



# CONSOLIDATED RESULTS FOURTH QUARTER 2021

## MINSUR S.A. AND SUBSIDIARIES

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# MINSUR S.A. AND SUBSIDIARIES ANNOUNCE CONSOLIDATED RESULTS FOR FOURTH QUARTER OF 2021

Lima, March 01, 2022 – MINSUR S.A. and subsidiaries (BVL: MINSURI1) (“the Company” or “Minsur”), a Peruvian mining company dedicated to the exploration, processing and commercialization of tin and other minerals, announced its consolidated results for the fourth quarter (“4Q21”) and twelve months (“2021”) periods ended Dec 31, 2021. These results are reported on a consolidated basis and in accordance with International Financial Reporting Standards (IFRS) and are expressed in U.S. dollars (US\$), unless otherwise indicated.

## I. EXECUTIVE SUMMARY 2021

2021 was a year of transformation and great challenges for Minsur, where we kept our health and safety protocols to guarantee the health and safety of our employees. However, it was a year with many achievements, among which we highlight the following milestones:

- Mina Justa
  - We started commercial production in the sulfide and oxide plants, reaching 75,000 tons of copper contained in concentrate and 10,102 tons of copper in cathodes
- Historical Financial Results
  - We achieved sales of US\$ 2,005.1 MM and EBITDA of US\$ 1,409.6 due to the excellent operating results, the favorable metal prices and the start of Mina Justa’s commercial operation
  - We reduced the net leverage ratio from 3.8x at the end of 2020 to 0.8x at the end of 2021
  - We paid dividends to shareholders of US\$ 500.0 MM
- Taboca
  - We confirmed the turn-around, generating and EBITDA of US\$ 99.1 MM
  - We succeed to produce and sell more than 4,000 tons of ferroalloys
- Minsur 2031 Bond
  - We refinanced the Minsur 2024 Bond for a new corporate bond issuance of US\$ 500.0 MM (Minsur 2031 Bond) at a coupon rate of 4.5% (yield 4.75%)
- Explorations
  - We increased resources in San Rafael by 1.4 million tons @ 1.91% Sn, which represents ~28,000 tons of contained tin
- Lingo (Lean Management initiative)
  - We increased the capacity of the Pisco smelter through the initiatives implemented through the Lean Management methodology with our “Lingo” program reaching 7,075 tons of monthly concentrate

During 2021 metal prices had a high volatility, maintaining an upward trend in our main products: tin and copper. Tin began the year at levels of US\$ 20,500 / t and gradually increased, reaching historical levels above US\$ 40,000 / t. Copper also maintained a favorable trend during the year and reached values greater than US\$ 10,000 / t, levels not seen in the last 10 years. On the other hand, gold fluctuated less than other years, remaining at levels between US\$ 1,685 / oz and US\$ 1,956 / oz, due to expectations of rising interest rates offset by expectations of high inflation.

Despite the favorable context of metal prices, we maintained our focus on improving productivity and reducing costs and expenses in all units, but always keeping as a priority all the necessary measures to preserve the safety and health of our employees. Similarly, operating results ended the year in line with our long-term mining and project development plans.

From a financial perspective, historical financial results were obtained in 2021. Net sales reached US\$ 2,005.1 MM, 209% higher than 2020 (US\$ 649.2 MM), mainly due to the start of Mina Justa's commercial operation, favorable market conditions and higher volumes of tin and ferroalloys sold. This allowed to register an EBITDA in 2021 of US\$ 1,409.6 MM, 471% above the previous year, and a net income of US\$ 701.0 MM. These results allowed us to pay dividends to shareholders for US\$ 500.0 MM in 2021.

## II. 4Q21 HIGHLIGHTS AND EXECUTIVE SUMMARY

Table N° 1: Summary of main operating and financial results

Highlights	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
<b>Production</b>							
Tin (Sn)	t	8,369	7,959	5%	31,904	25,072	27%
Gold (Au)	oz	16,085	25,433	-37%	68,954	80,215	-14%
Ferro Niobium and Ferro Tantalum	t	1,058	901	17%	4,003	3,484	15%
Copper (Au)	t	35,644	-	-	85,102	-	-
Silver (Ag)	oz	975,165	-	-	2,184,853	-	-
<b>Financial Results</b>							
Net Revenue	US\$ M	887.6	203.5	336%	2,005.1	649.2	209%
EBITDA	US\$ M	687.4	69.0	897%	1,409.6	246.8	471%
EBITDA Margin	%	77%	34%	-	70%	38%	-
Net Income	US\$ M	389.9	14.0	2681%	701.0	-2.3	-
Adjusted Net Income <sup>1</sup>	US\$ M	371.7	-3.4	-	694.3	30.9	2144%

### Fourth quarter executive summary:

#### a. Prioritization of Health and Safety – Response to COVID -19 Pandemic

All operations are strictly complying with the protocols required in the context of the COVID-19 pandemic to work safely. These protocols continue to represent additional costs for our operations; however, it is essential and a priority to maintain the health and safety of all our employees. The activities of the administrative staff continue to be carried out remotely.

#### b. Operating Results

During 4Q21, we reached operating results above 4Q20 in the production of refined tin and ferroalloys. The higher production of refined tin is explained by the higher contribution of Pisco (+9%), due to the Lean Management initiatives which allowed to obtain a greater monthly treatment capacity, reaching ~6,300 tons on average in 4Q21 (+560 t vs. 4Q20). This was partially offset by the lower production of Pirapora (-6%), due to a lower recovery of tin in the production process. Regarding ferroalloys, the higher production (+17%) is explained by a better recovery of niobium and tantalum at the metallurgical plant. As for gold, production was lower (-37%) vs. 4Q20 due to lower ore grades fed to the Leaching Pad. Cumulatively, gold production was lower (-14%) vs. 2020, in line with Pucamarca's life of mine depletion. Regarding the production of copper contained in Mina Justa, this amounted to 35,644 fine tons while the production of silver was 975,165 ounces.

#### c. Financial Results

In 4Q21 we obtained excellent financial results, driven by the start of Mina Justa's commercial operation and the favorable metal price environment; sales and EBITDA were higher than 4Q20 by 336% and 897%, respectively while net income was higher by US\$ 375.9 MM. The increase in sales is mainly due to (i) the start of Mina Justa's commercial operation, (ii) the higher sold volume of tin (+24%) and (iii) the higher tin prices (+107%). These results allowed us to achieve an EBITDA of US\$

<sup>1</sup> Adjusted net income = Net income excluding financial results from Subsidiaries and Associates - exchange rate difference

687.4 MM and a net profit of US\$ 389.9 MM. It is important to mention that, with the generation of EBITDA for the period, we reduced the net leverage ratio (Net Debt/EBITDA) from 3.8x in 2020 to 0.8x at the end of 2021.

