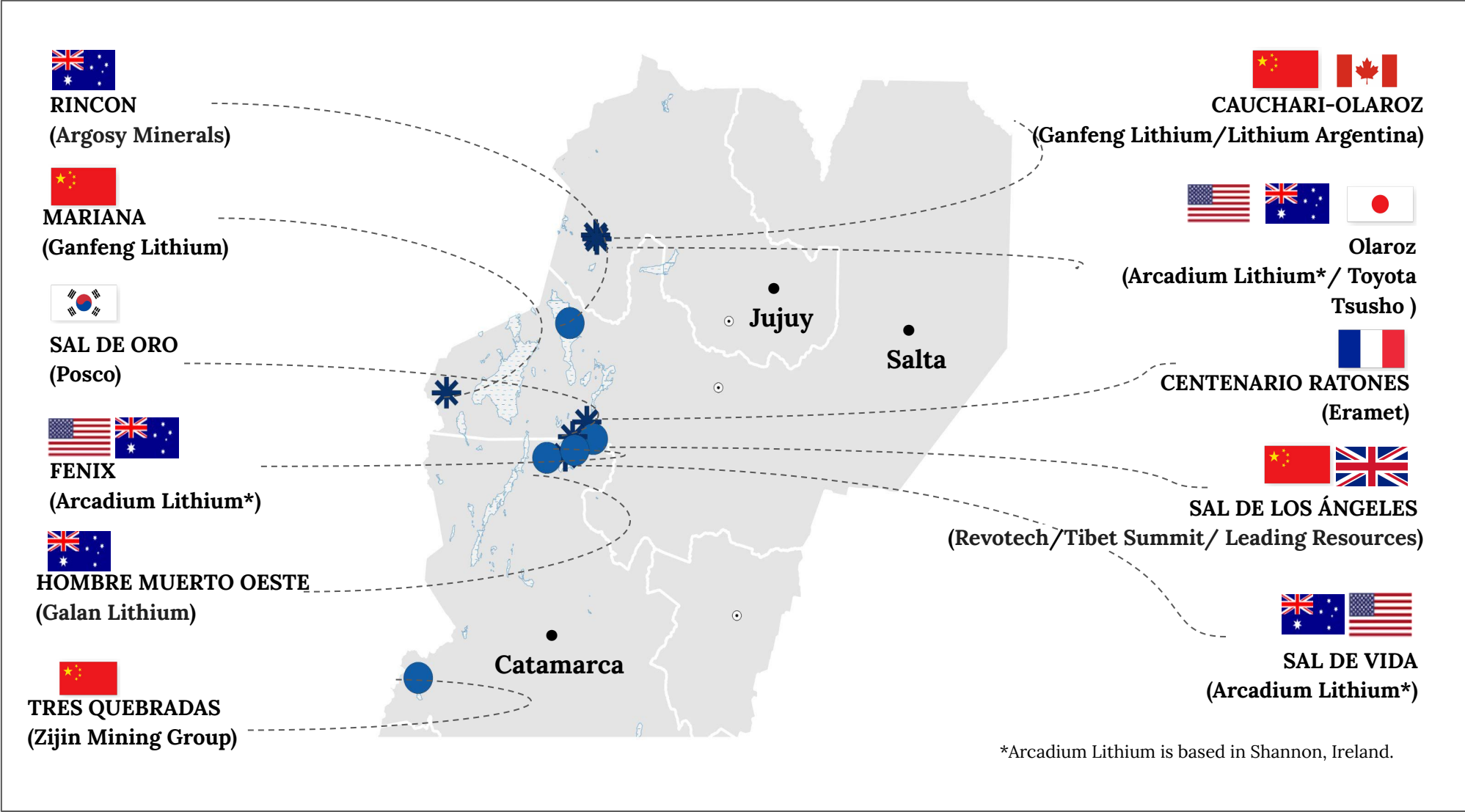
58 – Taca Sal IV

59 – Tres Quebradas

60 – Vega de Arizaro

61 – Virgen del Valle Litio

# Advanced Lithium Projects | Operation and Construction



# Advanced Copper Projects

Josemaria; El Pachón; Filo del Sol; Taca-Taca; Los Azules; Altar; San Jorge y MARA:

