



Outlook for Peruvian & Brazilian Tin

April, 2016

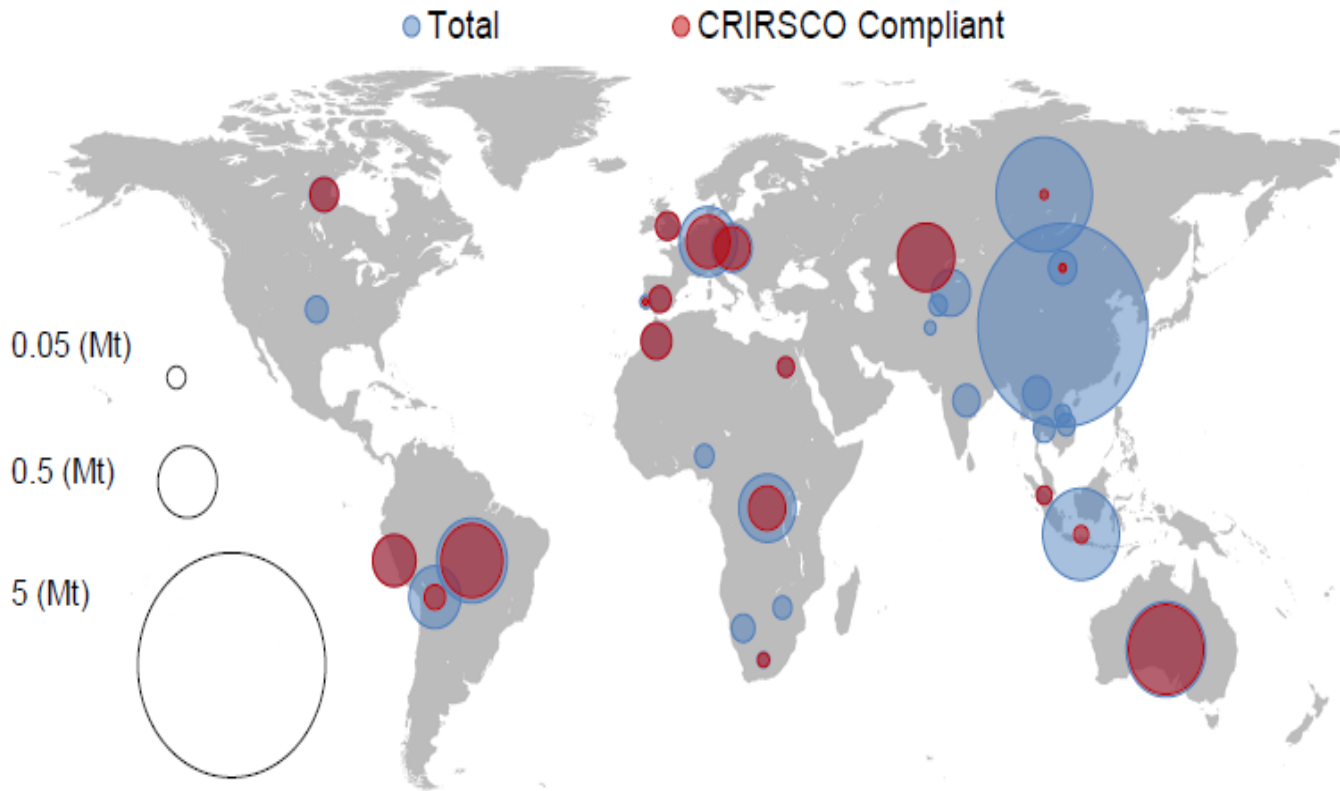


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General Overview

Tin World Occurrences

Global tin resources (inc. reserves)

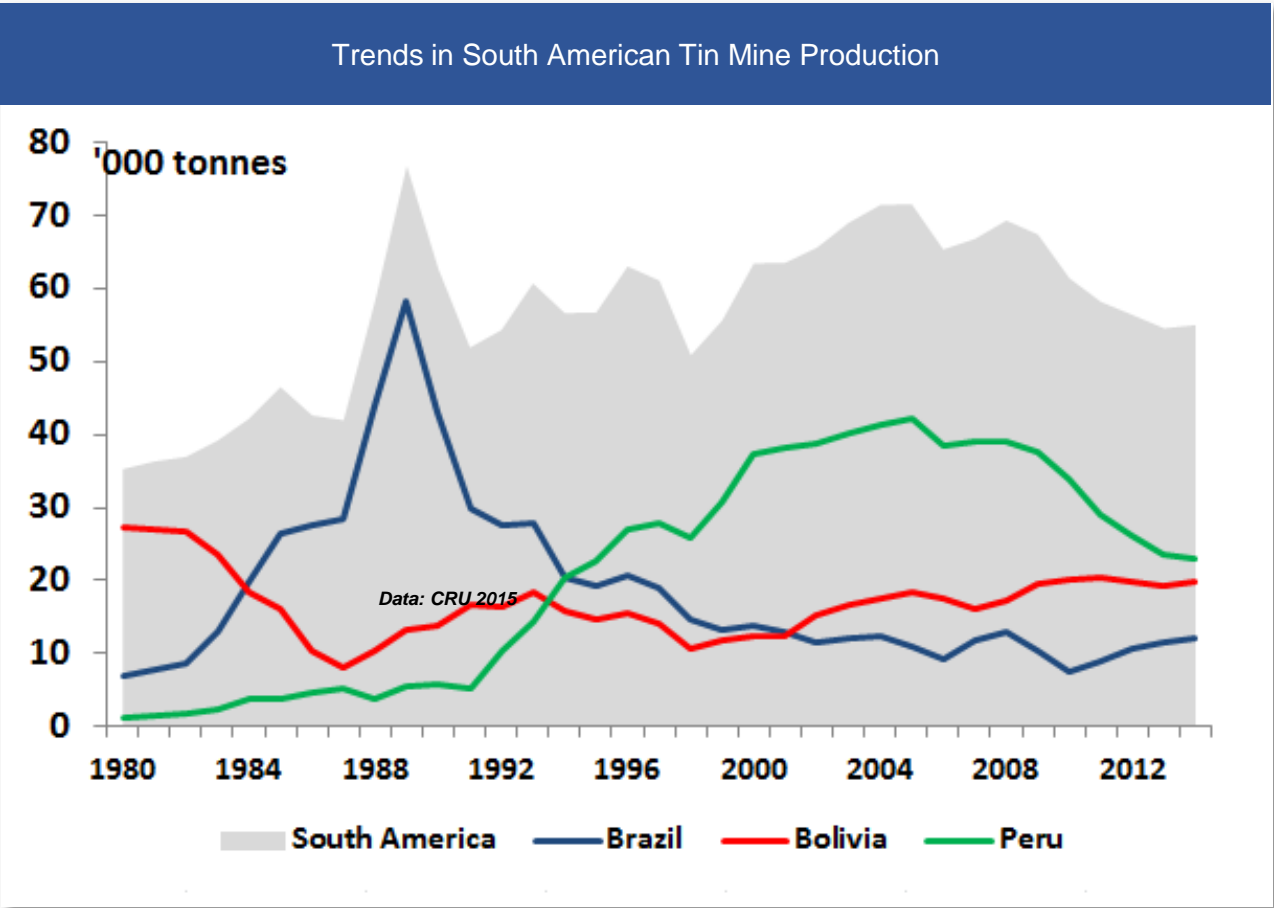


Source: ITRI 2016 Report on Global Tin Resources and Reserves

- World Tin reserves calculated at the end of 2016 are 11.5 Mt
- South America is a highly endowed Tin region
- Compliant Resources Top Countries (CRIRSCO) are in Australia (24%), Brazil (16%), Kazakhstan (14%), Germany (8%) and Peru (8%)
- Non Compliant Resources Top Countries are China (35%), Russia (11%), Australia (8%), Indonesia (7%) and Brazil (6%)

