



## **Cobre del Mayo, S.A. de C.V. Announces Preliminary Results of its Exchange Offer and Consent Solicitation and Extension of the Early Tender Consideration**

Mexico City, April 26, 2021 – Cobre del Mayo, S.A. de C.V. (“CDM”) announces today that it has accepted for exchange all of the \$119,533,779 aggregate principal amount of its Senior Secured PIK Toggle Notes due 2021 (ISIN: XS1354863612 and XS1354862564; Common Codes: 135486361 and 135486256) (the “Existing Notes”), or approximately 95.45% of the \$125,228,986 aggregate principal amount outstanding of its Existing Notes, that have been validly tendered and not validly withdrawn as of 5:00 p.m., New York City time, on April 23, 2021 (such time and date, the “Early Tender Date”), in its previously announced offer (the “Exchange Offer”) to Eligible Holders described below to exchange any and all of its Existing Notes for, at the election of such Eligible Holders, a combination of Senior Secured Notes due 2026 (the “2026 Secured Notes”) and Senior Secured PIK Toggle Notes due 2030 (the “2030 Secured Notes” and, together with the 2026 Secured Notes, the “New Notes”).

In conjunction with the Exchange Offer, CDM obtained consents representing approximately 95.45% of the Existing Notes outstanding, pursuant to the terms and subject to the conditions of the consent solicitation (the “Consent Solicitation”) to amend the indenture governing the Existing Notes to eliminate most of the restrictive covenants set forth in such indenture (the “Proposed Amendments”). Promptly following the Withdrawal Deadline (as defined below), CDM, the guarantors party thereto and the trustee under the indenture governing the Existing Notes will execute a supplemental indenture providing for the Proposed Amendments with respect to the Existing Notes (the “Supplemental Indenture”). The Supplemental Indenture will become effective immediately upon its execution and delivery by the parties thereto, and since CDM has accepted for purchase Existing Notes representing more than the required consent of the Eligible Holders of at least a majority in principal amount of the Existing Notes outstanding, the Proposed Amendments will become operative upon execution of the Supplemental Indenture.

Eligible Holders of Existing Notes that validly tendered and do not validly withdraw their Existing Notes in the Exchange Offer on or prior to the Early Tender Date, and which Existing Notes have been accepted by CDM, are eligible to receive \$1,043.75 in principal amount of New Notes per \$1,000 principal amount of Existing Notes tendered (the “Early Tender Consideration”).

CDM also announces today that it has extended the Early Tender Consideration of \$1,043.75 in principal amount of New Notes per \$1,000 principal amount of Existing Notes tendered to all Eligible Holders of Existing Notes that validly tender and do not validly withdraw their Existing Notes in the Exchange Offer after the Early Tender Date, but on or prior to 11:59 p.m., New

York City time, on May 7, 2021, unless extended or earlier terminated by CDM at its sole discretion (such time and date, as the same may be extended, the “Expiration Date”).

Existing Notes validly tendered and consents to the Proposed Amendments validly delivered may be validly withdrawn or revoked, as applicable, at any time prior to 11:59 p.m., New York City time, on May 7, 2021, unless extended or earlier terminated by CDM at its sole discretion (such time and date, as the same may be extended, the “Withdrawal Deadline”), but not thereafter.

Eligible Holders may elect to receive 2026 Secured Notes, 2030 Secured Notes, or a combination thereof as the Early Tender Consideration. Eligible noteholders who have tendered and not validly withdrawn Existing Notes will be permitted, prior to the Expiration Date, to change their election regarding whether to receive 2026 Secured Notes, 2030 Secured Notes, or a combination thereof, as described in the Confidential Exchange Offer Memorandum and Consent Solicitation Statement, dated April 12, 2021 (the “Statement”).

Eligible Holders must consent to the Proposed Amendments in order to participate in the Exchange Offer, and must participate in the Exchange Offer in order to participate in the Consent Solicitation. Eligible Holders of Existing Notes who validly tender their Existing Notes will be deemed to have delivered their consent to the Proposed Amendments.

The New Notes will be fully, unconditionally and irrevocably guaranteed by certain direct and indirect wholly owned subsidiaries of our parent company, Frontera Copper Corporation, S.A.P.I. de C.V. (“Frontera”), but will not be guaranteed by Frontera.

BCP Securities, LLC is acting as Dealer Manager and Solicitation Agent for the Exchange Offer and the Consent Solicitation. Ipreo LLC is acting as Exchange Agent and Information Agent for the Exchange Offer and the Consent Solicitation.

