



Oroco Resource

COPPER PRESENTATION

JANUARY 2021

TSX-V: OCO Frankfurt: OR6 U.S.: OTCQB

“The Key to unlocking the energy transition is made of copper”...It’s a multi-faceted, multi-regional, structural bull story” – Saad Rahim, Trafigura, December 2020

Sustained growth in copper demand is expected to continue because copper is essential to economic activity and even more so to the modern technological society”
(International Copper Study Group)

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“To keep pace with these mega trends, copper production will have to double over the next 30 years” - Tariq Salaria, Vice President for sales and marketing at BHP, December 2020

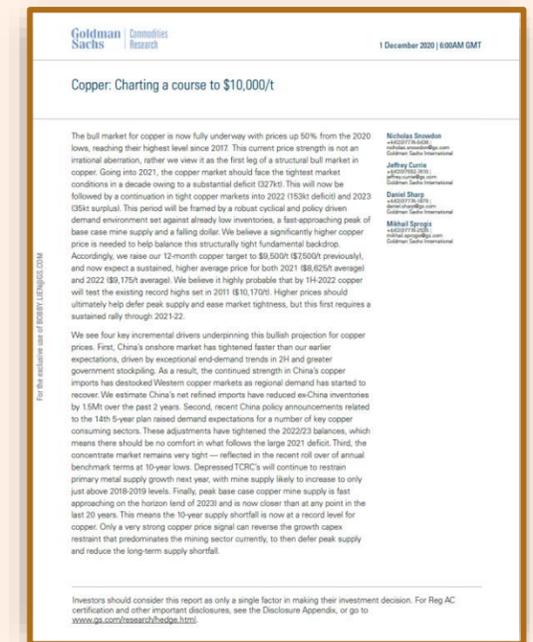
“ The bull market for copper is now fully underway with prices up 50% from the 2020 lows, reaching their highest level since 2017. This current price strength is not an irrational aberration, rather we view it as the first leg of a structural bull market in copper. Goldman Sachs Commodity Research, December 1, 2020 ”

Copper hits \$7,000 a tonne as ‘green-tinted’ rally hots up

Industrial metal is trading at its highest level in more than 2 years



Copper has rallied by about 52% since its low in March, on the back of supply disruptions and China's rapid recovery from the coronavirus pandemic