Tin Mine Production in South America

- South America, major tin producer
 - ✓ 2015 Tin production: **~52,000 MT**
 - ✓ **~16%** of global tin production
- Bolivia contributed with **39%** (~ 20,200 MT)
- Brazil contributed with **23%** (12,000 MT)
- Peru (San Rafael Mine) contributed with **38%** of South America's tin production



Refined Tin Production in South America

- South America's 2015 refined tin production: ~45,000 MT
 - ~15% of global refined tin supply
- Peru (Pisco S&R) produced 45% of South America's refined tin production
- Bolivia's (EM Vinto and OMSA) contributed with 35%.
- Brazil contributed with 20%

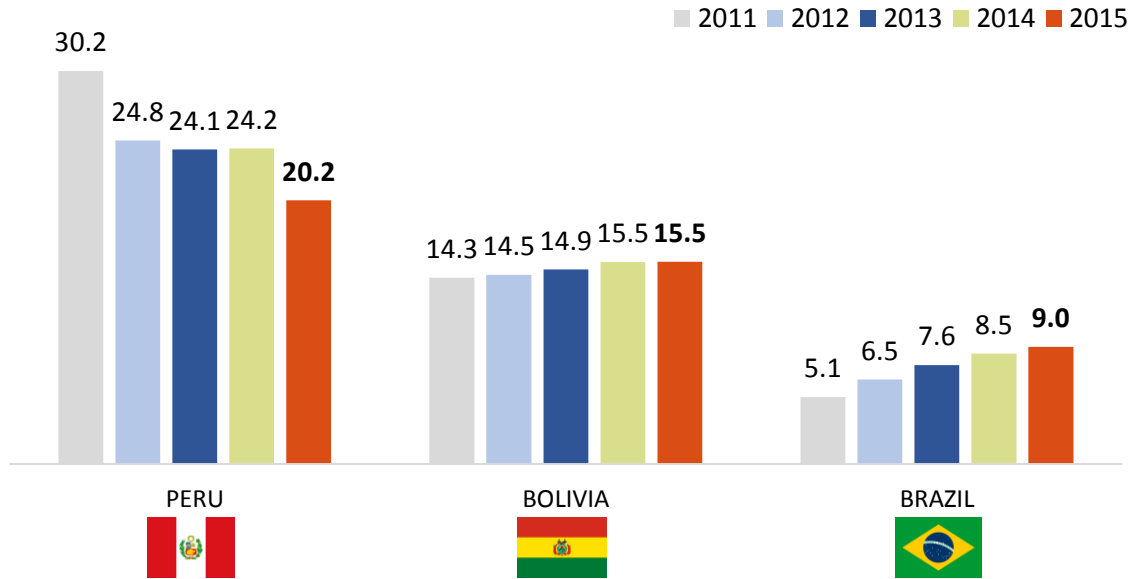
Leading South American producers

Refined tin production, tonnes

Company	Country	2011	2012	2013	2014	2015	%change vs 2014
Minsur	Peru	30,162	24,822	24,132	24,223	20,224	-16.5%
EM Vinto	Bolivia	10,960	11,241	11,253	11,734	12,106	3.2%
Taboca	Brazil	1,253	3,026	4,212	5,010	5,525	10.3%
OMSA	Bolivia	3,335	3,276	3,672	3,769	3,419	-9.3%
White Solder	Brazil	2,222	2,341	2,211	2,392	2,573	7.5%
Coopermetal	Brazil	1,660	1,125	1,172	1,074	1,100	2.4%
Total	Southamerica	49,592	45,830	46,652	48,202	44,947	-6.8%

Data: Company reports, Bolivia Ministry of Mines & Metallurgy, SNIEE

Production by Country (kt)



Data: Company reports, Bolivia Ministry of Mines & Metallurgy, SNIEE

Tin Pipeline of Projects in South America

Project	Owner	Location	Ore '000 Mt	Ore Grade	Contained Sn MT	Project Stage	Expected date	Life of Mine
B2 - San Rafael Tailings	Minsur	Peru	7,620	1.05% Sn	80,260	PFS	2S 2018	8 years
Azul Tin Project	Best Metais e Soldas S.A. ¹	Brazil	3,000 – 5,000	0.8% - 1.2%	24,000 – 26,000	Exploration	na	na
Sao Lourenco	Companhia de Mineracao Lourenco Ltda. (“CMSL”) ²	Brazil	Exploration phase					
Arara Project	Brasil Tin Ltd.	Brazil	331,000	0.12%	61,000 (+41k Nb, 8k Ta)	PFS	2018-2019 (?)	26 years
El Kenko (tailings)	South American Tin Ltd (SAT) ³	Bolivia	9,200	0.40% Sn	36,800	Exploration/ Studies	na	4 years
Catavi (tailings)	SAT ⁴	Bolivia	17,000	0.35% Sn	59,500	Exploration/ Studies	na	4 years
Sink&Float (tailings)	SAT ⁴	Bolivia	25,000	0.27% Sn	65,000	Exploration	na	5 years
Siglo XX Mine	SAT ⁴	Bolivia	Exploration stage, historically one of Bolivia’s largest tin mines					
Ayawilca	Tinka Resources	Peru	Exploration stage, zinc resource defined at the site but have discovered tin-copper mineralisation below the zinc					

Sources:

¹ The current owner is “Best Metais e Soldas S.A.” but Lara exploration (TSX-V: LRA) have an option to purchase the project in staged payments over the next 3 years. Currently Lara exploration is reanalysing and reviewing 2014 drill results

² Triumph tin mining had an option to acquire the project indirectly, but this was allowed to expire in early 2013. It does not appear that any significant work on the project has been undertaken since then.

³ No new information available about this Project since 2012, there is no additional work developed on this Project.

⁴ SAT projects – Victory mines undertook a takeover of South American tin at the end of 2014. However it seems that as of late 2015 they have now walked away from the project. I would assume the tenements are back under the control of Comibol or the local co-operatives, who I understand still undertake small scale mining in the Siglo XX mine. Therefore it is unlikely that any significant work has been undertaken since then.



