



**nexa**

**JP Morgan Emerging Markets  
Credit Conference**

**September 17-19, 2024**



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These forward-looking statements related to future events or future performance and include current estimates, predictions, forecasts, beliefs and statements as to management’s expectations with respect to, but not limited to, the business and operations of the Company and mining production our growth strategy, the impact of applicable laws and regulations, future zinc and other metal prices, smelting sales, CAPEX, expenses related to exploration and project evaluation, estimation of mineral reserves and mineral resources, mine life and our financial liquidity.

Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable and appropriate by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies and may prove to be incorrect. Statements concerning future production costs or volumes are based on numerous assumptions of management regarding operating matters and on assumptions that demand for products develops as anticipated, that customers and other counterparties perform their contractual obligations, full integration of mining and smelting operations, that operating and capital plans will not be disrupted by issues such as mechanical failure, unavailability of parts and supplies, labor disturbances, interruption in transportation or utilities, adverse weather conditions, and other COVID-19 related impacts, and that there are no material unanticipated variations in metal prices, exchange rates, or the cost of energy, supplies or transportation, among other assumptions.

We assume no obligation to update forward-looking statements except as required under securities laws. Estimates and forward-looking statements refer only to the date when they were made, and we do not undertake any obligation to update or revise any estimate or forward-looking statement due to new information, future events or otherwise, except as required by law. Estimates and forward-looking statements involve risks and uncertainties and do not guarantee future performance, as actual results or developments may be substantially different from the expectations described in the forward-looking statements. Further information concerning risks and uncertainties associated with these forward-looking statements and our business can be found in our annual report on Form 20-F and in our other public disclosures available on our website and filed under our profile on SEDAR ([www.sedarplus.ca](http://www.sedarplus.ca)) and on EDGAR ([www.sec.gov](http://www.sec.gov)).

Nexa’s management uses non-IFRS measures such as Adjusted EBITDA, cash cost net of by-products, all in sustaining cash cost net of by-products, among other measures, for internal planning and performance measurement purposes. We believe these measures provide useful information about the financial performance of our operations that facilitates period-to-period comparisons on a consistent basis. Management uses Adjusted EBITDA internally to evaluate our underlying operating performance for the reporting periods presented and to assist with the planning and forecasting of future operating results. Management believes that Adjusted EBITDA is a useful measure of our performance because it reflects our cash generation potential from our operational activities excluding impairment of non-current assets and other miscellaneous adjustments, if any. These measures should not be considered in isolation or as a substitute for profit (loss) or operating profit, as indicators of operating performance, or as alternatives to cash flow as measures of liquidity. Additionally, our calculation of Adjusted EBITDA may be different from the calculation used by other companies, including our competitors in the mining industry, so our measures may not be comparable to those of other companies.

