

CODELCO ISSUES BONDS IN THE INTERNATIONAL MARKET FOR USD900 MILLION

Codelco raises US\$900 million in debt tap

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Cleary Gottlieb Steen & Hamilton LLP in New York and Carey in Santiago have helped Chilean copper company Codelco issue US\$900 million worth of notes.

Linklaters in New York and London and Garrigues (Chile) represented the underwriters for the deal, which closed on 2 February.

The debt was issued with a 5.125% interest rate and a maturity date of 2033. The notes, which were 10 times oversubscribed, will be placed on the Luxembourg stock exchange and traded on its Euro MTF market.

Codelco will use a portion of the proceeds for general corporate purposes, as well as to strengthen its liquidity and pay off existing debt. It will also use the funds to improve operations at several of its mines.

As the world's largest state-owned copper mining company, Codelco is regularly involved in prominent deals in the region. In December, it signed a power purchase agreement with local energy group AES Andes to replace the coal-based power supply at two of its mines with renewable energy. Carey also advised Codelco on that occasion.

With a revenue of US\$21 billion, Codelco produces more copper than any other company worldwide. In 2023, the company expects to produce some 1.45 million tonnes of copper, a similar figure to last year's output.

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