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Minsur's Portfolio: Tin Assets in Peru and Brazil

Minsur at a Glance

- ✓ Leading Peruvian mining company with **+35 years** of continuous operations
- ✓ **Largest supplier of tin** in the Western Hemisphere
- ✓ Owner of San Rafael, **the world's largest and richest underground** tin mine
- ✓ Pitinga Mine: world's single **largest tin deposit** *
- ✓ Diversification through a **highly profitable** small scale gold mine Pucamarca, and a large greenfield copper project, Mina Justa
- ✓ Majority owned and sponsored by **Peru's largest economic group**, Breca
- ✓ **Listed** on the Lima Stock Exchange (Minsur11)

2015

Revenues
US\$ 619 M

EBITDA
US\$ 149 M

Sn Production
25,750 t

Au Production
120,924 oz

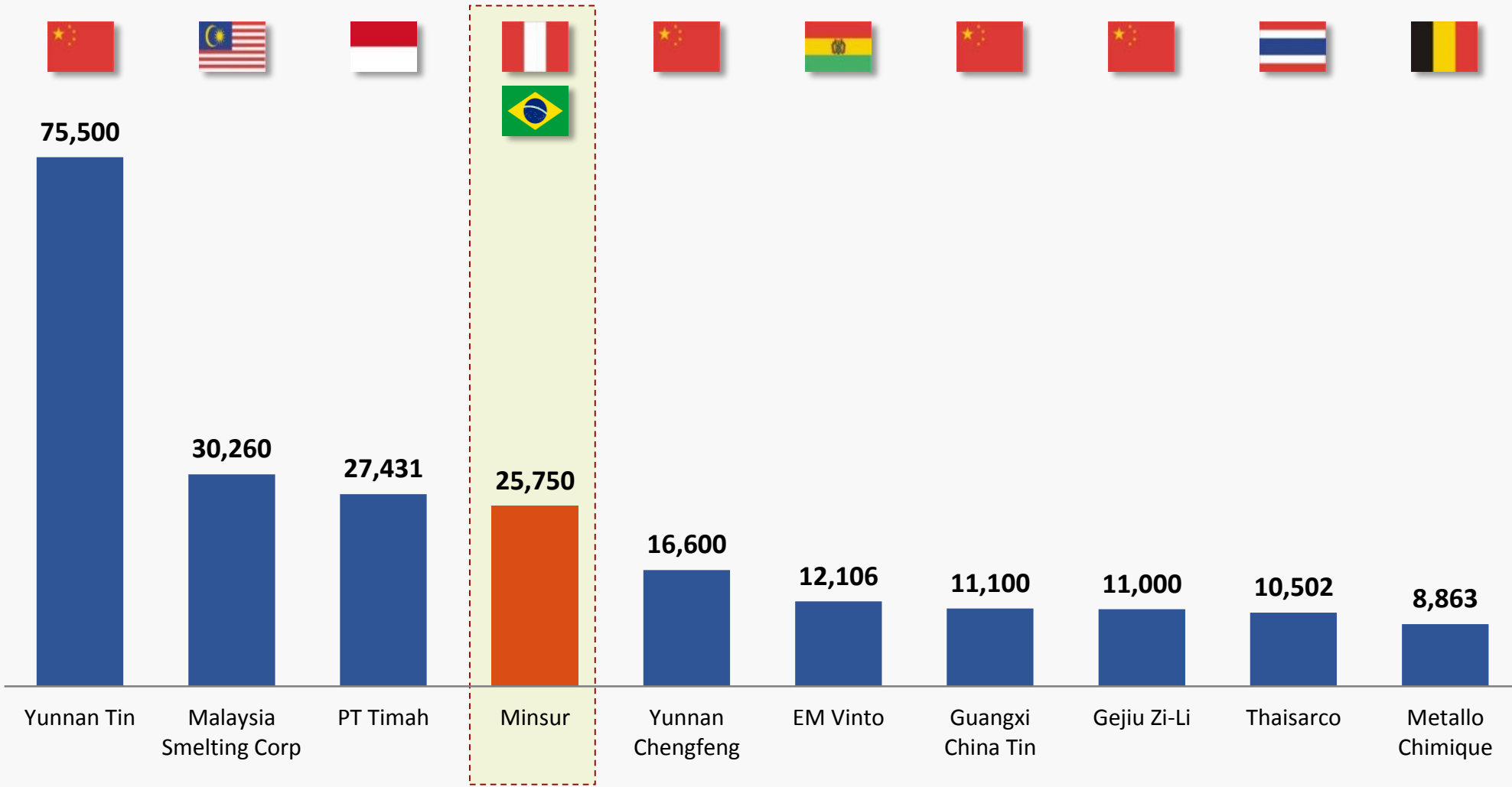
FeNbTa Production
2,170 t



* In terms of contained tin resources as of December 31, 2012 (Source: ITRI)
** Figures in this presentation include Mining Segment, only

Global leading Tin Producer

Global ranking – Top 10 Tin producers (2015, MT)



Source: ITRI

San Rafael - Pisco

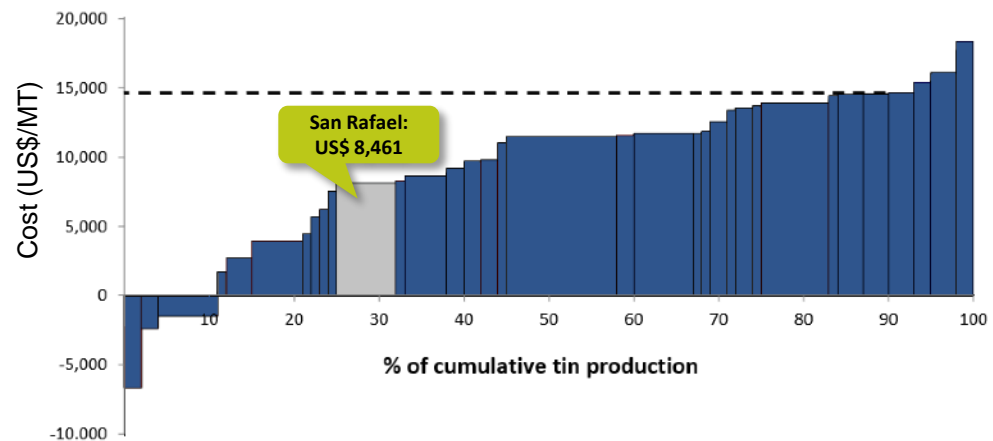


Overview

- Largest and richest ore grade tin mine in the world, producing around 6% of global tin supply
 - High grade deposit, estimated resources of 10 million MT of ore with an average tin grade of 2.05% as of December 2015
- Mine life: Over 8 years
- Vertically integrated with Pisco, enabling us to sell refined tin, a higher value-added product
 - 3rd largest tin plant in the world
 - One of the most efficient smelting plants in the world
 - Processes the totality of the ore mined at San Rafael