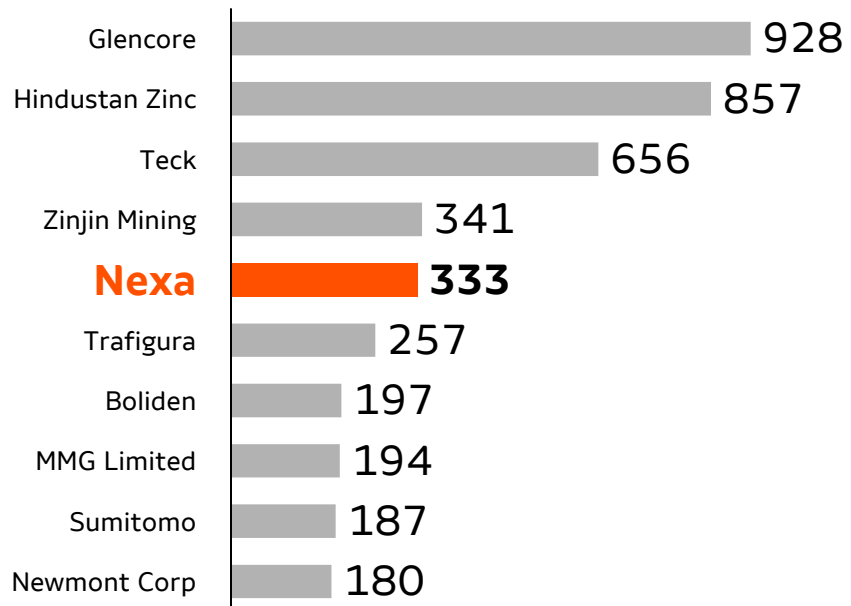


# Nexa | Overview

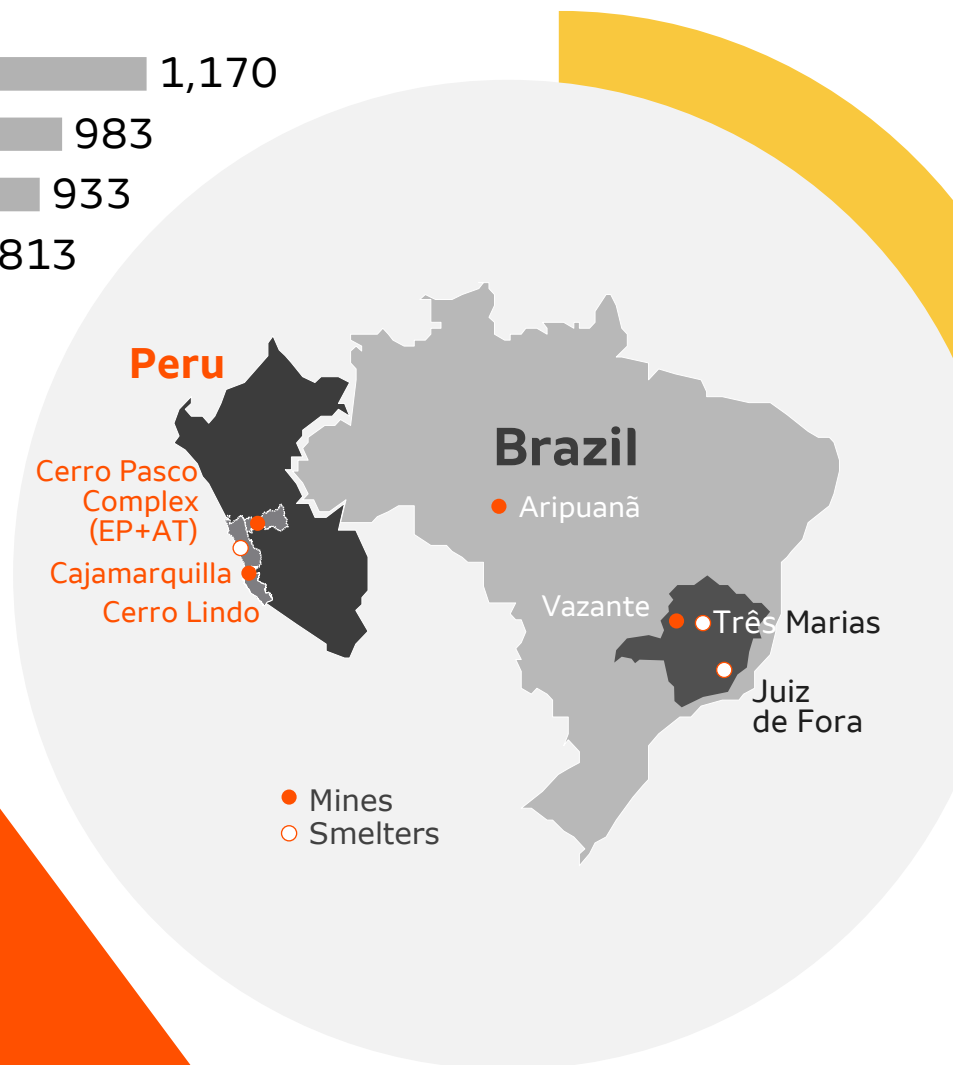
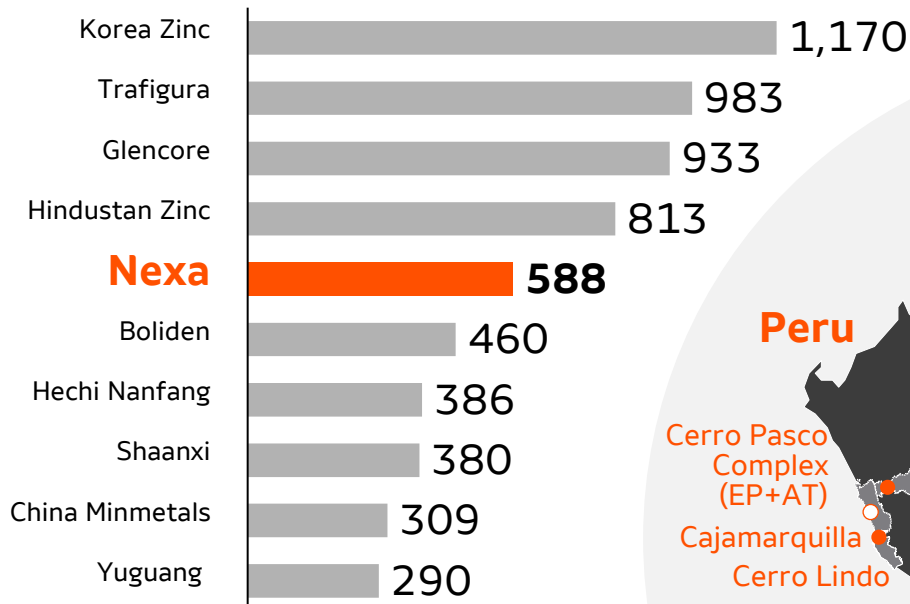
We are a leading large-scale, low-cost integrated zinc producer with over **65 years of experience** developing and operating mining and smelting assets in Latin America



## Top Zinc Concentrate Producers<sup>1</sup> (000 ton)



## Top Zinc Metal Producers<sup>1</sup> (000 ton)



**5<sup>th</sup>** largest **zinc** producer in the world with **substantial** production of **lead** (~65kt), **copper** (~33kt), and **silver** (~10MMoz)<sup>(2)</sup>

**5<sup>th</sup>** largest **metal** producer in the world and **#1** in the **Americas** with **relevant by-products** contribution, such as sulphuric acid

<sup>(1)</sup> Source: Wood Mackenzie Zinc Producer Rankings – December 2023

<sup>(2)</sup> Considering FY2023 production.

# Our Flagship Mining Operations

Nexa Polymetallic Mines

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 **Cerro Lindo**  
(7 yrs LoM)



 **Cerro Pasco**  
(10 yrs LoM)



 **Vazante**  
(8 yrs LoM)



End of ramp-up. Fully operational

 **Aripuanã**  
(13 yrs LoM)



Production (Kt)

**2023** **1H24**

**2023** **1H24**

**2023** **1H24**

**2023** **1H24**

**Zinc** 78kt 48kt

64kt 30kt

146kt 69kt

22kt 15kt

**Copper** 29kt 14kt

0.4kt 0.2kt

- -

4.4kt 2.8kt

**Lead** 13kt 8kt

36kt 18kt

1.4kt 0.4kt

6.3kt 6kt

**Silver (MMoz)** 3.5kt 2.3kt

5.7kt 2.8kt

0.6kt 0.2kt

0.5kt 0.5kt

**Consolidated All-in sustaining Cash cost<sup>1</sup>: 2<sup>nd</sup> quartile**

- 1<sup>st</sup> quartile AISC. Largest UG polymetallic mine in Peru

- Well-known, attractive mineral province. Nexa operates in the area for +50yrs

- Large zinc silicate deposit. High Zn grade
- Strategic location to feed smelter

- Long-life polymetallic mining asset. Our 3<sup>rd</sup> flagship mine

(1) Consolidated cash costs do not consider Aripuanã. Based on 1H24 mining all-in sustaining cash cost. Wood Mackenzie 4Q23 AISC curve.