### III. MAIN CONSIDERATIONS

#### a. Average metal prices:

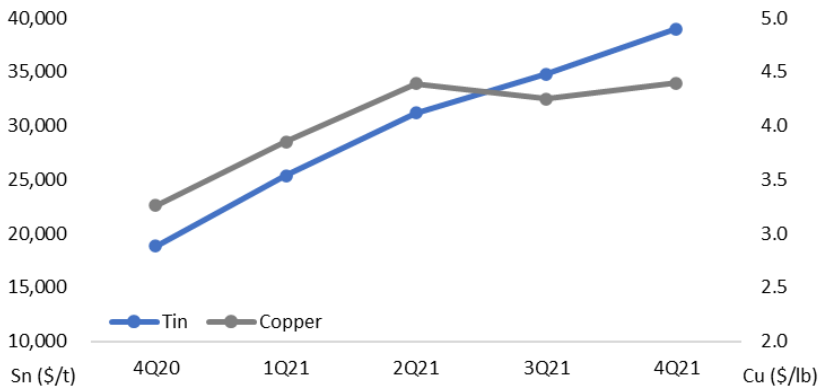
- **Tin:** Average tin price in 4Q21 was US\$ 38,989 per ton, +107% vs. 4Q20. In 2021, average tin price was US\$ 32,654 per ton, +90% vs. 2020
- **Gold:** Average gold price in 4Q21 was US\$ 1,796 per ounce, -4% vs. 4Q20. In 2021, average gold price was US\$ 1,799 per ounce, +2% vs. 2020
- **Copper:** Average copper price in 4Q21 was US\$ 4.40 per pound, +35% vs. 4Q20. In 2021, average copper price was US\$ 4.23 per pound, +51% vs. 2020.

Table N° 2: Average metal prices

Average Metal Prices	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Tin	US\$/t	38,989	18,851	107%	32,654	17,155	90%
Gold	US\$/oz	1,796	1,876	-4%	1,799	1,772	2%
Copper	US\$/lb	4.40	3.26	35%	4.23	2.80	51%

Source: Bloomberg

Graph N° 1: Average metal prices trend



Source: Bloomberg

#### b. Exchange rate:

The Peruvian Sol average exchange rate for 4Q21 was S/ 4.02 per US\$ 1, +12% vs. 4Q20 (S/ 3.60 per US\$ 1). In 2021, average exchange rate was S/ 3.88 per US\$ 1, + 11% vs. 2020.

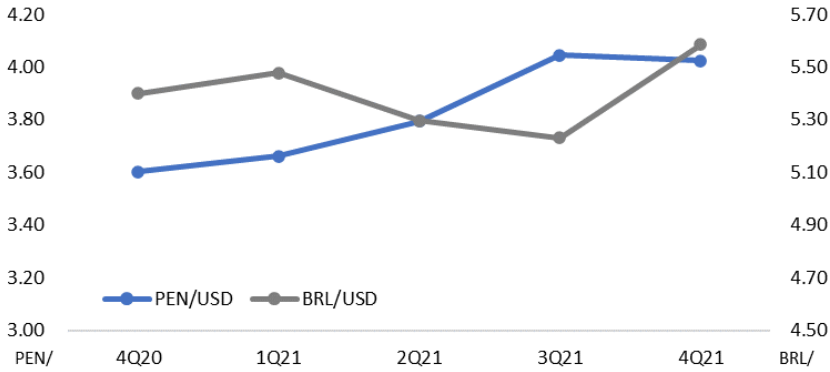
The average exchange rate for the Brazilian Real during 4Q21 was R\$ 5.59 per US\$ 1, which represented a 3% devaluation compared to the average exchange rate during 4Q20 (R\$ 5.40 per US\$ 1). In 2021, the average exchange rate was R\$ 5.40 per US\$ 1, +5% vs. 2020.

**Table N° 3: Exchange Rate**

Average Exchange Rate	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
PEN/USD	S/	4.02	3.60	12%	3.88	3.50	11%
BRL/USD	R\$	5.59	5.40	3%	5.40	5.16	5%

Source: Banco Central de Reserva del Perú, Banco Central do Brasil

**Graph N° 2: Average exchange rate trend**



Source: Banco Central de Reserva del Perú, Banco Central do Brasil

#### IV. Safety

**Table N° 4: Safety**

Safety Indicators Detail	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Lost Time Injury (LTI)	#	5	6	-17%	20	14	43%

In 4Q21 we had five (5) Lost Time Injuries in our units. The accidents occurred in Mina Justa, San Rafael and Sillustani. Each of them has been reviewed and the corresponding control measures have been taken. On the other hand, in December 2021 Pitinga achieved the milestone of 2,000,000 man-hours worked without recordable injuries.

On the other hand, the health protocols for the mitigation and prevention of COVID-19 continue to be reinforced and complied with.

## V. OPERATING MINING RESULTS:

### a. San Rafael – Pisco (Peru):

**Table N° 5: San Rafael - Pisco Operating Results**

San Rafael - Pisco	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Ore Treated	t	337,056	304,748	11%	1,242,304	972,152	28%
Head Grade	%	2.06	1.99	4%	2.08	1.90	9%
Tin production (Sn) - San Rafael	t	5,527	5,433	2%	21,992	17,458	26%
Tin production (Sn) - B2	t	1,225	1,285	-5%	5,004	3,189.92	57%
Tin production (Sn) - Pisco	t	6,663	6,137	9%	25,947	19,592	32%
Cash Cost per Treated Ton <sup>2</sup> - San Rafael	US\$/t	131	122	7%	128	112	15%
Cash Cost per Ton of Tin <sup>3</sup>	US\$/t Sn	9,838	9,389	5%	9,133	8,472	8%

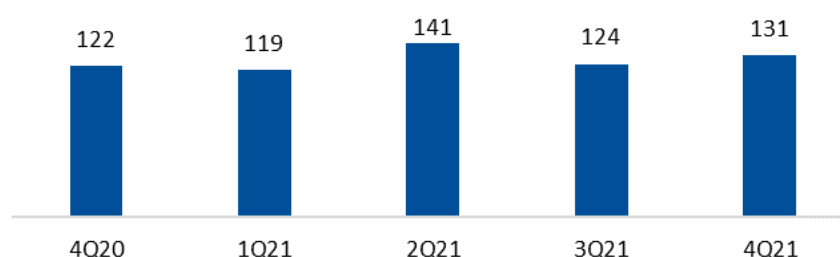
In 4Q21, contained tin production at San Rafael reached 5,527 tons (+2% vs. 4Q20) explained by higher grades and higher tonnage fed to the plant, while B2 contained tin production was lower (-5% vs. 4Q20) due to lower tonnage fed to the plant. In Pisco, refined tin production reached 6,663 tons, +9% vs. 4Q20 mainly due to higher treatment capacity as a result of Lean Management initiatives.