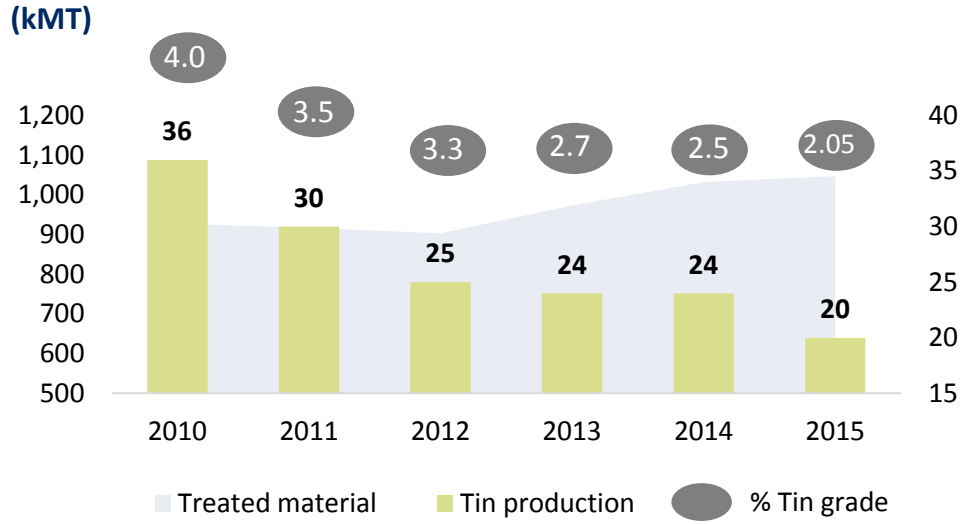
Cost curve position

(US\$/MT) 2015 NBP cash cost

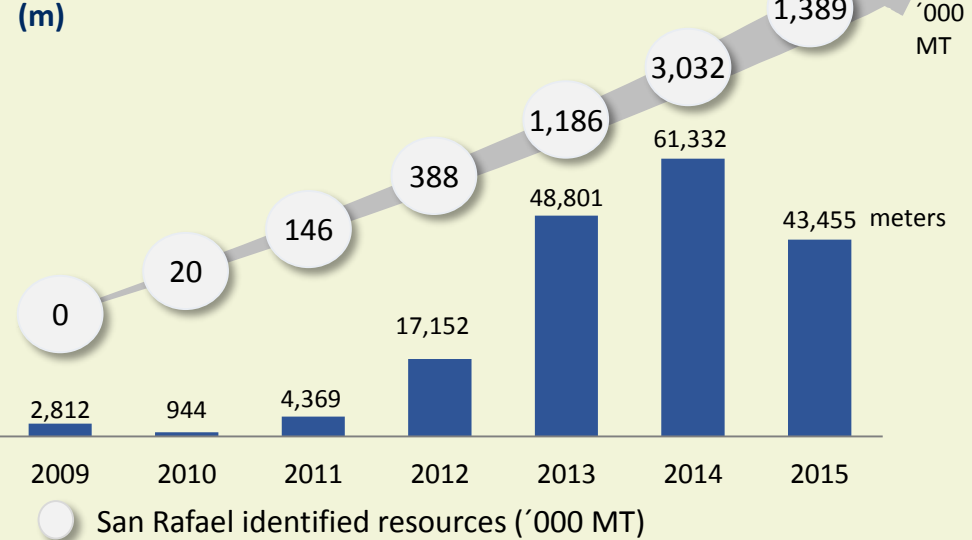


Source: ITRI

Production



San Rafael drilling

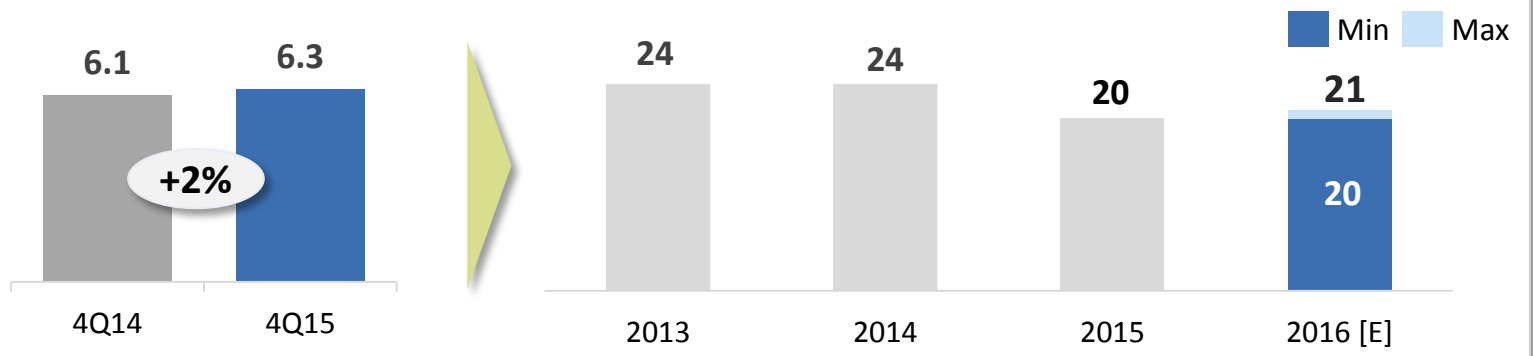


San Rafael – Pisco as of 2015 and 2016 Guidance

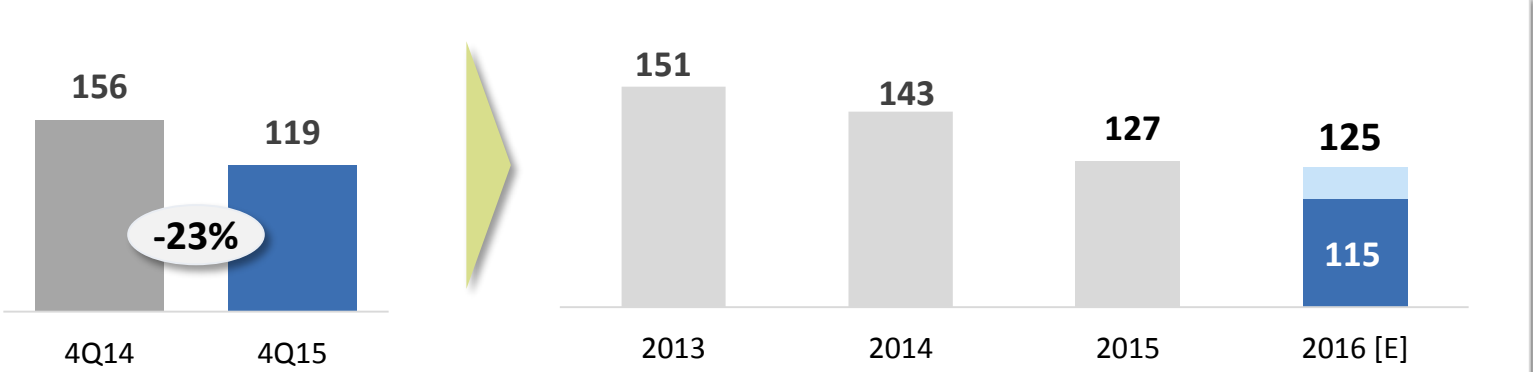
4Q15 vs 4Q14

2015 FY Guidance

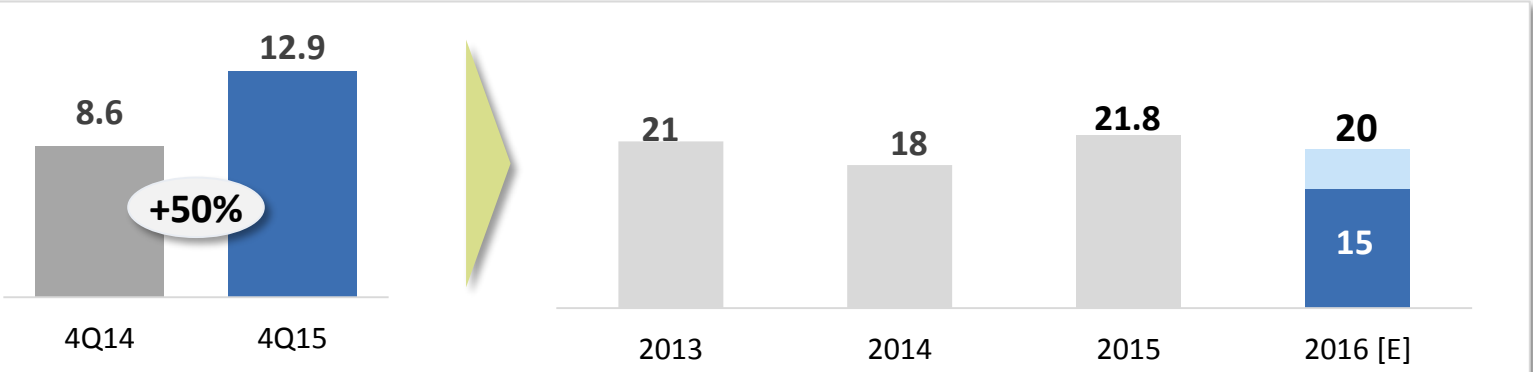
Production
(k MT Sn)



Cash – Cost
(US\$/tt)



Capex
(US\$M)



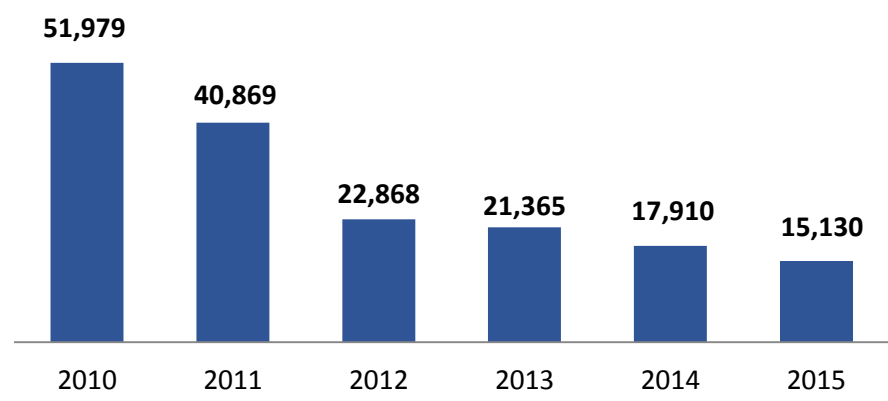


Overview

- World's single largest tin deposit of contained tin resources as of 2013, Niobium and Tantalum as by-products