# Aripuanã | Meaningful progress in 2Q24

World-class polymetallic asset. Our 3<sup>rd</sup> flagship mine

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## 2Q24 Performance

- ✓ **Higher utilization rate:** >80% in June (~86% considering P90<sup>1</sup>)
- ✓ **Higher treated ore:** 133kt in June and 140kt in July (E), (vs. 101kt in March). Capacity of 160kt (expected to be reached in Sept.)
- ✓ **Reduced plant downtime** with significant reduction in corrective downtime (lowest levels)
- ✓ **Stable concentrate quality** (commercial specification). **Metallurgical recoveries further improved**
- ✓ **Positive Adj. EBITDA:** Two consecutive quarters.
- ✓ **Operating cash flow:** 2Q24 close to breakeven, **June positive**

## Moving forward

- **Feed rate:** keep increasing while maintaining stability
- **TSF filters:** continue to improve filtration performance to further increase production
- **Cost-reduction actions:** to continuously improving margin and operating cash flow

## 2Q24 Exploration Program

- **Exploration on track:** focus on Mineral Resources expansion at Massaranduba target
- Drill holes<sup>2</sup> completed in 4Q23 (assay results available in 2Q24): **confirmed the continuity of the mineralized zone**. Deep and thick mineralization confirmed

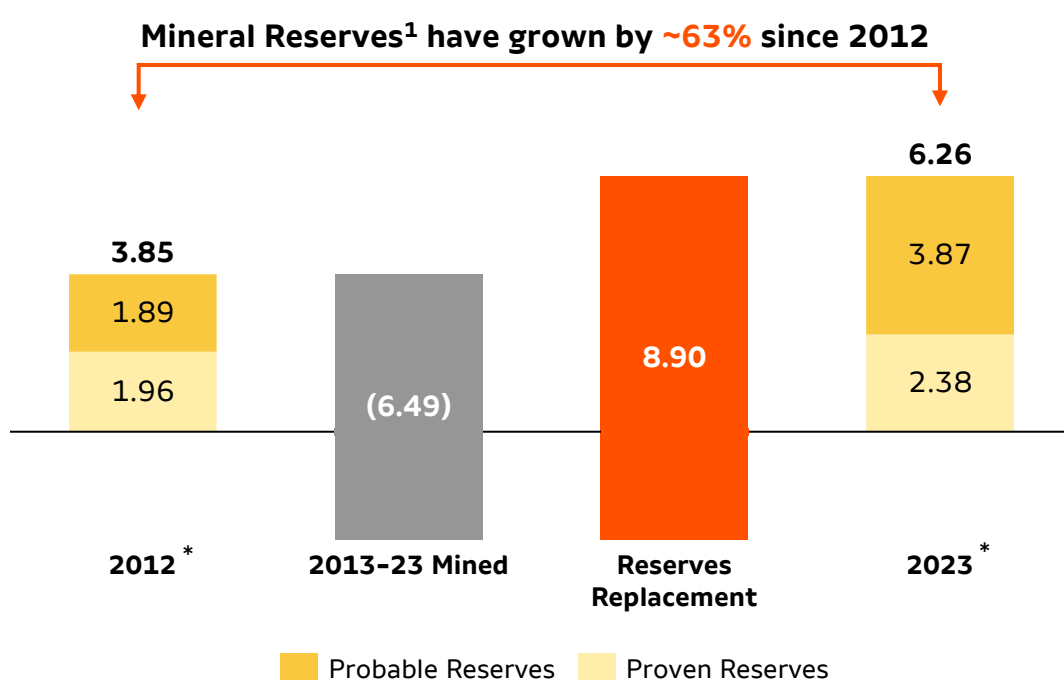
1. P90 for June; 2. Drill holes BRAPD000192 and BRAPD000192 (4Q23 drilling with results in 2Q24)

# Mineral Exploration

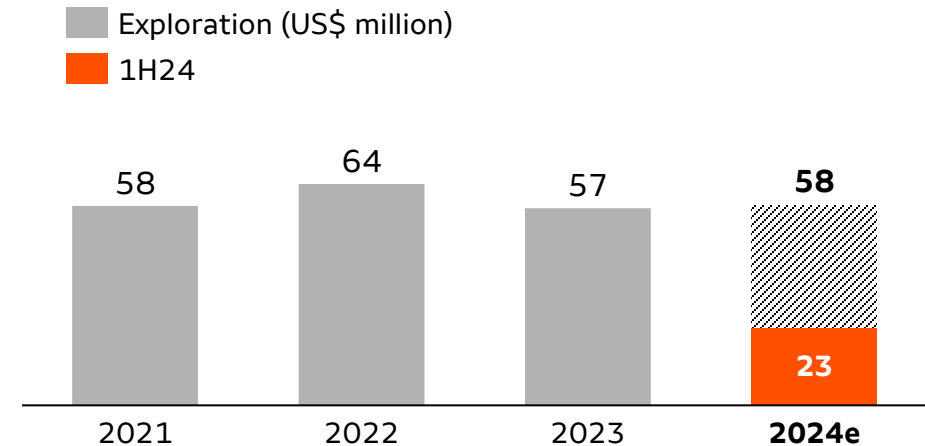
Supporting Nexa growth platform: current operations and projects



**Robust pipeline and consistent investments:** Mineral Exploration contributing to **replenish and increase the reserves and resources base in current operations** and **provide strategic growth opportunities**



- **Mineral Reserves: outstanding replacement track record at current operations (Mt Zn Eq)**