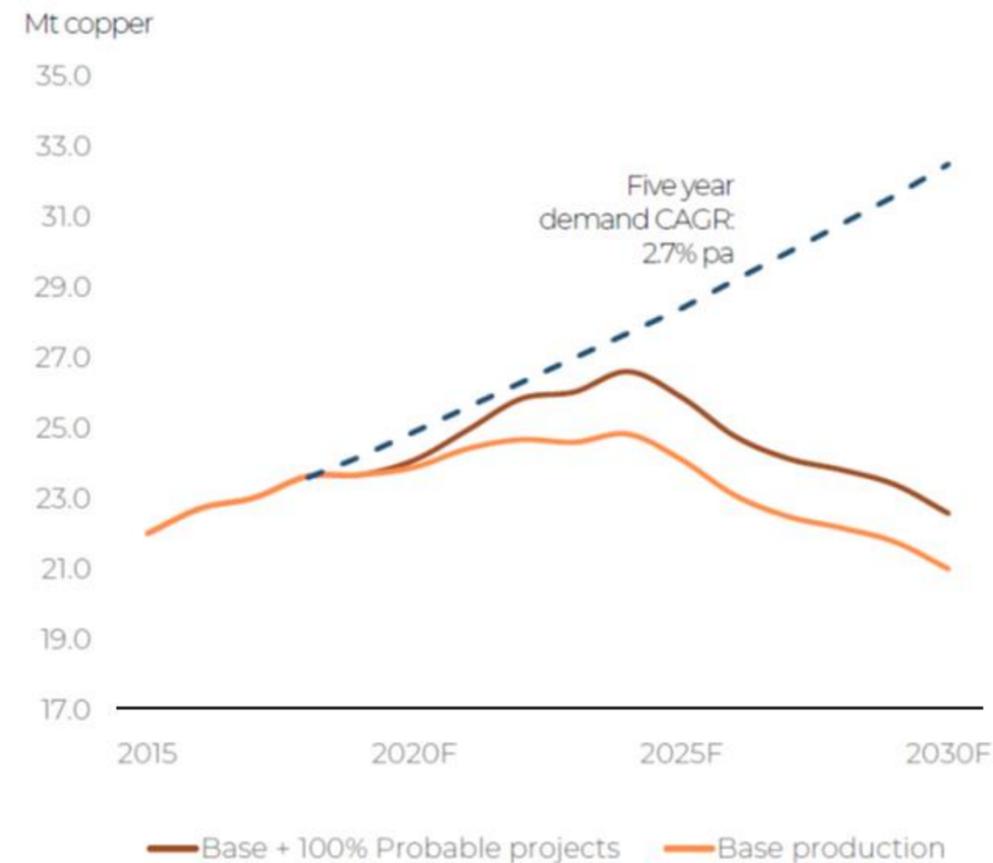
Click the image to read the report

“ Copper is emerging as one of the key ways for investors to gain exposure to a rollout of more wind, solar, batteries and electric cars, due to the metal’s use in electric wiring. “We believe investor interest in gaining exposure to the ‘decarbonisation’ theme is on the verge of reaching fever pitch,” said Max Layton, an analyst at Citigroup. ”

Copper supply – meeting the EV challenge

Structural deficits likely even with 100% of probable project pipeline

Historical demand trends imply continued copper deficits⁽¹⁾



- In 2025... EV demand is equivalent to half of new supply from all Probable projects (assuming 100% are built)
- By 2030... EV demand is equivalent to almost double total new supply from all Probable projects

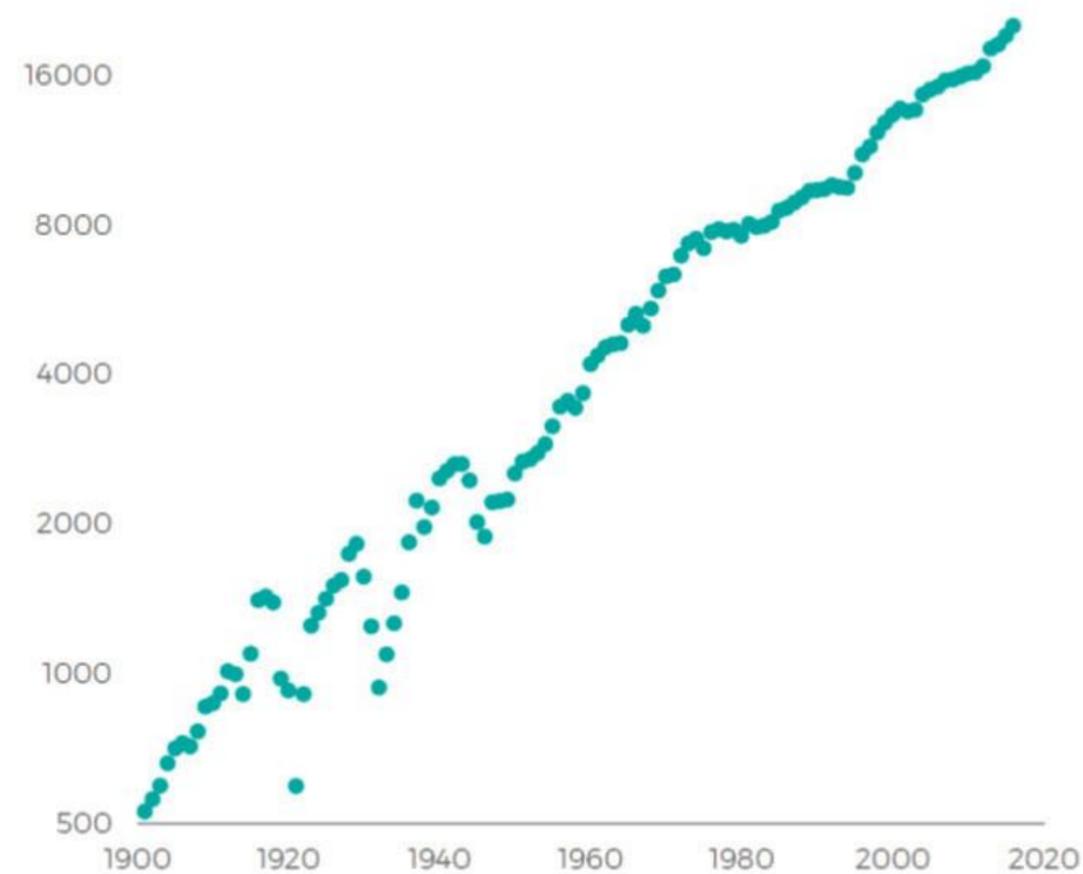
Source: GLENCORE presentation slides, 2019 Bank of America Global Metals, Mining and Steel Conference