**CAPEX** USD 22,1 Billion

**EXPORTS** USD 11,7 Billion

**PRODUCTION** 1,2 M tons

## Reserves & Resources

COPPER 90.42 Mt<sup>2</sup> | 2. Sources: S&P 2025

## Main copper projects

### Construction

3 - Josemaría

### Feasibility

1 - Taca Taca

2 - MARA

6 - El Pachón

### Prefeasibility

7 - San Jorge

8 - Filo del Sol

### PEA

4 - Los Azules

### Exploration

5 - El Altar



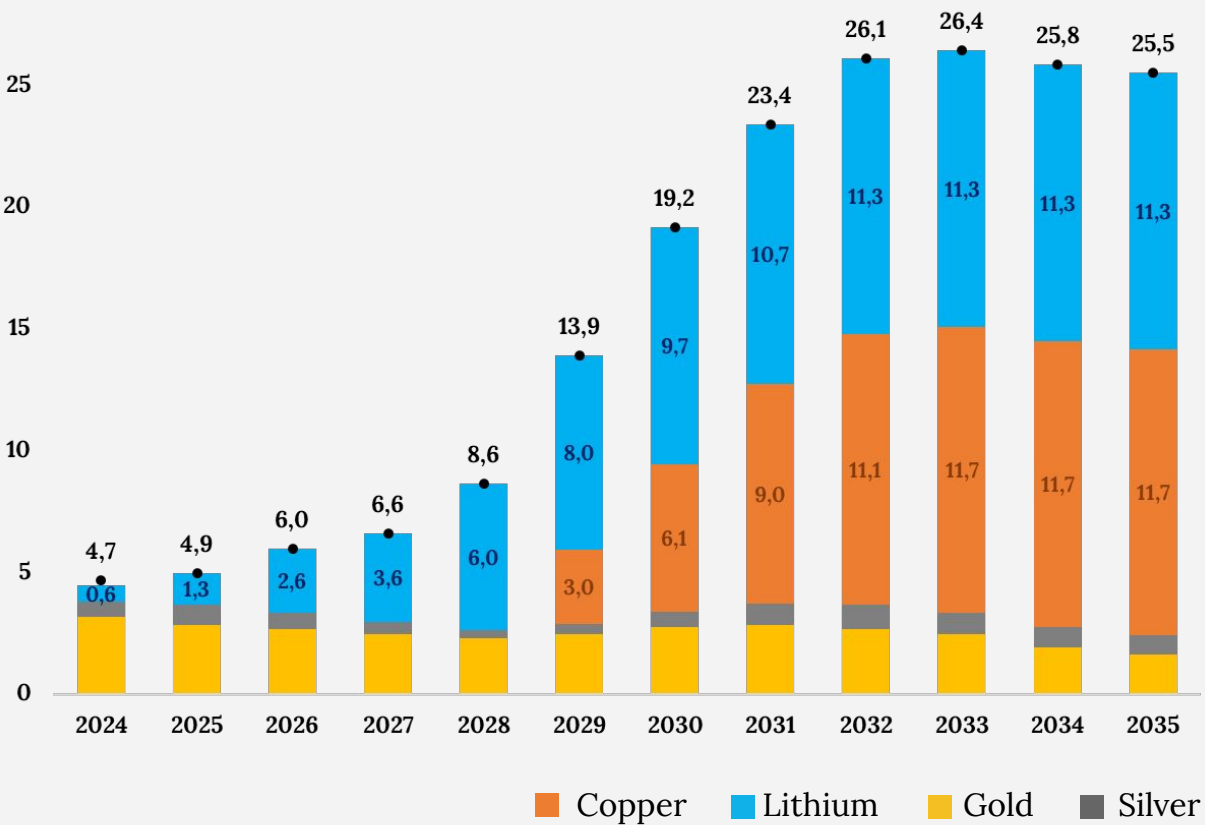
# Projected Exports by Mineral

## Exports 2024

USD 4.669 million  
(5,9% of Argentina’s total exports)

- **Fivefold increase** in exports over the next decade
- **Lithium export expected to increase 8-fold** in the next 5 years

Future Mining Exports  
By mineral in billions of dollars



# Projected Foreign Direct Investment

Assumptions used:

\*The projection is made based on announcements made by the firms operating in the country and the Capex estimated by the companies.

\*During the period analyzed, it is estimated that 8 copper projects will start production and 15 lithium projects will be built and/or expanded.

\*For the entry of investments, 3 years were considered for the construction of a copper project and 2 years for a lithium project.