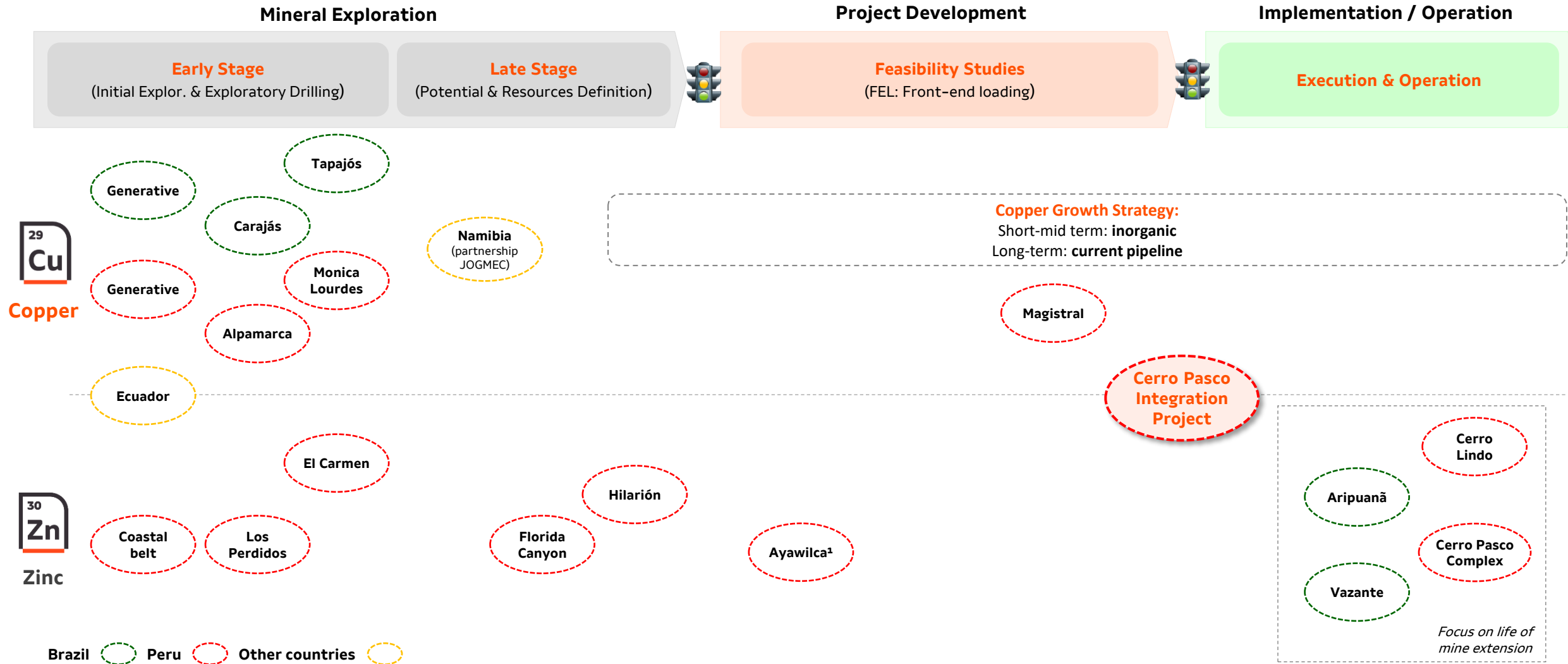
- **Exploration as part of Nexa's growth strategy: current operations + projects**
- **10% overall increase in Mineral Reserves (Mt) net of 2023 depletion. 14% increase in Zn Reserves.**

\* December 31<sup>st</sup>; 1. Considering a 100% ownership basis; reserves replacement calculated by subtracting 2012 Zn Eq. reserves from 2023 Zn Eq. reserves, plus Zn Eq. Ore Mined; Zn Eq. is calculated based on respective metal content in ore mined and metal prices of Zinc: US\$2,799.04/t; Copper: US\$7,669.61/t; Lead: US\$2,000.29/t; Silver: US\$21.17/oz; and Gold: US\$1,630.93/oz, with all costs in US dollars.



# Portfolio of options in Zn and Cu

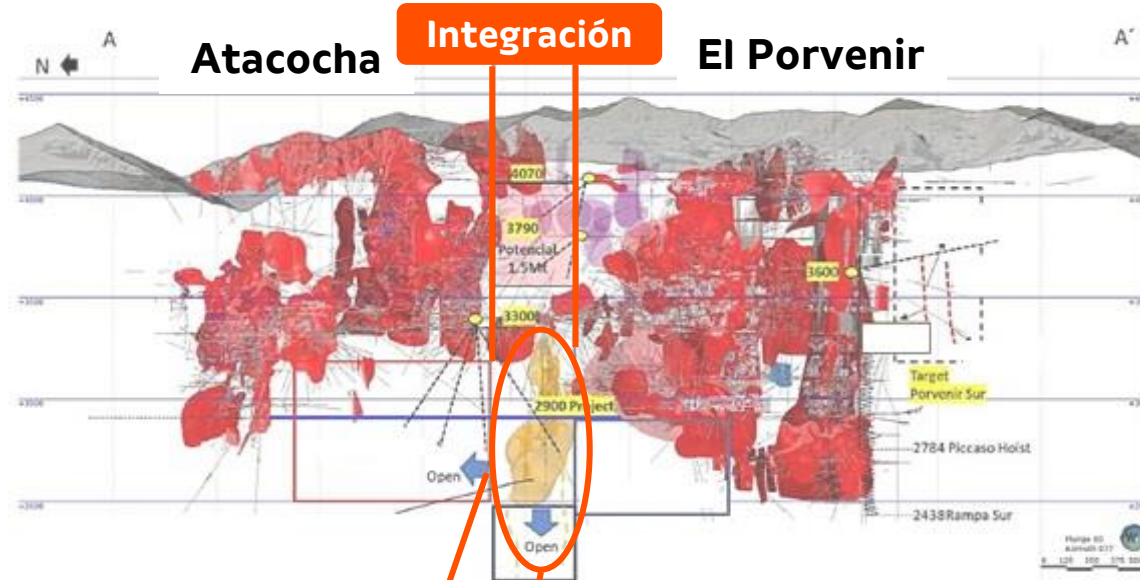
From early-stage exploration to life of mine extension: extensive knowledge in exploration



(1) Ayawilca project belongs to Tinka Resources Limited. Nexa has ~18.2% of Tinka Resources Limited.

