MANAGEMENT DISCUSSION AND ANALYSIS: INDIVIDUAL RESULTS

MINSUR S.A.
THIRD QUARTER 2022

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I. THIRD QUARTER HIGHLIGHTS AND EXECUTIVE SUMMARY

Table N° 1: Operating & Financial Highlights

Highlights	Unit	3Q22	3Q21	Var (%)	9M22	9M21	Var (%)
Production							
Tin (Sn)	t	7,361	7,613	-3%	19,871	19,259	3%
Gold (Au)	oz	16,407	19,766	-17%	49,342	52,869	-7%
Financial Results							
Net Revenue	US$ M	209.2	293.8	-29%	676.4	664.1	2%
EBITDA	US$ M	84.1	195.3	-57%	375.7	421.6	-11%
EBITDA Margin	%	40%	66%	-	56%	63%	-
Net Income	US$ M	37.4	122.4	-69%	344.9	257.8	34%
Adjusted Net Income[1]	US$ M	18.5	47.9	-61%	157.6	165.7	-5%

Third quarter Executive Summary:

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

All operations strictly comply 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 collaborators. On the other hand, the activities of the administrative staff continue to be carried out remotely and in person.

b. Operating Results

During 3Q22, refined tin production was below the same period of the previous year (-3%) since a concentrate with lower tin grades was processed in Pisco. However, cumulatively tin production is +3% above 9M21. Regarding gold, production was lower (-17%) due to lower grades placed on the Leaching Pad. Cumulatively, gold production declined -7% vs. 9M21; both results are in line with our production plan.

c. Financial Results

The financial results obtained during 3Q22 were lower than 3Q21. Sales and EBITDA were 29% and 57% lower, respectively. The lower sales during 3Q22 are explained by the lower tin prices (-32%) and the lower volume of gold sold (-13%). Net income for 3Q22 was US$ 37.4 M vs. US$ 122.4 M in 3Q21, supported by the lower sales registered in the period and the lower results of our subsidiaries.

[1] Adjusted net income = Net income excluding Loss from Subsidiaries and Associates, exchange rate difference and extraordinary effects

II. MAIN CONSIDERATIONS:

a. Average metal prices

- **Tin:** Average tin price in 3Q22 was US$ 23,637 per ton, -32% vs. 3Q21. During the first nine months, average tin price was US$ 34,581 per ton, +13% vs. 9M21.

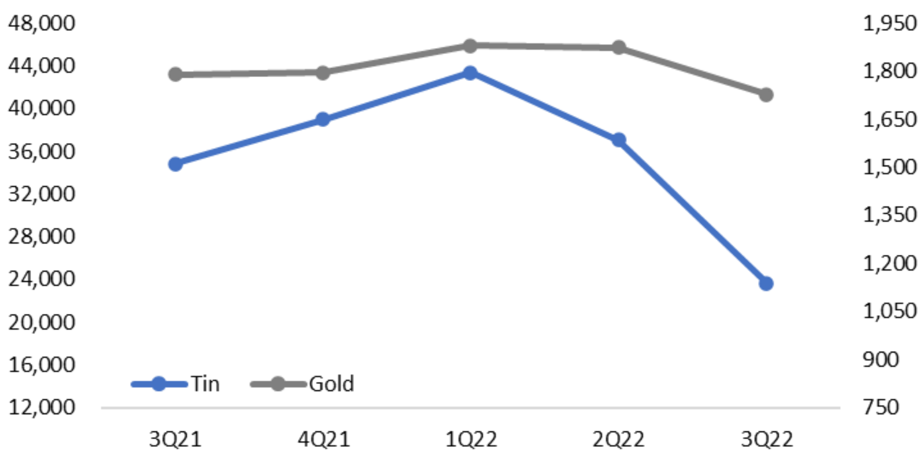
- **Gold:** Average gold price in 3Q22 was US$ 1,728 per ounce, -3% vs. 3Q21. During the first nine months, average gold price was US$ 1,826 per ounce, +1% vs. 6M21.