Cash cost per treated ton at San Rafael in 4Q21 was \$131, +7% vs. 4Q20. The higher cost is explained by higher meters of mine advance executed, higher ore treatment and higher costs related to COVID19 safety protocols and restrictions.

In 2021, contained tin production was higher at San Rafael (+26% vs. 2020) and at B2 (+57% vs. 2020), as well as the tin refined production at Pisco (+32% vs. 2020) due the continuously operation in 2021, unlike 2020 when we had to stop due to the restrictions due the start of the pandemic.

The cost per treated ton in 2021 was US\$ 128, +15% 2020 mainly due to higher costs related to mine advances executed, higher ore extracted and treated and higher costs related to COVID-19 safety protocols and restrictions (12 months 2021 vs. 8 months average 2020). The cost per treated ton in 2021 is in line with our last guidance released.

**Graph N° 3: Cash Cost per treated ton trend - San Rafael (US\$/t)**



<sup>2</sup> Cash Cost per treated ton = Cost of production of San Rafael / Treated Mineral (Mineral from Mine to Concentrator Plant + Low Grade Mineral to Pre-Concentration Plant)

<sup>3</sup> Cash Cost per ton of tin = (San Rafael, B2 and Pisco production costs + selling expenses + change in tin concentrates inventory, excluding employee profit sharing, depreciation and amortization) / (Tin Production, in tons)

Cash cost per ton of tin was US\$ 9,838 in 4Q21, +5% vs. 4Q20. This higher cost is explained by the higher operating cost in San Rafael, partially offset by the higher production of refined tin in Pisco (+34% vs. 4Q20). Cumulatively, the cash cost per ton of tin was US\$ 9,133, +8% vs. 2020.

## b. Pucamarca (Peru):

**Table N° 6. Pucamarca Operating Results**

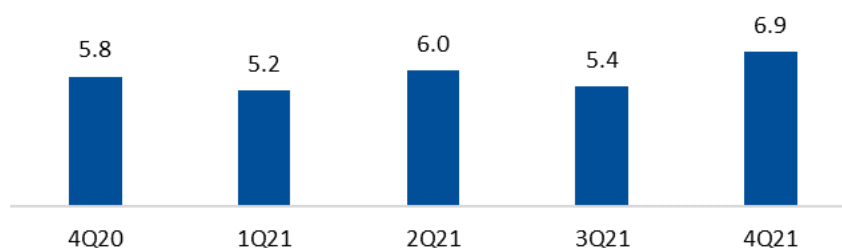
Pucamarca	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Ore Treated	t	1,953,475	2,246,684	-13%	7,748,450	7,572,278	2%
Head Grade	g/t	0.37	0.53	-30%	0.47	0.48	-2%
Gold production (Au)	oz	16,085	25,433	-37%	68,954	80,215	-14%
Cash Cost per Treated Ton	US\$/t	6.9	5.8	19%	5.9	5.4	8%
Cash Cost per Ounce of Gold <sup>4</sup>	US\$/oz Au	852	527	62%	676	531	27%

In 4Q21, gold production reached 16,085 ounces, -37% vs. 4Q20 mainly due to a lower gold grade (-30% vs. 4Q20) and lower ore placed in the Leaching Pad (-13% vs. 4Q20).

Cash cost per treated ton at Pucamarca was US\$ 6.9 in 4Q21, +19% vs. 4Q20 mainly due to lower ore placed in the Leaching Pad (-13% vs. 4Q20).

In 2021, gold production was 68,954 ounces, -14% vs. 2020. Cash cost per treated ton was US\$ 5.9, +8% vs. 2020 due to higher costs related to protocols and restrictions of COVID-19 (12 months 2021 vs. 8 months average 2020), this effect was partially offset by the higher volume treated (+2% vs. 2020). The cash cost per treated ton in 2021 is in line with our last guidance released.

**Graph N° 4: Cash Cost per treated ton evolution – Pucamarca (US\$/t)**



Cash cost per ounce of gold in 4Q21 was US\$ 852, +62% vs. 4Q20, mainly expressed by lower production (-37% vs. 4Q20). Cumulatively, the cash cost per ounce of gold was US\$ 676, +27% vs. 2020.

<sup>4</sup> Cash Cost per ounce of gold = (Pucamarca production cost + selling expenses, excluding employee profit sharing, depreciation and amortization) / (Gold production in ounces)



### c. Pitinga - Pirapora (Brazil):

**Table N°7. Pitinga – Pirapora Operating Results**

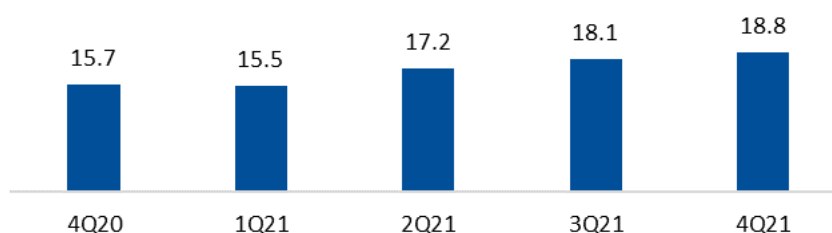
Pitinga - Pirapora	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Ore Treated	t	1,619,457	1,668,284	-3%	6,536,718	5,959,314	10%
Head Grade - Sn	%	0.20	0.20	4%	0.20	0.20	-1%
Head Grade - NbTa	%	0.25	0.26	-7%	0.25	0.26	-5%
Tin production (Sn) - Pitinga	t	1,847	1,772	4%	6,934	6,148	13%
Tin production (Sn) - Pirapora	t	1,705	1,822	-6%	5,957	5,480	9%
Niobium and tantalum alloy production	t	1,058	901	17%	4,003	3,484	15%
Cash Cost per Treated Ton - Pitinga	US\$/t	18.8	15.7	20%	17.4	15.8	10%
By-product credits Cash Cost per Ton of Tin <sup>5</sup>	US\$/t Sn	9,814	11,220	-13%	11,473	11,470	0%

In 4Q21, tin production in Pitinga reached 1,847 tons, +4% vs. 4Q20 mainly due to higher tin head grades (+4%) and recovery in the concentration and flotation plants, which were partially offset by lower volume of ore treated. In Pirapora, refined tin production was 1,705 tons, -6% vs. 4Q20 due to a lower recovery (-7%) and less ore treated in the smelter. On the other hand, ferroalloys production in 4Q21 was 1,058 tons, +17% vs. 4Q20, due to improvements in recovery of niobium and tantalum at the metallurgical plant (+12%).