# Pasco Complex **Integration Project**

A robust organic growth option

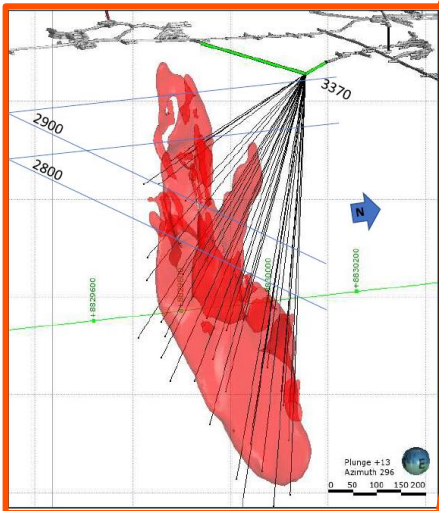


- **Repositioning the asset's competitiveness** by building a **robust organic growth option**

- Integration of **Atacocha** and **El Porvenir** underground mines: **unlocking site's full potential**
- El Porvenir (LoM)<sup>1</sup>: **7 years**
- Atacocha (LoM)<sup>2</sup>: **4 years**
- El Porvenir + Atacocha integrated (LoM): **10 years<sup>3</sup>**

## **Project's Highlights:**

- **Integration of the 2 UG mines:** underground infrastructure (shared infrastructure >> **higher profitability**)
- **El Porvenir shaft upgrade:** improve capacity
- **Tailings Storage Facility:** Increased storage capacity + pumping system
- **Support studies:** environmental studies & permits, corporate structure



(1) Mine Life based on Mining Report 2023, calculated by dividing reserves by ore mined capacity; 2. Open pit mine (Tajo San Gerardo); 3. Mine Life based on the "Technical Report Summary on Cerro Pasco Complex Integration", considering the updated Life of Mine plan.



# Our Flagship Smelting Operations

Regional leadership (high premium markets) | High production scale operations | Close to raw material sources

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**Cajamarquilla**



**Três Marias**



**Juiz de Fora**



**Total Sales (Kt)**

**Zinc Metal  
+ Oxide**

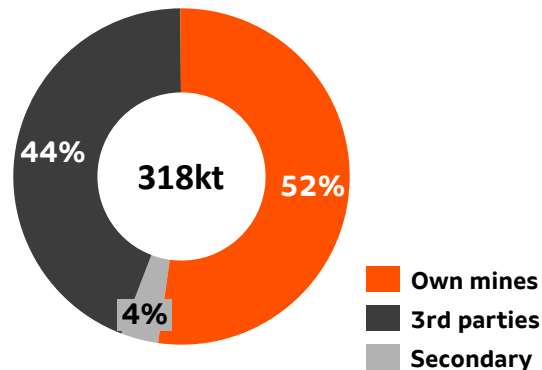
**326** (2023) | **156** (1H24)

**181** (2023) | **89** (1H24)

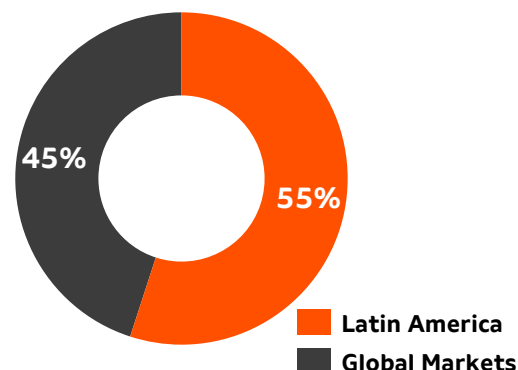
**82** (2023) | **41** (1H24)

**Consolidated Cash cost<sup>1</sup>: 2<sup>nd</sup> quartile**

**Raw material supply<sup>2</sup>**



**Sales Breakdown**



• **Nexa's Smelting Business:** high profitability >> high premium markets, competitive TCs, access to raw material (logistics advantage)

• **Cajamarquilla:** largest Zn smelter in the Americas. Export platform

• **Três Marias:** strategically placed close to mine supply (Vazante)

• **Juiz de Fora:** process secondary zinc (low raw material cost)

(1) Based on 1H24 smelting cash cost; Wood Mackenzie 4Q23 AISC curve. (2) Based on 1H24 numbers.

# ESG: our key-commitments



## Climate Change

2030 - 2050

Reduce absolute Scope 1 emissions by **20%\***

Reach net **neutrality** by 2040

Reach **net zero** by 2050



## Natural Capital

2030

**10% reduction of water consumption** in operations:

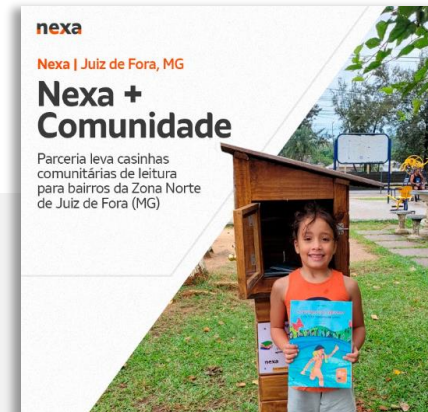
- Mining operations: from 1.68 to 1.51 m<sup>3</sup>/ton of ROM
- Smelting operations: from 24.01 to 21.61 m<sup>3</sup>/ton of metal