Table N° 2: Average metal prices

Average Metal Prices	Unit	3Q22	3Q21	Var (%)	9M22	9M21	Var (%)
Tin	US$/t	23,637	34,816	-32%	34,582	30,510	13%
Gold	US$/oz	1,728	1,790	-3%	1,826	1,800	1%

Source: Bloomberg

Figure N° 1: Average metal price quarterly evolution



Source: Bloomberg

b. Exchange Rate:

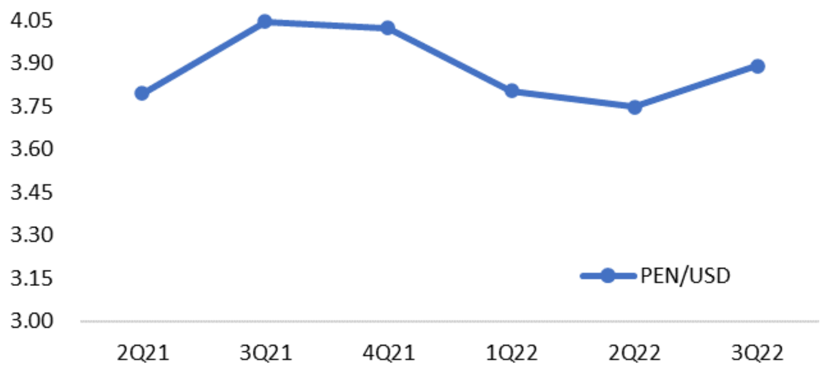
The Peruvian Sol average exchange rate for 3Q22 was S/ 3.89 per US$ 1, -4% vs. 3Q21 (S/ 4.05 per US$ 1). In 9M22 average exchange rate was S/ 3.82 per US$ 1, -1% vs. 9M21.

Table N°3: Exchange Rate

Average Exchange Rate	Unit	3Q22	3Q21	Var (%)	9M22	9M21	Var (%)
PEN/USD	S/.	3.89	4.05	-4%	3.82	3.84	-1%

Source: Banco Central de Reserva del Perú

Figure N° 2: Exchange rate quarterly evolution



Source: Banco Central de Reserva del Perú

III. OPERATING MINING RESULTS:

a. San Rafael – Pisco (Perú):

Table N° 4: San Rafael - Pisco Operating Results

San Rafael - Pisco	Unit	3Q22	3Q21	Var (%)	9M22	9M21	Var (%)
Ore Treated	t	332,425	318,892	4%	932,195	905,248	3%
Head Grade	%	2.19	2.14	2%	2.21	2.09	6%
Tin production (Sn) - San Rafael	t	5,631	5,687	-1%	16,972	16,465	3%
Tin production (Sn) - B2	t	1,227	1,277	-4%	3,771	3,778.86	0%
Tin production (Sn) - Pisco	t	7,361	7,613	-3%	19,871	19,259	3%
:ost per Treated Ton[2] - San Rafael	US$/t	145	124	17%	146	128	15%
:ost per Ton of Tin[3]	US$/t Sn	9,709	7,662	27%	10,399	8,901	17%

In 3Q22, contained tin production at San Rafael reached 5,631 (-1% vs. 3Q21), explained by the lower recovery in the plant (-1%) due to the treatment of ore from areas with different characteristics. However, during the first nine months of 2022, tin production at San Rafael was +3% compared to 9M21, mainly due to higher tin grades.

B2 production reached 1,227 tons (-4% vs. 3Q21), explained by a lower recovery in the plant due to ore being processed from areas with different granulometry, in line with our mining plan.

Refined tin production in Pisco reached 7,361 tons (-3% vs. 3Q21), explained by lower grades of concentrate received from San Rafael.