 - Estimated resources of **386 million MT** of ore with an average tin grade of 0.13% as of December 2015
 - Average mine life: Over 30 years
- Vertically integrated with the Pirapora smelter
 - Processes all the tin ore mined at Pitinga
 - More than 99.90% of tin purity
 - Smelting capacity of 14,000 MT of concentrate per year
- Continuously improving performance of Pitinga:
 - Improved recovery rates and higher throughput
 - Increased tin metal production in 2015 by 10%

Cash cost evolution

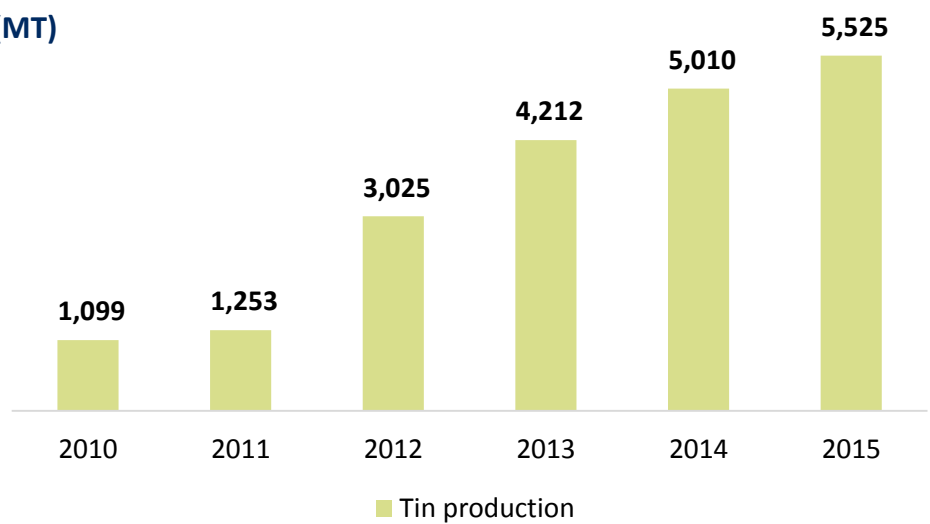
(US\$/MT)*



* Net of NbTa alloy credits

Production

(MT)