## Health, Safety, and Well-being

Achieve **zero fatalities** across all operating units

Consolidate all units in the **first quartile (\*)** of the **mining industry**



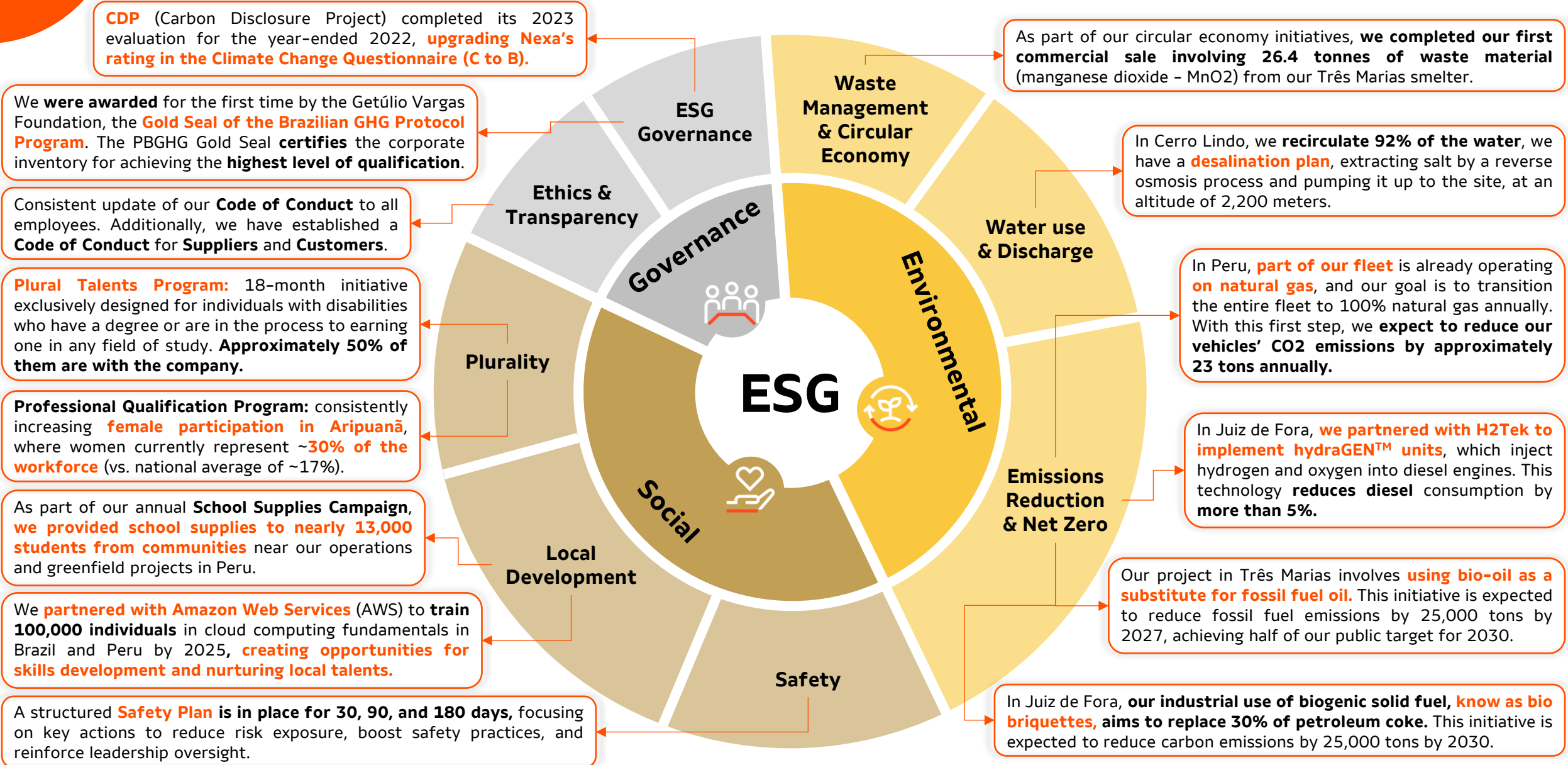
## Plurality

**30% women** in the workforce / 30% in leadership roles (\*\*)

(\*) Currently, the average Nexa operation is already in the 1<sup>st</sup> quartile of the industry, considering 2023 as the base year. (\*\*) Currently, 17% women in our workforce.