Pitinga's cash cost per treated ton in 4Q21 was US\$ 18.8, +20% vs. 4Q20 and it is mainly explained by: (i) higher raw material prices, such as diesel and aluminum and (ii) higher costs incurred in 4Q21 related to COVID-19 safety protocols and restrictions.

In 2021, the production of tin in Pitinga and Pirapora as well as the production of ferroalloys were higher than in 2020 (+13%, +9%, +15% respectively) mainly due to the higher number of days of continuous operation.

**Graph N°5: Cash Cost per treated ton trend – Pitinga**



The by-product cash cost, which recognizes the value of by-products as a credit, was US\$ 9,814 per ton in 4Q21, a 13% decrease compared to 4Q20 explained by higher valued production of ferroalloys (higher production together with higher prices) despite the higher production cost at Pitinga explained above. In 2021, the by-product cash cost closed at US\$ 11,473 in line with 2020.

<sup>5</sup> By-product Credit Cash Cost per ton of tin = (Pitinga production cost + production value of ferroalloys, excluding workers profit shares, depreciation and amortization)/ (tin production in tons)

**d. Mina Justa (Perú):**

**Table N°8. Mina Justa Operating Results**

Mina Justa	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Ore Treated	t	2,818,123	-	-	7,375,830	-	-
Ore Treated Sulfides	t	1,522,326	-	-	4,217,392	-	-
Head Grade - Total Copper (CuT)	%	2.24	-	-	1.97	-	-
Head Grade - Silver (Ag)	g/t	21.50	-	-	17.76	-	-
Ore Treated Cathodes	t	1,295,797	-	-	3,158,438	-	-
Head Grade - Acid soluble Copper (CuAs)	%	0.62	-	-	0.60	-	-
Copper Production (Cu) - Cathodes	t	4,067	-	-	10,102	-	-
Copper Producción (Cu) - Copper concentrate	t	31,577	-	-	75,000	-	-
Copper Production- Total	t	35,644			85,102		
Silver Production (Ag) - Copper concentrate	t	975,165	-	-	2,184,853	-	-
Cash Cost per Treated Ton - Mina Justa	US\$/t	26.3	-	-	26.3	-	-
Cash Cost (C1) per pound of Copper <sup>6</sup>	US\$/lb	1.02	-	-	1.10	-	-

In 4Q21, our operating unit Mina Justa reached a production of 35,644 fine tons: 4,067 tons of copper in cathodes and 31,577 tons of copper contained in concentrate. Additionally, the C1 Cash Cost recorded was US\$ 1.02 per pound of copper while at accumulated level it was US\$ 1.10 per pound.

Regarding the ram-up, the sulfide plant completed this process within 4Q21 while the oxide plant is still in this stage and at the end of the quarter the production level was 54% of the design capacity.

<sup>6</sup> Cash Cost (C1) per pound of copper= (Mina Justa production cost + Administrative expense) / Copper produced payable in pounds + (Commercial expenses and discounts – Production value of by-products, excluding workers profit shares, depreciation and amortization) / (Copper sold payable in pounds)

## VI. CAPEX:

### a. CAPEX

In 4Q21, CAPEX was US\$ 113.3 MM, -33% vs. 4T20 mainly due to lower capital investments in Mina Justa related to its end of construction, which was partially offset by higher investments in sustaining capex. Among the main projects are the construction of the B4 tailing dam in San Rafael and the phase 4 of the Leaching Pad in Pucamarca.

It is important to mention that Mina Justa's capex excludes the stripping cost, which was US\$ 10.5 MM in 4Q21 while in 2021 it amounted US\$ 40.7 MM.

**Table N°9. CAPEX**

CAPEX	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
San Rafael - Pisco	US\$ M	41.1	27.9	47%	86.8	46.0	89%
B2	US\$ M	2.6	0.4	593%	5.0	2.8	80%
Pucamarca	US\$ M	8.7	16.0	-46%	43.1	22.2	94%
Pitinga - Pirapora	US\$ M	27.4	6.8	300%	41.0	15.0	173%
Mina Justa	US\$ M	19.2	0.0	0%	27.6	0.0	0%
Others	US\$ M	0.1	0.0	0%	0.3	0.0	0%
<b>Sustaining Capex</b>	<b>US\$ M</b>	<b>99.0</b>	<b>51.1</b>	<b>94%</b>	<b>203.9</b>	<b>86.0</b>	<b>137%</b>
Mina Justa (Expansion)	US\$ M	14.3	118.6	-88%	153.2	468.1	-67%
<b>Total Capex</b>	<b>US\$ MM</b>	<b>113.3</b>	<b>169.7</b>	<b>-33%</b>	<b>357.1</b>	<b>554.1</b>	<b>-36%</b>

- **San Rafael – B2:** B4 Tailing dam
- **Pisco:** Equipment renewal and maintenance
- **Pucamarca:** Leaching PAD Phase 4
- **Taboca:** Equipment renewal and maintenance
- **Mina Justa:** Sustaining and project execution stage