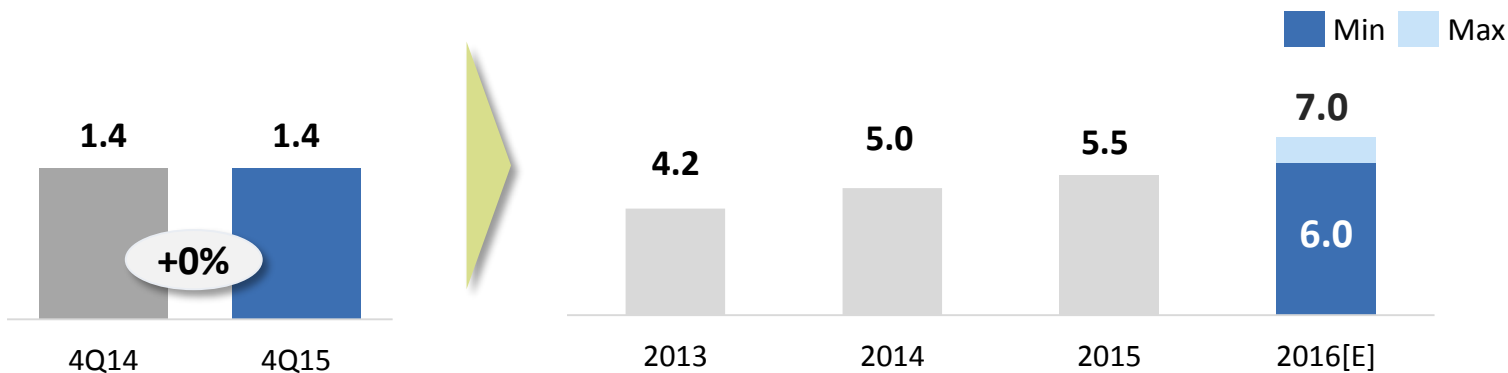


Pitinga - Pirapora 2015 and 2016 Guidance

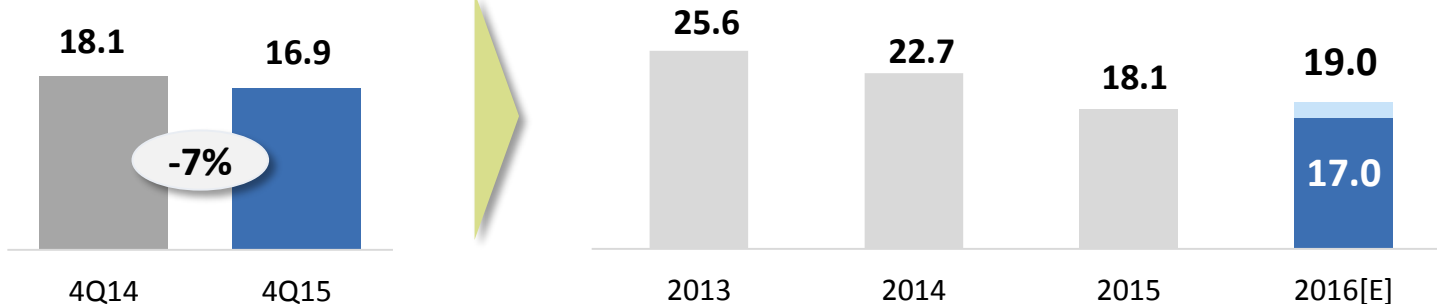
4Q15 vs 4Q14

2015 & 2016 Guidance

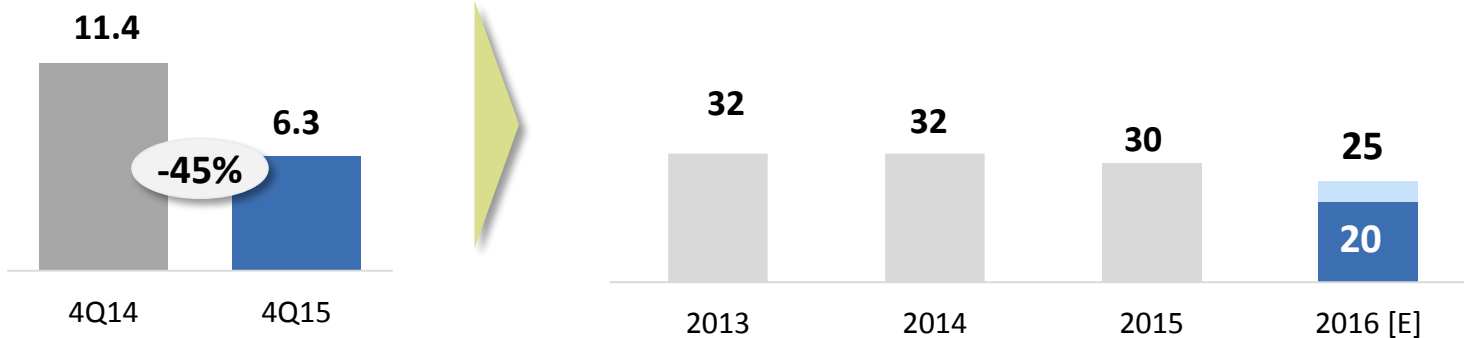
Production
(kt Sn)



Cash – Cost
(US\$/tt)



Capex
(US\$M)

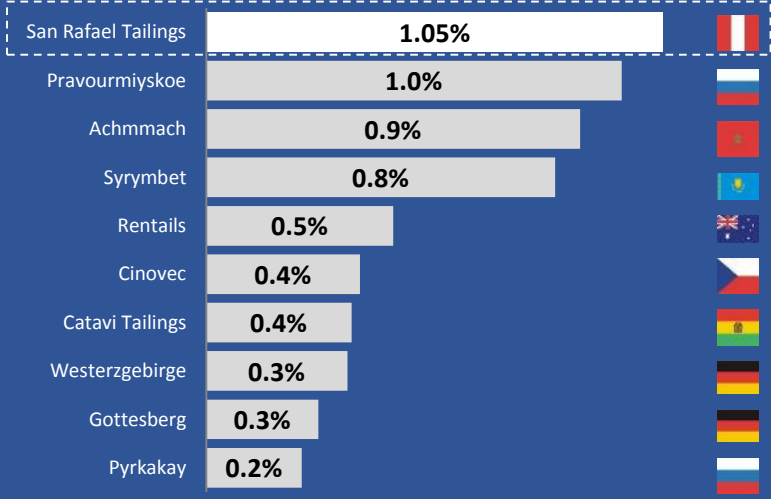


Expansion and Exploration Projects

B2 - San Rafael Tailings

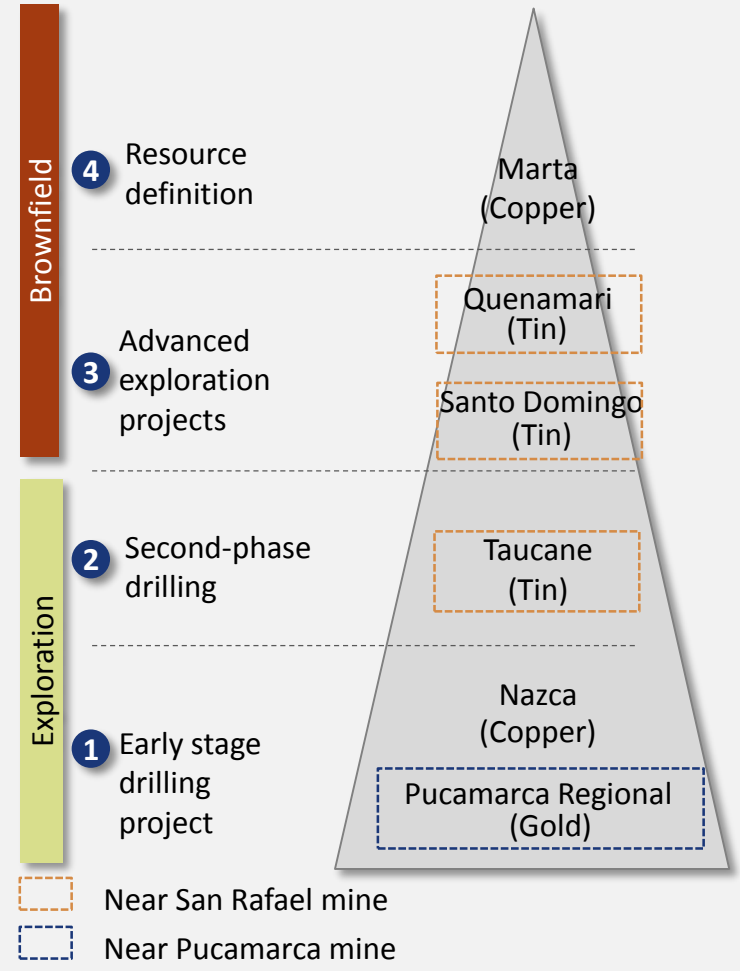
- Process San Rafael's old high grade tailings
- Among the world's top 10 undeveloped Tin resources
- Approximately 5.4 million cubic meters, equivalent to 7.6 million metric tons, of tailings with an ore grade of 1.05% will be available for this process
- Project at PFS stage – process flow sheet defined
- Concluded Pilot Test Work in Q1 2016
- We expect to begin production, subject to the feasibility study, in late 2018