The value of mined copper consumed in 2020 will be in excess of \$150 billion and copper consumption is forecast to grow by approximately 30% in the coming decade, and 100% in 30 years, much faster than current production expansion plans.

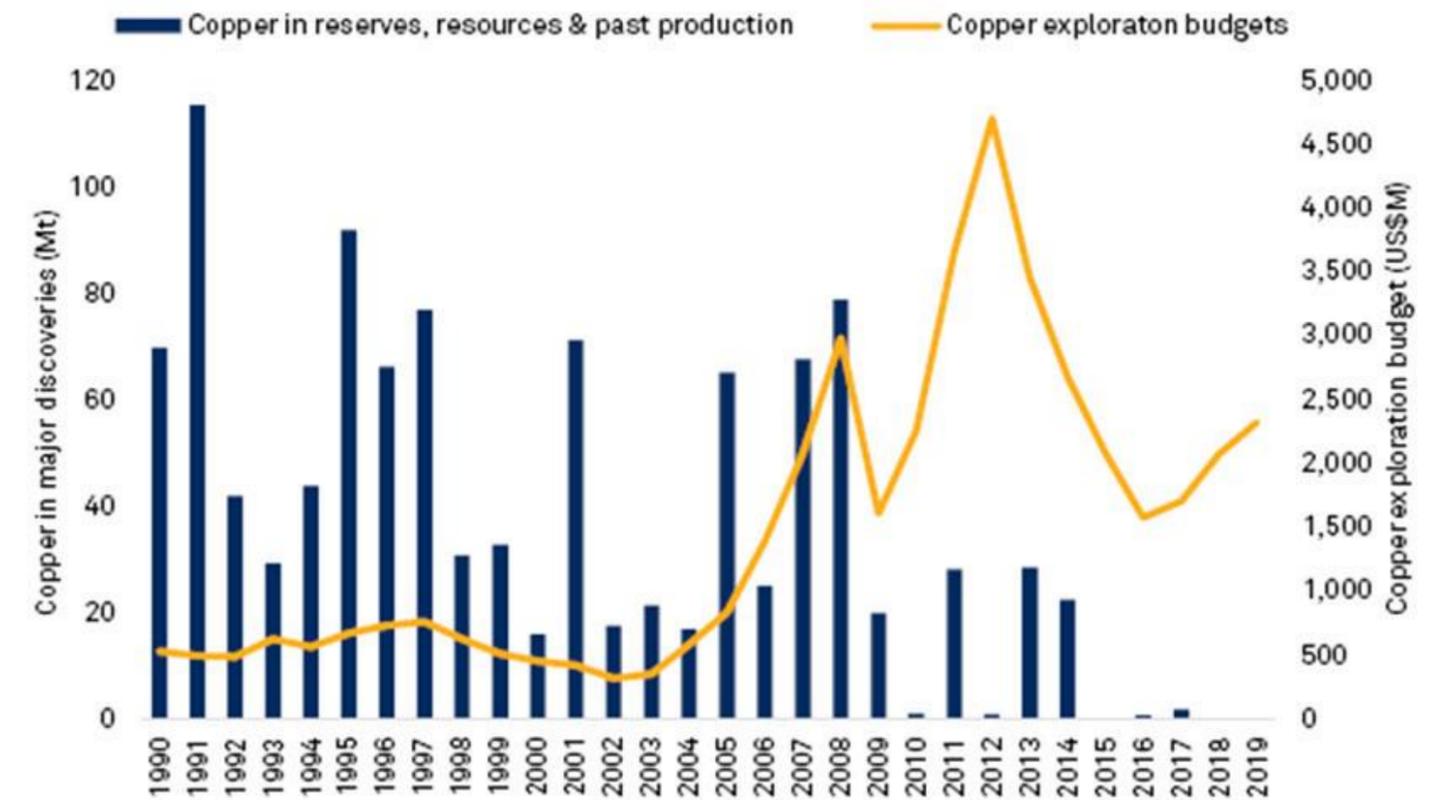
Strong demand growth related to economic growth and shifting technologies...