## VII. FINANCIAL RESULTS:

Table N°10. Financial Statements

Financial Statements	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Net Revenue	US\$ M	887.6	203.5	336%	2,005.1	649.2	209%
Cost of Sales	US\$ M	-240.5	-139.2	73%	-644.2	-431.3	49%
<b>Gross Profit</b>	<b>US\$ M</b>	<b>647.1</b>	<b>64.3</b>	<b>907%</b>	<b>1,360.9</b>	<b>217.8</b>	<b>525%</b>
Selling Expenses	US\$ M	-18.6	-2.7	601%	-34.7	-7.2	380%
Administrative Expenses	US\$ M	-28.1	-15.8	78%	-75.5	-45.4	66%
Exploration & Project Expenses	US\$ M	-10.1	-3.1	223%	-23.7	-12.7	86%
Other Operating Expenses, net	US\$ M	4.2	-1.8	-338%	2.6	-1.8	-
Impairment of assets	US\$ M	41.4	0.0	-	41.4	0.0	-
<b>Operating Income</b>	<b>US\$ M</b>	<b>635.9</b>	<b>40.9</b>	<b>1454%</b>	<b>1,271.1</b>	<b>150.7</b>	<b>744%</b>
Finance Income (Expenses) and Others, net	US\$ M	-43.4	3.8	-1250%	-103.1	-37.0	179%
Results from Associates	US\$ M	5.5	7.2	-	13.6	5.2	-
Exchange Difference, net	US\$ M	12.6	10.2	24%	-6.9	-38.4	-82%
<b>Profit before Income Tax</b>	<b>US\$ M</b>	<b>610.6</b>	<b>62.1</b>	<b>883%</b>	<b>1,174.7</b>	<b>80.4</b>	<b>-</b>
Income Tax Expense <sup>7</sup>	US\$ M	-149.6	-18.9	692%	-300.3	-53.6	460%
Deferred Income Tax		-71.1	-29.2	144%	-173.4	-29.1	495%
<b>Net (Loss) Income</b>	<b>US\$ M</b>	<b>389.9</b>	<b>14.0</b>	<b>2681%</b>	<b>701.0</b>	<b>-2.3</b>	<b>-</b>
Net Income Margin	%	44%	7%	-	35%	0%	-
<b>EBITDA</b>	<b>US\$ M</b>	<b>687.4</b>	<b>69.0</b>	<b>897%</b>	<b>1,409.6</b>	<b>246.8</b>	<b>471%</b>
EBITDA Margin	%	77%	34%	-	70%	38%	-
<b>Adjusted Net Income<sup>8</sup></b>	<b>US\$ M</b>	<b>371.7</b>	<b>-3.4</b>	<b>-</b>	<b>694.3</b>	<b>30.9</b>	<b>2144%</b>

For comparative purposes, as a result of the accounting evaluation of the income tax calculation methodology in accordance with IAS 34 "Interim Financial Reporting" of the reported as September 30, 2020, our interim financial statements for the fourth quarter 2020 have been restated, for which they present different values with respect to the reported in 4Q20. However, they will not generate variation in the annual comparison because the variations will only occur in intermediate financial statements.

During 4Q21 we obtained financial results above 4Q20. Net sales were 336% higher than 4Q20, mainly due to: (i) the start of Mina Justa's commercial operation, (ii) the higher tin prices (+107%) together with higher volume sold (+24%) and (iii) the higher prices of ferroalloys as well as greater volume sold (+44%).

The higher sales were partially offset by: (i) higher selling expenses due to restrictions on international trade, (ii) higher administrative expenses, (iii) higher exploration expenses and favored by the reversal of the impairment of Taboca's long-lived assets in registered in 2017 (fixed and intangible assets), resulting in an EBITDA 897% higher than 4Q20 and a net income of US\$ 389.9 MM vs. US\$ 14.0 MM in 4Q20. It is important to mention that the net income for this period has a non-cash effect deferred income tax of -US\$ 71.1 MM, due to the projections of effective annual tax rates.

<sup>7</sup> Income tax expense includes mining royalties and special mining tax

<sup>8</sup> Adjusted net income = Net income excluding financial results from Subsidiaries and Associates - exchange rate difference

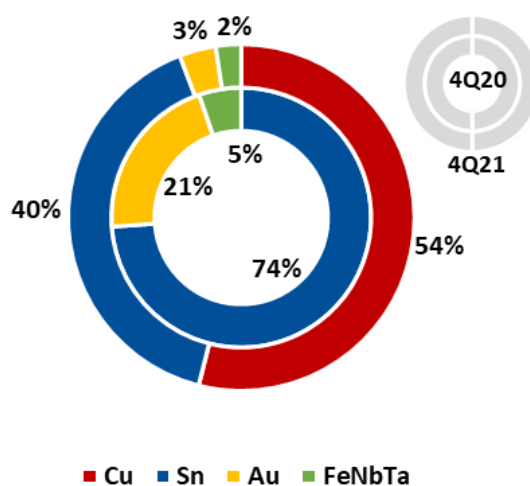
**Table N°11. Net revenue Volume by product**

Net Revenue Volume	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Mina Justa							
Cathodes Cu	t	6,161	-	-	9,686	-	-
Cu - Copper concentrate	t	41,314	-	-	70,523	-	-
Ag - Copper concentrate	oz	1,119,463	-	-	1,826,641	-	-
Tin	t	9,436	7,632	24%	31,658	25,735	23%
San Rafael - Pisco	t	7,788	5,858	33%	25,723	20,410	26%
Pitinga - Pirapora	t	1,648	1,774	-7%	5,936	5,325	11%
Gold	oz	16,812	24,094	-30%	70,263	80,869	-13%
Niobium and Tantalum Alloy	t	1,085	751	44%	4,448	3,324	34%

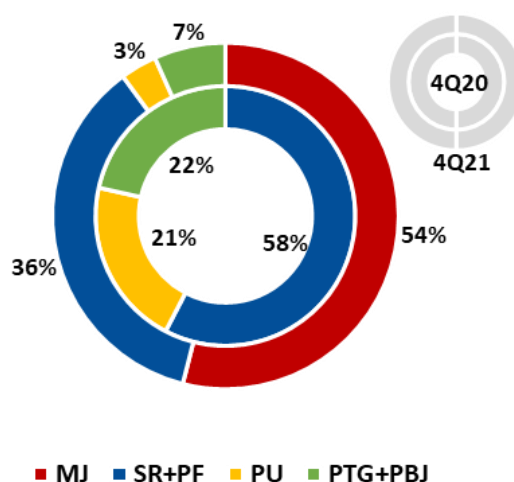
**Table N°12. Net revenue in US\$ by product**

Net Revenue by Metal	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Mina Justa	US\$ MM	479.0	-	-	790.9	-	-
Cathodes Cu	US\$ MM	59.6	-	-	92.7	-	-
Cu - Copper concentrate	US\$ MM	393.7	-	-	655.1	-	-
Ag - Copper concentrate	US\$ MM	25.7	-	-	43.0	-	-
Tin	US\$ M	357.2	150.3	138%	1,021.2	465.4	119%
San Rafael - Pisco	US\$ M	318.9	117.3	172%	892.1	365.1	144%
Pitinga - Pirapora	US\$ M	38.3	33.1	16%	129.1	100.3	29%
Gold	US\$ M	30.3	42.4	-29%	121.2	136.7	-11%
Niobium and Tantalum Alloy	US\$ M	21.0	10.7	96%	71.8	47.1	52%
<b>TOTAL</b>	<b>US\$ M</b>	<b>887.6</b>	<b>203.5</b>	<b>336%</b>	<b>2,005.1</b>	<b>649.2</b>	<b>209%</b>