# ESG Initiatives

Our main accomplishments and ongoing initiatives

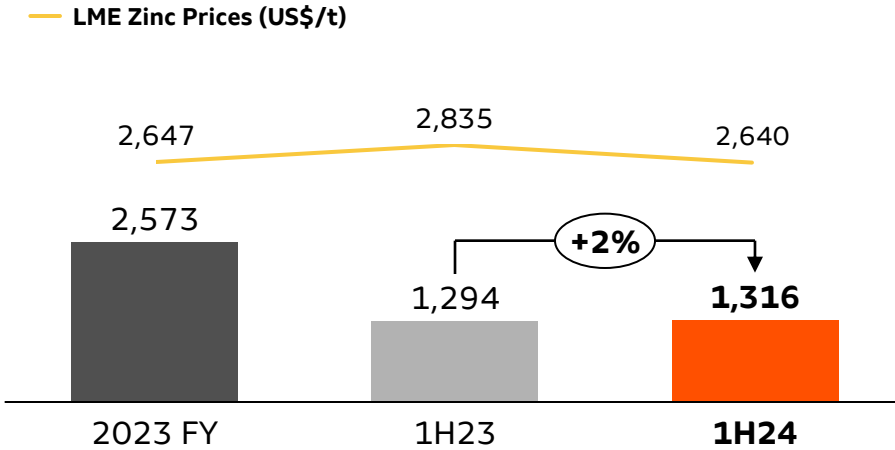




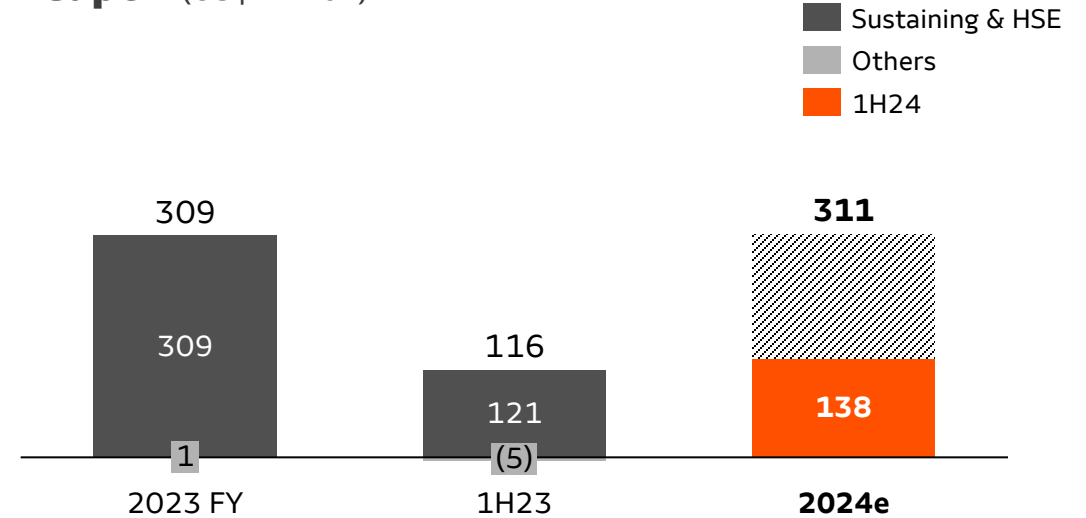
# Financial Highlights

Current results impacted by higher Zn prices

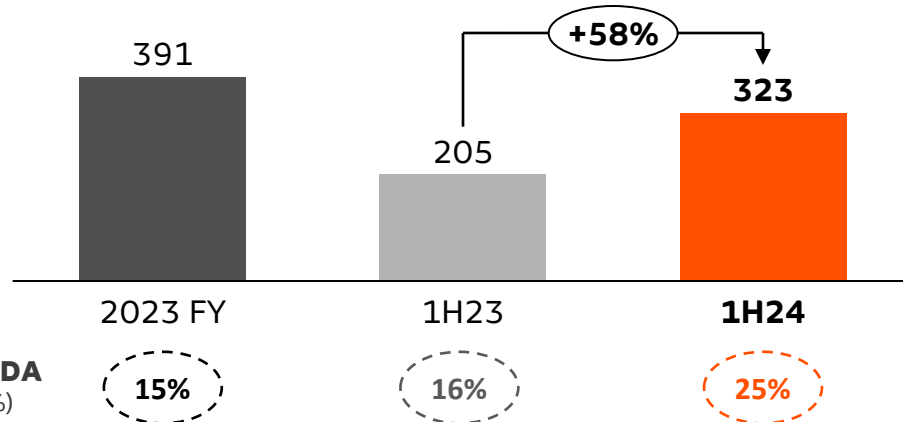
## Net Revenues (US\$ million)



## Capex (US\$ million)



## Adj. EBITDA (US\$ million)



Adj. EBITDA  
Margin (%)

15%

16%

25%

- **Adj. EBITDA in 1H24** was **US\$323 million**, primarily impacted by higher LME metal prices and improvement in Aripuanã
- **Aripuanã**: transitioned to an **ongoing operation at the end of 2Q24**, and we expect utilization capacity to continue improving, reaching around **90%** in the upcoming months

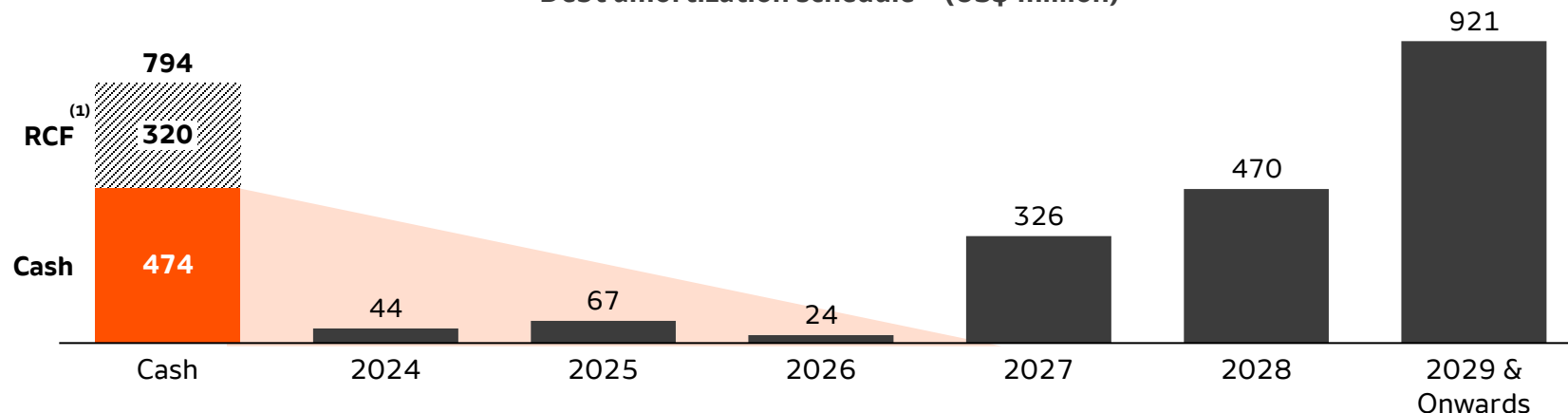


# Liquidity and Indebtedness

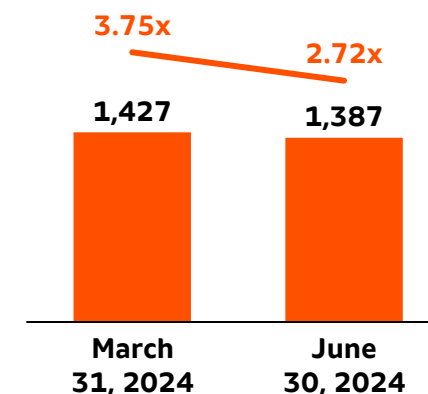
## Debt profile (as of June 30, 2024)

Average debt maturity: 5.9 years @6.61% avg. cost

Debt amortization schedule - (US\$ million)



Net Debt<sup>(2)</sup>/LTM Adj. EBITDA

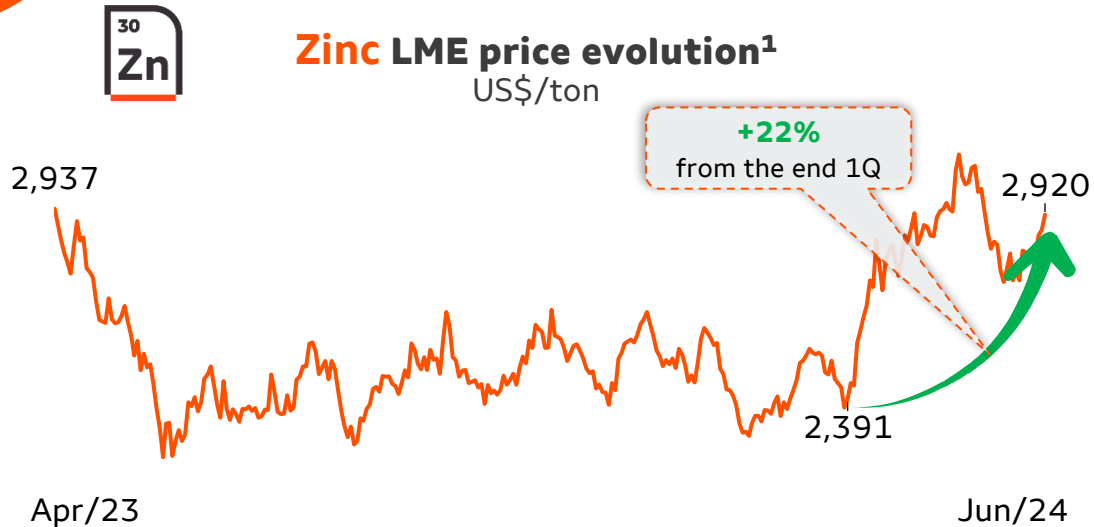


### Strong liquidity

- Leverage reduced to **2.72x** (vs. 3.75x in 1Q24): higher LTM Adj. EBITDA and lower net debt
- Liability Management:** debt profile improvement and flexibility to future growth steps