... meets historically low, new project pipeline and historically low rates of discovery and reserve replacement

Copper demand 1900 to 2017 (ktpa)⁽²⁾



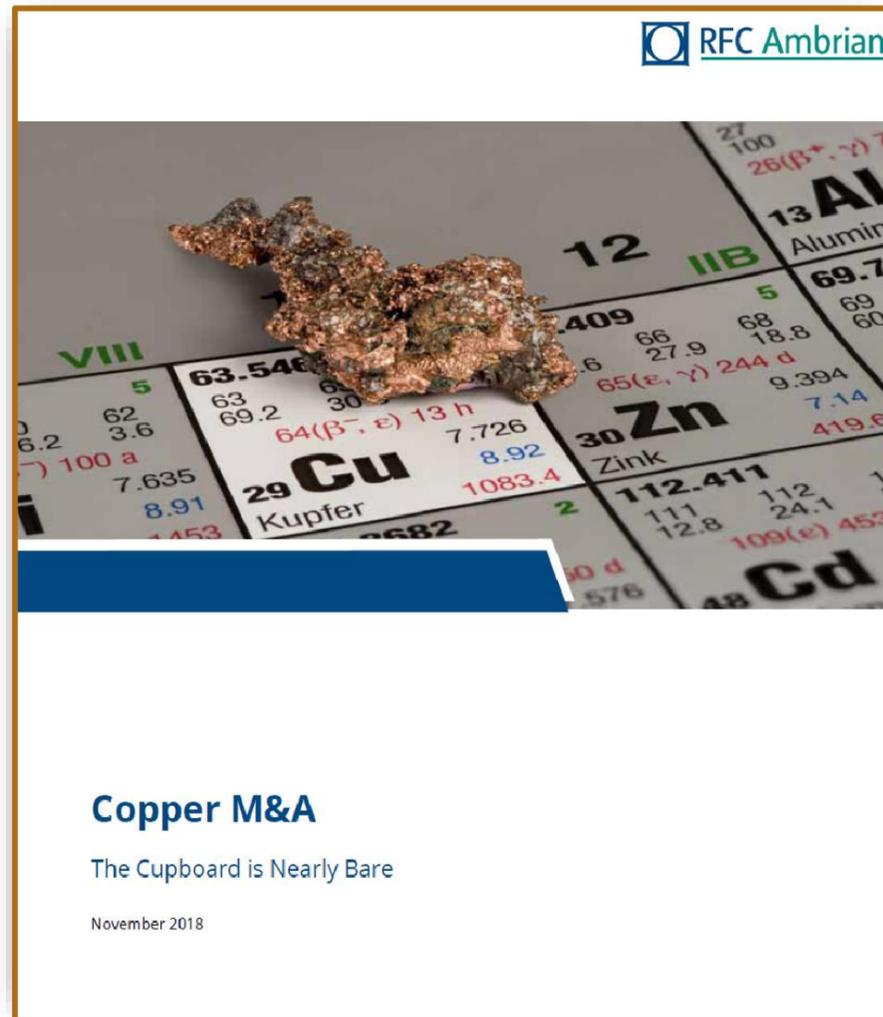
Adjusted for energy content, (2) Bernstein, Wood Mackenzie, USGS



Data as of Aug. 4, 2020.
Source: S&P Global Market Intelligence

S&P Global
Market Intelligence

COPPER SECTOR M&A



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- “... project pipelines of many of these companies is diminished”
- “... a number of companies ... will have to participate in M&A in the near term”
- Potential acquirors in “better financial shape”
- “... the number of opportunities is limited for them ... the number of late-stage development projects with resources of >3.0 MT that we believe are likely candidates to be acquired is limited to just five.”
- “This lack of opportunity looks set to raise the stakes for those assets that are available.”

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