**Graph N°6: Net Sales in US\$ by Product**



Graph N°7: Net Sales in US\$ by Mining Unit



#### a. Minsur Individual Results

Table N°13. Profit and Losses Minsur Individual Results

Financial Statements	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Net Revenue	US\$ M	349.2	159.7	119%	1,013.3	501.8	102%
Cost of Sales	US\$ M	-119.0	-88.3	35%	-376.7	-297.3	27%
<b>Gross Profit</b>	<b>US\$ M</b>	<b>230.2</b>	<b>71.5</b>	<b>222%</b>	<b>636.6</b>	<b>204.5</b>	<b>211%</b>
Selling Expenses	US\$ M	-3.3	-2.2	50%	-8.3	-5.2	58%
Administrative Expenses	US\$ M	-22.2	-10.7	106%	-58.9	-33.2	77%
Exploration & Project Expenses	US\$ M	-3.7	-1.3	179%	-11.9	-5.7	109%
Other Operating Expenses, net	US\$ M	-8.2	-1.3	515%	-10.1	0.5	-
<b>Operating Income</b>	<b>US\$ M</b>	<b>192.9</b>	<b>55.9</b>	<b>245%</b>	<b>547.5</b>	<b>160.8</b>	<b>240%</b>
Finance Income (Expenses) and Others, net	US\$ M	-32.0	-7.6	320%	-78.6	-28.9	172%
Results from Associates	US\$ M	184.7	12.2	1409%	279.2	-60.8	-
Exchange Difference, net	US\$ M	1.6	-0.3	-	-0.7	-1.4	-51%
<b>Profit before Income Tax</b>	<b>US\$ M</b>	<b>347.3</b>	<b>60.2</b>	<b>477%</b>	<b>747.3</b>	<b>69.6</b>	<b>973%</b>
Income Tax Expense	US\$ M	-85.8	-18.9	354%	-202.0	-53.6	277%
Deferred Income Tax	US\$ M	31.9	-24.3	-	5.9	-9.2	-
<b>Net (Loss) Income</b>	<b>US\$ M</b>	<b>293.5</b>	<b>17.1</b>	<b>1618%</b>	<b>551.2</b>	<b>6.8</b>	<b>7964%</b>
Net Income Margin	%	84%	11%	-	54%	1%	-
<b>EBITDA</b>	<b>US\$ M</b>	<b>217.4</b>	<b>79.0</b>	<b>175%</b>	<b>639.0</b>	<b>237.6</b>	<b>169%</b>
EBITDA Margin	%	62%	49%	-	63%	47%	-

In 4Q21, Minsur obtained financial results above 4Q20. EBITDA for 4Q21 was US\$ 217.4 MM (+175% vs. 4Q20). Higher net sales were driven by higher tin prices (+107%) and higher volume sold (+24%) partially offset by lower gold volume sold (-30%) along with lower prices (-4%).

EBITDA was driven by higher net sales, which were partially offset by (i) higher administrative expenses associated with higher profit sharing, (ii) higher exploration expenses and (iii) higher selling expenses due to increase in the cost of maritime transportation and higher volume of tin sold.

Net income was US\$ 293.5 MM, +US\$ 276.4 MM higher than 4Q20 and was favored by the higher EBITDA explained above and the better results of our investment in our Marcobre subsidiary due the start of Mina Justas's commercial production. These effects were partially offset by (i) higher net financial expenses, associated with the refinancing of long-term debt and (ii) higher deferred income tax, non-cash effect due to the projections of effective annual tax rates.

## b. Taboca

**Table N°14. Profit and Losses Taboca**

Financial Statements	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Net Revenue	US\$ M	59.3	43.8	35%	200.9	147.4	36%
Cost of Sales	US\$ M	-44.1	-51.9	-15%	-148.7	-134.0	11%
<b>Gross Profit</b>	<b>US\$ M</b>	<b>15.2</b>	<b>-8.1</b>	<b>-287%</b>	<b>52.2</b>	<b>13.3</b>	<b>292%</b>
Selling Expenses	US\$ M	-1.3	-0.5	178%	-2.9	-2.0	45%
Administrative Expenses	US\$ M	-3.5	-5.1	-32%	-11.3	-12.6	-10%
Exploration & Project Expenses	US\$ M	0.0	0.0	-	0.0	0.0	-
Other Operating Expenses, net	US\$ M	14.4	-0.4	-	14.0	-1.8	-
Impairment of assets	US\$ M	28.7	0.0	-	28.7	0.0	-
<b>Operating Income</b>	<b>US\$ M</b>	<b>53.6</b>	<b>-14.1</b>	<b>-</b>	<b>80.8</b>	<b>-3.1</b>	<b>-</b>
Finance Income (Expenses) and Others, net	US\$ M	-1.8	11.9	-115%	-8.0	-6.7	20%
Results from Associates	US\$ M	0.0	0.0	0%	0.0	0.0	0%
Exchange Difference, net	US\$ M	-2.9	11.4	-	-10.6	-28.2	-62%
<b>Profit before Income Tax</b>	<b>US\$ M</b>	<b>48.9</b>	<b>9.2</b>	<b>431%</b>	<b>62.2</b>	<b>-38.0</b>	<b>-</b>
Income Tax Expense	US\$ M	-5.0	0.0	-	-10.0	0.0	-
Deferred Income Tax	US\$ M	-11.7	1.2	-	-11.0	-1.8	515%
<b>Net (Loss) Income</b>	<b>US\$ M</b>	<b>32.2</b>	<b>10.4</b>	<b>210%</b>	<b>41.2</b>	<b>-39.8</b>	<b>-</b>
Net Income Margin	%	54%	24%	-	20%	-27%	-
<b>EBITDA</b>	<b>US\$ M</b>	<b>58.3</b>	<b>-8.1</b>	<b>-</b>	<b>99.1</b>	<b>16.3</b>	<b>509%</b>
EBITDA Margin	%	98%	-19%	-	49%	11%	-

During 4Q21, Taboca's financial results were above 4Q20. Net sales during 4Q21 were higher (+35% vs. 4Q20) due to (i) higher tin prices (+107%) despite lower volume sold (-7%) and (ii) higher realized ferroalloy prices along with higher volume sold (+44%).