Top 10 undeveloped Tin resources ('000 MT)*



Source: ITRI, contained Tin
 Note: San Rafael as per ITRI's estimate and consistent with methodology to estimate peers resource base

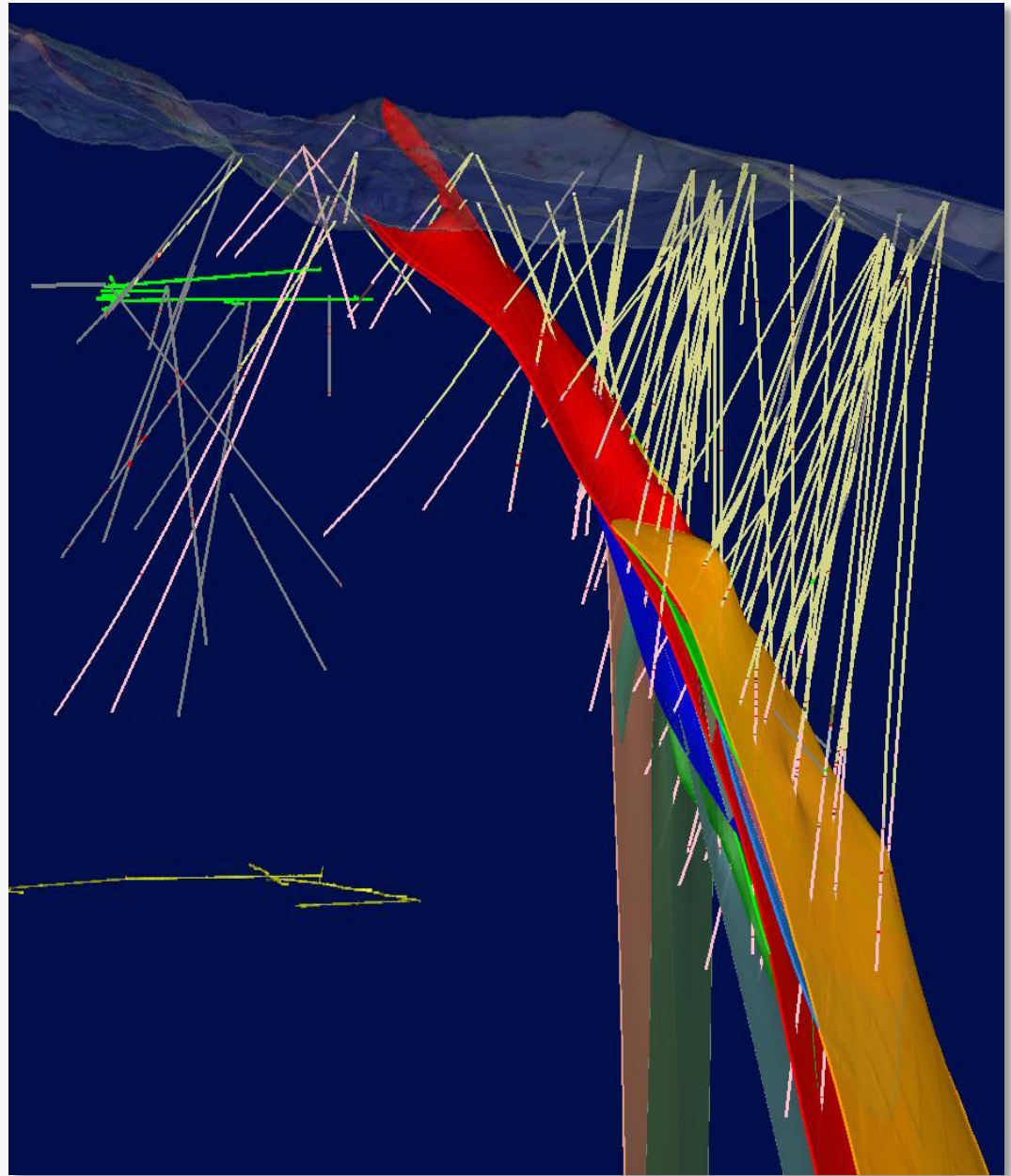
Advanced Explorations



Minsur has significant untapped potential through an extensive concession area:
Total 277,939 Ha in mining rights inventory (Peru, Chile and Brazil)