### **Available Documents and Other Details**

Documents relating to the Exchange Offer and the Consent Solicitation will only be made available to holders (“Eligible Holders”) who confirm and agree that they are a holder of Existing Notes (A) that would be acquiring the New Notes outside the United States or otherwise pursuant to Regulation S under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or (B) that is an institutional “accredited investor” (as that term is defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act), which is a “qualified institutional buyer” (as that term is defined in Rule 144A under the Securities Act) (collectively, the “Eligible Holders”).

The complete terms and conditions of the Exchange Offer and the Consent Solicitation are set forth in the Statement. Eligible Holders who wish to review the Statement should contact Ipreo LLC, the Exchange Agent and the Information Agent for the Exchange Offer and the Consent

Solicitation, at 450 West 33rd Street, 5th Floor, New York, New York 10001, Attention: Aaron Dougherty, e-mail: [ipreo-exchangeoffer@ihsmarkit.com](mailto:ipreo-exchangeoffer@ihsmarkit.com), banks and brokers call at +1 (212) 849-3880, toll-free at +1 (888) 593-9546, or by facsimile (for Eligible Institutions only) at: +1 (888) 254-6152, with confirmation at +1 (212) 849-3880. Eligible Holders may also contact James Harper of BCP Securities, LLC at +1 (203) 629-2186 or at [jharper@bcpsecurities.com](mailto:jharper@bcpsecurities.com).

The New Notes have not been and will not be registered under the Securities Act or any state securities laws. Accordingly, the Exchange Offer is only being made to registered holders of Existing Notes (i) outside of the United States pursuant to Regulation S under the Securities Act or otherwise to, or for the account or benefit of, non-U.S. persons (as defined in Regulation S) in accordance with Regulation S, or (ii) that are institutional “accredited investors,” within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act, which are “qualified institutional buyers,” as that term is defined in Rule 144A under the Securities Act (together, the “Eligible Holders”).

CDM has not and will not register the New Notes with the National Securities Registry (*Registro Nacional de Valores*) maintained by the National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores* or “CNBV”), and, therefore, the New Notes may not be offered or sold publicly in Mexico, except that the New Notes may be sold to Mexican institutional and qualified investors pursuant to the private placement exemption set forth in Article 8 of the Mexican Securities Market Law, as amended (*Ley del Mercado de Valores*, or “LMV”). As required by the LMV, CDM will notify the CNBV of the issuance of the New Notes, including the principal characteristics of the New Notes and of the offering of the New Notes outside of Mexico. Such notice will be submitted to the CNBV to comply with the LMV and for information purposes only, and the delivery to, and the receipt by, the CNBV of such notice does not constitute or imply any certification as to the investment quality of the New Notes, CDM’s solvency, liquidity or credit quality or the accuracy or completeness of the information provided in the Statement. The information contained in the Statement is exclusively CDM’s responsibility and has not been reviewed or authorized by the CNBV. In making an investment decision, all investors, including any Mexican investors who may acquire New Notes from time to time, must rely on their own review and examination of CDM, the guarantors and the terms of the New Notes.

The complete terms and conditions of the Exchange Offer and the Consent Solicitation are set forth in the informational documents relating to the Exchange Offer and the Consent Solicitation. This press release is for informational purposes only and is not an offer of securities for sale in the United States or elsewhere. The New Notes may not be offered or sold in the United States absent registration or an exemption from registration. The Exchange Offer is only being made pursuant to the Statement, as amended by this press release. The Exchange Offer is not being made to any holder of Existing Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction.

## Cautionary Note Regarding Forward-Looking Statements

*This press release and the Statement include forward-looking statements. This forward-looking information includes, among others, statements regarding the terms and timing for completion of the Exchange Offer and the Consent Solicitation. In addition, these forward-looking statements include, without limitation, statements regarding our future financial position and results of operations, our strategy, plans, objectives, goals and targets, future developments in the markets in which we participate or are seeking to participate or anticipated regulatory changes in the markets in which we operate or intend to operate. In some cases, forward-looking statements can be identified by terminology such as “aim,” “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “guidance,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” or “will” or the negative of such terms or other comparable terminology.*

*By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution potential investors that forward-looking statements are not guarantees of future performance and are based on numerous assumptions and that our actual results of operations, financial condition and liquidity may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this press release or the Statement. In addition, even if our results of operations, financial condition and liquidity and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this press release and the Statement, those results or developments may not be indicative of results or developments in subsequent periods. Holders of Existing Notes should read the entire Statement, including the sections “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business,” for a discussion of some of the risk factors that could affect our future performance and the markets in which we operate. In light of these risks, uncertainties and assumptions, the forward-looking events described in this press release and the Statement may not occur. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information or future events or developments.*