EBITDA in 4Q21 was higher than 4Q20 driven by (i) higher sales associated with higher prices and higher production, (ii) the reversal of the impairment loss on its long-lived assets (registered in 2017) due to the better performance of the operation and (iii) lower operating expenses explained by a reversal of expenses (US\$ 15 MM) related to the environmental recovery program (PRAD).

On the other hand, net income was US\$ 32.2 MM in 4Q21 vs. US\$ 10.4 MM in 4Q20 due to the higher EBITDA explained above along with lower net financial expenses, which were partially offset by the non-cash exchange difference effect due to the devaluation of the Brazilian real. In 2021, as a result of the better EBITDA and lower loss due to exchange difference Taboca has reached a net income of US\$ 41.2 MM vs. – US\$ 39.8 MM in 2020.

### c. Mina Justa

**Table N°15. Profit and Losses Mina Justa**

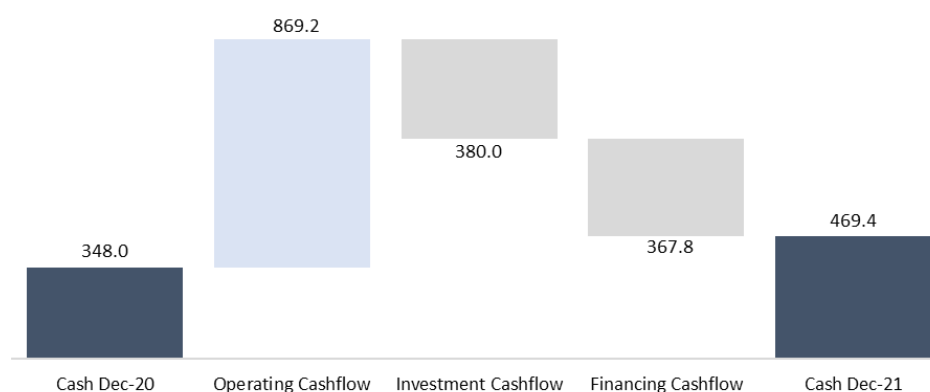
Financial Statements	Unit	4Q21	4Q20	Var (%)	2021	2020	Var (%)
Net Revenue	US\$ M	479.0	0.0	-	790.9	0.0	-
Cost of Sales	US\$ M	-77.1	0.0	-	-117.7	0.0	-
<b>Gross Profit</b>	<b>US\$ M</b>	<b>402.0</b>	<b>0.0</b>	<b>-</b>	<b>673.2</b>	<b>0.0</b>	<b>-</b>
Selling Expenses	US\$ M	-14.0	0.0	-	-23.6	0.0	-
Administrative Expenses	US\$ M	-2.6	0.0	-	-5.5	0.0	-
Exploration & Project Expenses	US\$ M	-1.9	-0.7	186%	-6.1	-4.7	30%
Other Operating Expenses, net	US\$ M	-0.5	0.2	-	0.1	1.6	-92%
<b>Operating Income</b>	<b>US\$ M</b>	<b>383.0</b>	<b>-0.5</b>	<b>-</b>	<b>638.1</b>	<b>-3.1</b>	<b>-</b>
Finance Income (Expenses) and Others, net	US\$ M	-9.5	0.6	-	-16.2	0.1	-
Results from Associates	US\$ M	-	-	-	-	-	-
Exchange Difference, net	US\$ M	13.5	-0.8	-	5.3	-8.0	-
<b>Profit before Income Tax</b>	<b>US\$ M</b>	<b>387.2</b>	<b>-0.6</b>	<b>-</b>	<b>627.2</b>	<b>-11.1</b>	<b>-</b>
Income Tax Expense	US\$ M	-58.9	0.0	-	-88.3	0.0	-
Deferred Income Tax	US\$ M	-87.2	-1.1	7883%	-164.4	-18.5	790%
<b>Net Income</b>	<b>US\$ M</b>	<b>241.2</b>	<b>-1.7</b>	<b>-</b>	<b>374.5</b>	<b>-29.6</b>	<b>-</b>
Net Income Margin	%	50%	0%	-	47%	0%	-
<b>EBITDA</b>	<b>US\$ M</b>	<b>405.1</b>	<b>-0.5</b>	<b>-</b>	<b>665.6</b>	<b>-3.1</b>	<b>-</b>
EBITDA Margin	%	85%	0%	-	84%	0%	-

During 4Q21, our operating unit Mina Justa recorded sales of US\$ 479.0 MM, EBITDA of US\$ 405.1 MM and a net income of US\$ 241.2 MM. It is important to mention that net income contains a non-cash effect in deferred income tax for – US\$ 87.2 MM, due to the projections of effective annual tax rates. On the other hand, we obtained an EBITDA margin of 85%.

### VIII. LIQUIDITY:

As of December 31st, 2021, the cash balance and cash equivalents were US\$ 469.4 MM, 35% higher than at the end of 2020 (US\$ 348.0 MM). This difference is explained by the generation of operating cash flows of +869.2 MM, investments flows of – US\$ 380.0 and financing flows of – US\$ 367.8 MM.

**Graph N°8: Cash Flow Reconciliation**





**Table N°16. Financing cashflow breakdown**

Society	Concept	Unit	2021
<b>Financing</b>		<b>US\$ MM</b>	<b>+132.2</b>
Minsur	Short term Debt Minsur	US\$ MM	+95.0
Marcobre	Short term Debt Marcobre	US\$ MM	+66.0
Minsur	Refinancing Minsur Bond	US\$ MM	+50.0
	Issuance Minsur 2031 Bond		+500.0
	1° Partial repurchase Minsur 2014 Bond		-263.6
	2° Partial repurchase Minsur 2014 Bond		-46.5
	Make-whole Minsur 2014 Bond		-139.9
Marcobre	Project Finance Marcobre	US\$ MM	-7.0
	Increase Project Finance		+108.0
	Amortization Project Finance		-115.0
Taboca	Short term Debt Taboca	US\$ MM	-11.1
	Increase short term Debt		+83.1
	Amortization short term Debt		-94.2
Minsur	Repurchase and structuring costs	US\$ MM	-60.7
	Repurchase Minsur 2014 Bond		-43.1
	Issuance cost Minsur 2031 Bond		-13.9
	Issuance cost syndicated loan		-3.6
Minsur	Long term syndicated loan	US\$ MM	-
	Issuance long term syndicated loan		+300.0
	Amortization long term syndicated loan		-300.0
<b>Dividends</b>		<b>US\$ MM</b>	<b>-500.0</b>
Minsur	Dividends paid to shareholders	US\$ MM	-500.0
	<b>Total</b>	<b>US\$ MM</b>	<b>-367.8</b>