Nazareth

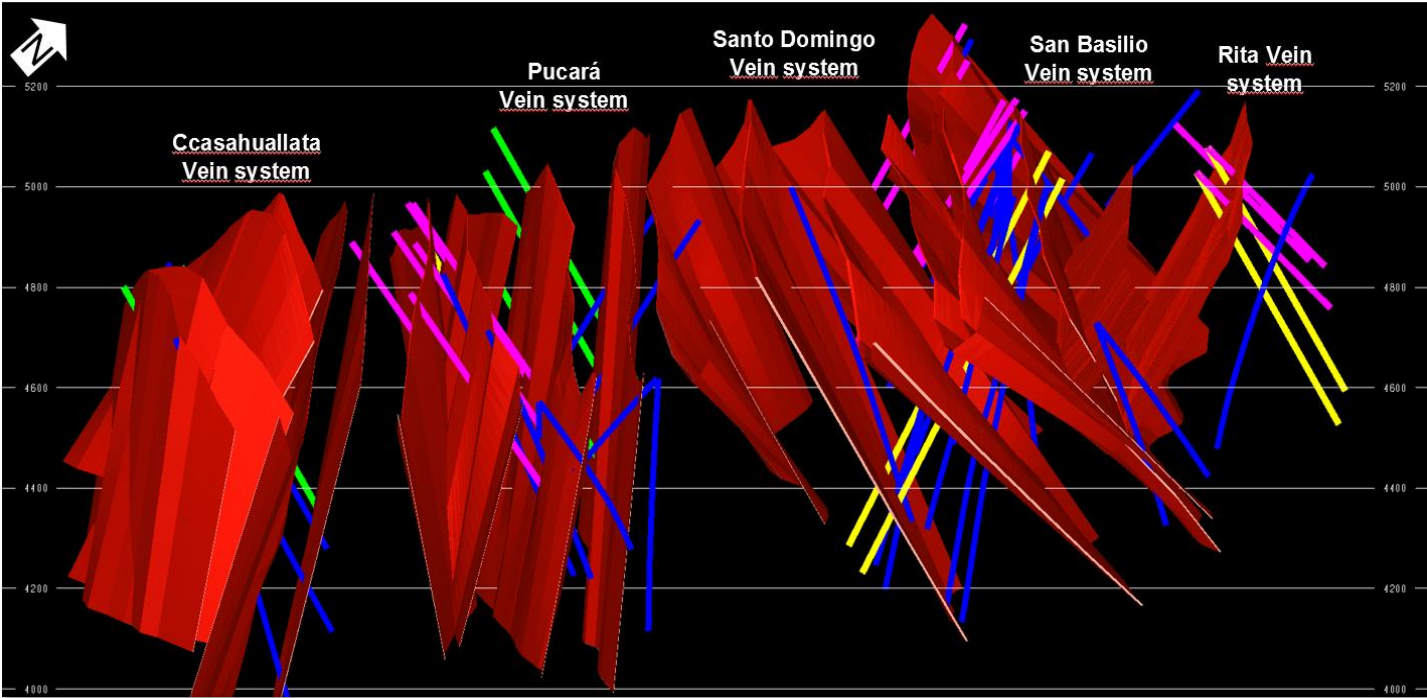
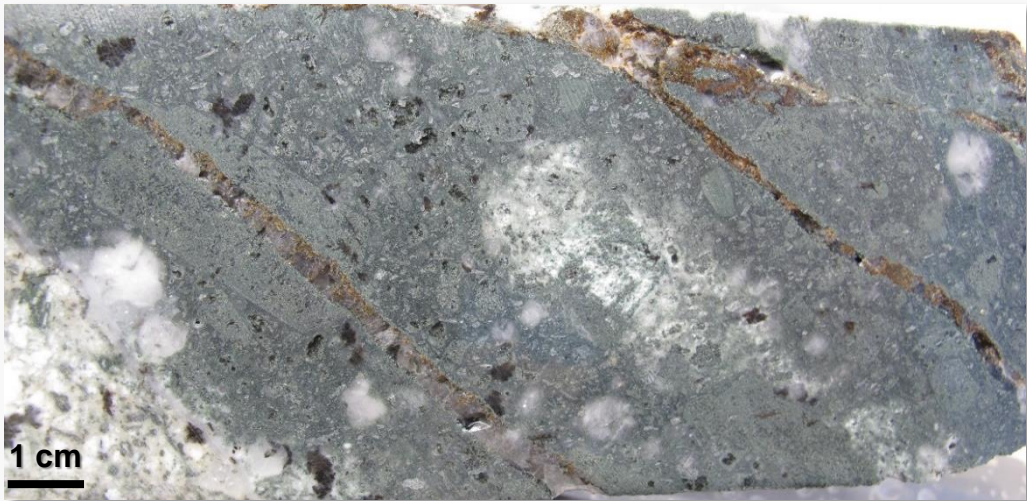
- Tin, copper, zinc and silver mineralization
- 5 km from San Rafael – short development time
- Extension of San Rafael's life of mine
- 52 km of DDH drilled in 2014-2015
- Estimated mineral resources (principal structure):
 - 3 million MT @ 1.53% Sn (46k MT)
 - 6.8 m @ 6.9% Sn
- Metallurgical testing and scoping studies ongoing
- Significant exploration upside



Advanced Exploration Projects

Santo Domingo

- 30 km west from San Rafael Mine
- Tin mineralization similar to San Rafael
- 18 km of DDH in 2014 and 2015
- Highlights: 1.5 m @ 10.5% Sn
3.4 m @ 4.1% Sn
- 16 km of DDH planned for 2016



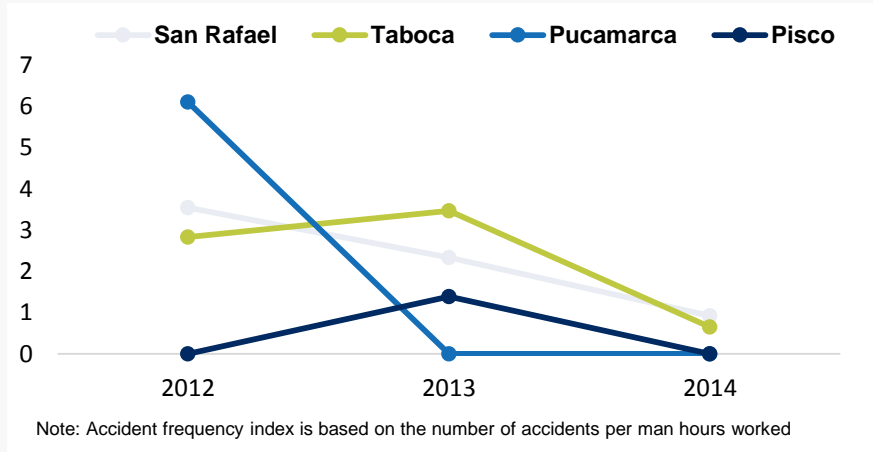
Sustainability: strong commitment to safety, environment and communities



World Class Safety Standards

- World class safety standards
- Training programs
- World class safety initiatives
- Constant monitoring
- Strong track record of safety

Accident frequency index



World Class Environmental Management

- Water
- Permits and planning
- Environmental Management
- Socio- environmental
- Closure and Remediation

Sustainable water management

Source	Operative Units		
	MU San Rafael	MU Pucamarca	RSU Pisco
Volume of reused water (000 m ³ /year)	2,600.07	291.45	36.82
% of wáter reused compared correlated with captured water	57%	81%	15%

Creating Social Value in a sustainable way




- Engagement
- Social Risk Management
- Sustainable Social Investment

Investment lines

- Infrastructure
- Health and nutrition
- Education
- Productive projects

Source		
	Unit	Minsur
Social Investment (SI)	US MM	2.9
SI/Sales	%	0.68%
SI/Net Profit	%	4.79%



-  Conflict free minerals
-  World class standards
-  Social value creation



World-class environmental management



The safest mining Company in Peru



High level staff with commitment and values



Social value creation: Investing in sustainable development programs

ISO 14001
BUREAU VERITAS
Certification



ISO 9001
BUREAU VERITAS
Certification



OHSAS 18001
BUREAU VERITAS
Certification





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Closing Remarks

1 South America is and will continue to be a major, sustainable, Tin supplier

- Highly endowed region – size and quality of deposits
- High exploration potential
- Conflict-free minerals zip codes (traceable production)

2 Sustainability is critical: significant investment in the industry despite downward prices

- Continued exploration investments in Peru
- Investments in new technologies (Ausmelt in Bolivia / Ore Sorting in Peru)
- Commitment to develop growth projects (B2 at San Rafael)

3 However, there are increasing challenges

- New production and projects with lower grades and in very early stage
- Permitting becoming more difficult and taking longer
- Social unrest and political instability

4 Minsur is fully committed to sustain a long term, reliable, Tin supply

- Significant investment to replace resources and reserves (\$15M-\$20M per year)
- Significant capital investment in expansion projects in Peru and Brazil
 - \$200M-\$300M growth capex in the next 4 years
 - B2 and Pitinga expansion will increase production by ~8,000-10,000 tons of tin/yr
- Significant investment in exploration (1.5%-2.0% of revenues)
- Low cost producer
- High quality deposits and projects – grade and size
- **SusTINable** – commitment to sustainability as a key pillar of our strategy

Closing Remarks



Global leading, sustainable, low cost Tin producer



Portfolio of **world-class and diversified** assets



Investing in **long-term** growth and competitiveness



Strongly focused on to maintaining **profitability** despite the challenging context



MINSUR

A global leading integrated and sustainable Tin producer