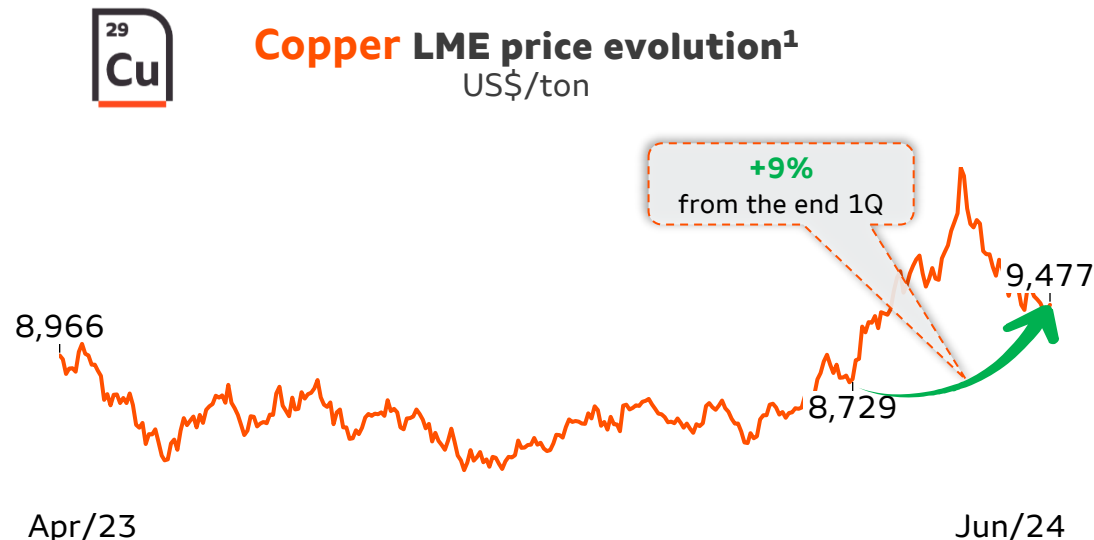
Rating agencies	Rating	Outlook
Fitch	BBB-	Stable
S&P	BBB-	Stable
Moody's	Ba2	Negative

Note: In 2Q24 Nexa was in compliance with all of its financial covenants; (1) 5 yrs sustainability-linked US\$320 million Revolving Credit Facility effective on Oct 20<sup>th</sup>, 2023.; (2) Gross debt (US\$1,854 million) minus cash and cash equivalents (US\$462 million), minus financial investments (US\$12 million), plus derivatives (US\$2.2 million), plus Lease Liabilities (US\$9.7 million).



## Zinc “silent” participant in energy transition

- **Short-term:** Tight concentrate market >> lower TCs >> pressure on smelters margin = possibly less metal available. Given current inventory level, this may add positive price support. **Expectation of FED action on interest rates, and US elections adding volatility.**
- **Mid-long term:** **positive outlook.** Support from **possible lack of feasible supply to fulfill forecasted demand**, expected to be driven by investments in infrastructure, construction, auto sector (boosted by EV sales) and energy transition.



## Copper Key-metal for the “green economy”

- **Short-term:** China’s economic stimulus and tight concentrate market. Access to raw material bringing TC to lower levels. **Price should remain supported.**
- **Mid-long term:** **demand scenario still optimistic**, as the metal plays a **protagonist role in energy transition**. On the supply side, both greenfield and brownfield projects are expected to come online in 2024-2025 however, forecasted future demand would require more supply efforts.



<sup>(1)</sup> Based on daily prices until June 30<sup>th</sup>, 2024, as reported by the London Metal Exchange.





- **Aripuanã:** solid and consistent operational performance → **meaningful progress in 2Q24.** Moving forward: focus on further increasing production, improving feed rate and tailings filters performance. Cost-reduction to improve margin and cash generation



- **Growth:** Pasco integration progressing towards the approval process. Keep assessing long-term growth options



- **Exploration:** focus on LOM extension (positive results in 1H24)



- **Keep ESG strategy active:** To constantly tracking progress toward achieving our public commitments. Keen eye on safety to further improve our solid safety system



- **Strengthening balance sheet:** **liability management and deleveraging.** Keep strong liquidity, continuously improving debt profile and seek conservative leverage ratios.



- **Maintain our financial and operational discipline, focusing on cash flow generation.**





# Why Nexa

1. Solid long-term market fundamentals: Copper and Zinc connected to **green economy and energy transition**

2. Mines with high potential of life of mine extension (attractive capital allocation)

3. Smelters well positioned: raw material supply and **leading sales position** in high-premium markets

7. Commitment to capital allocation discipline and **cash flow generation**

4. Active exploration strategy: **robust portfolio** of potential projects in different stages and in friendly jurisdictions

5. Effective ESG approach: recognized disclosing practices (low carbon footprint – **leading position in Zn industry**)

6. Sound balance sheet: to be **further strengthened** after the investment cycle in Aripuanã



An aerial photograph of a rugged, mountainous landscape. In the foreground, a mining operation is visible, featuring several large processing buildings and a winding road. The surrounding hills are barren and show signs of erosion. The sky is clear and blue. A solid gold square is in the top left corner, and a large yellow semi-circle is in the bottom left corner.

# nexa

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~ - ■ thank you