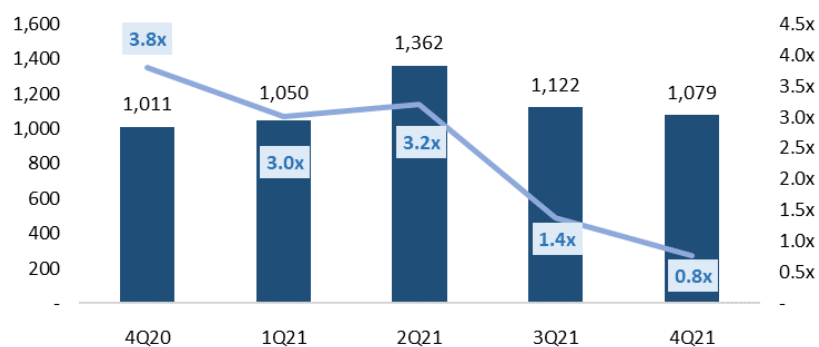
Regarding debt levels, bank financial obligations as of December 31<sup>st</sup>, 2021 amounted to US\$ 1,548.9 MM, 14% above the end of 2020 (US\$ 1,359.8 MM), mainly composed of our Project Finance in Mina Justa (US\$ 763.0 MM) and the Minsur 2031 Bond ( US\$ 500.0 *face value*). However, the net leverage ratio (Net Debt/EBITDA) reached 0.8x at the end of 2021 vs. 3.8x at the end of 2020. This reduction is due to (i) the generation of EBITDA from Mina Justa, which has already started commercial activities and (ii) the sustained increase in Minsur's EBITDA due to the context of higher prices and the improvement in productivity of our operations.

<sup>9</sup> Attributable: considers 60% of Mina Justa cash, debt and EBITDA. Minsur owns 60% of Mina Justa, while our partner Alxar owns the remaining 40%.

**Table N°17. Debt summary**

Financial Ratios	Unit	Dec-21	Dec-20	Var (%)
<b>Total Debt Bank</b>	US\$ M	1,548.9	1,359.8	14%
Long Term - Minsur 2031 Bond		486.3	0.0	0%
Long Term - Minsur 2014 Bond		0.0	444.9	-100%
Short Term loan - Minsur		95.0	0.0	0%
Project Finance - Marcobre		763.0	765.9	0%
Short term loan - Marcobre		66.0	0.0	0%
Taboca		138.5	149.0	-7%
<b>Cash</b>	US\$ M	469.4	348.0	35%
Cash and Equivalents		469.4	257.4	82%
Term deposits with original maturity greater than 90 days		0.0	90.6	-100%
<b>Net Debt</b>	US\$ M	1,079.5	1,011.8	7%
<b>Total Debt / EBITDA</b>	x	1.1x	5.1x	-78%
<b>Net Debt / EBITDA</b>	x	0.8x	3.8x	-80%
<b>Total Debt / EBITDA (Attributable)<sup>9</sup></b>	x	1.1x	3.9x	-73%
<b>Net Debt / EBITDA (Attributable)<sup>9</sup></b>	x	0.8x	2.7x	-71%

**Graph N° 9: Net Bank Debt and Net Debt/EBITDA Ratio**



**Table N°18. Current Credit Ratings**

Rating Agency	Given Rating	Outlook
Fitch Ratings	BBB-	Stable
S&P Global Ratings	BB+	Positive

## **IX. Risk Management:**

The company has a financial controlling area, which permanently validates that the financial information to be disclosed to the market is in accordance with IFRS and free from material errors.

The internal controls associated with the risks of the aforementioned function are evaluated and verified by an independent external auditor, who annually issues an opinion on the reasonableness of the Financial Statements and the evaluation of the internal control system to mitigate risks related to integrity and reliability of financial information.

Likewise, periodically, the Internal Auditor reports to the Audit Committee on work progress and deadlines compliance regarding the implementation of Internal and External Audit observations in accordance with the audit plan.

Finally, the company has a Risk area, in charge of managing the identified risk matrix, as well as evaluating and monitoring mitigation plan proposals.

## X. Guidance 2022:

Unit	Concept	Guidance
<b>San Rafael/B2/Pisco</b>	Refined tin production (tmf)	24,400 - 28,500
	Cash Cost per Treated Ton – San Rafael (US\$/t)	115 - 133
	Total Capex (MM US\$)	130 - 150
<b>Pucamarca</b>	Gold production (thousands of ounces)	53.0 - 61.8
	Cash Cost per Treated Ton (US\$/t)	5.8 - 6.8
	Total Capex (MM US\$)	32 - 37
<b>Pitinga/Pirapora</b>	Refined tin production (tmf)	5,800 - 6,800
	Ferro-alloys production (t)	3,500 - 4,100
	Cash cost per Treated Ton - Pitinga (US\$/t)	19.1 - 22.2
	Total Capex (MM US\$)	55 - 64
<b>Mina Justa</b>	Copper production (kt)	115.0 - 134.2
	Cash Cost per Treated Ton (US\$/t)	19.4 - 22.5
	Total Capex (MM US\$)	110 - 127

## COMPANY DESCRIPTION:

MINSUR was established in 1977, following the transformation of the Peruvian branch of the mining company, MINSUR Partnership Limited de Bahamas, called MINSUR Sociedad Limitada, which operates in Peru since 1966.

Mainly dedicated to exploration, exploitation and treatment of ore deposits, MINSUR is a leader in the international tin market. It entered the gold market through the Pucamarca mine, which initiated operations in February 2013. The other two production units of the Company are the San Rafael mine and the Foundry and Refining Plant of Pisco.

MINSUR is also a majority shareholder of Minera Latinoamericana S.A.C., which is a main shareholder of Mineração Taboca S.A., a company that operates, in the State of Amazonas in Brazil, the Pitinga mine, where tin, Niobium and Tantalum are extracted. Taboca is also owner of the Pirapora Foundry Plant in Sao Paulo. Through its subsidiaries, Minera Latinoamericana S.A.C., owns the 73.9% of Melón, a leading Company in the production and commercialization of cement, concrete, mortar and aggregates in the Chilean market.

Finally, MINSUR through its subsidiary Cumbres Andinas S.A., owns 60% of the shares of Cumbres Andinas S.A.C., and operates Mina Justa copper mine which started commercial operation in August 2021 and is located in the district of San Juan de Marcona, in Ica.

### Note on Forward-Looking Statements

*This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, Company performance and financial results. Also, certain reclassifications have been made to make figures comparable for the periods. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.*