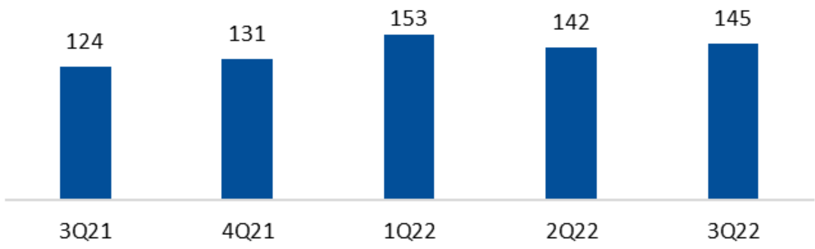
The cost per treated ton in San Rafael was US$ 145, +17% vs. 3Q21, which is explained by higher operating costs partially offset by higher volume fed to the plant (+4% vs. 3Q21). The higher costs are associated with: (i) higher costs related to mining advances executed (in line with our

[2] Cash Cost per treated ton = San Rafael production costs / (Tons of Ore treated at Concentration + Tons of Ore treated at Pre-Concentration)
[3] 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)

production plan), (ii) higher cost of supplies due to inflation, (iii) higher plant maintenance, and (iv) improvements in personnel transportation standards.

In the period 9M22, refined tin production was above the same period of the previous year, explained by higher concentrate treatment (+12% vs. 9M21) due to the higher operating capacity in Pisco. The cost per treated ton was US$ 146, +15% VS. 9M21, mainly due to the higher costs explained in the previous paragraph.

Figure N°3: Cash Cost per treated ton evolution - San Rafael (US$/t)



The cash cost per ton of tin[3] was 9,709 in 3Q22, +27% vs. 3Q21. This higher cost is explained by the higher costs of our operating unit San Rafael and the lower production of refined tin in Pisco (-3% vs. 3Q21). Cumulatively, the cash cost per ton of tin was US$ 10,399, +17% vs. 9M21.

b. Pucamarca (Perú):

Table N°5. Pucamarca Operating Results

Pucamarca	Unit	3Q22	3Q21	Var (%)	9M22	9M21	Var (%)
Ore Treated	t	1,898,170	1,963,855	-3%	5,717,505	5,794,975	-1%
Head Grade	g/t	0.41	0.48	-14%	0.41	0.50	-19%
Gold production (Au)	oz	16,407	19,766	-17%	49,342	52,869	-7%
Cash Cost per Treated Ton	US$/t	7.3	5.4	37%	6.9	5.5	26%
ısh Cost per Ounce of Gold[4]	US$/oz Au	866	548	58%	821	623	32%

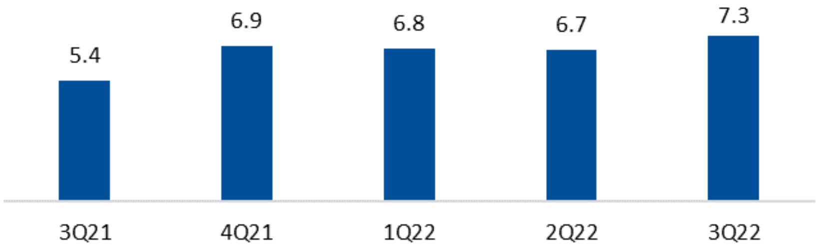
In 3Q22, gold production was 16,407 ounces, -17% vs. 3Q21 due to lower grades placed on the Leaching Pad. These lower grades (-14% vs. 3Q21) are in line with the production plan associated with our current life of mine plan.

The cash cost per treated ton was US$ 7.3 in 3Q22, +37% vs. 3Q21, mainly because of i) higher stripping cost, (ii) advance and closure of usufructs for the supply of limestone, (iii) the higher cost of supplies due to inflation and (iv) improvements in personnel transportation standards. It is relevant to mention that part of this increase is temporary and reflects the one-time cost incurred in 3Q22.

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

In 9M22, gold production reached 49,342 ounces, -7% vs. 9M21, in line with our production plan. The cash cost per treated ton was US$ 6.9, +26% VS. 9M21, mainly due to the higher costs explained in the previous paragraph and the lower volume of ore placed in the Leaching Pad.

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



Cash cost per ounce of gold[4] in 3Q22 was US$ 866, +58% vs. 3Q21, explained by higher operating costs and lower production (-17% vs. 3Q21). Cumulatively, the cost per ounce of gold was US$ 821, +32% vs. 9M21.

IV. CAPEX:

Table N°6. Executed CAPEX

Capex	Unit	3Q22	3Q21	Var (%)	9M22	9M21	Var (%)
San Rafael + B2	US$ M	18.4	19.5	-6%	61.2	45.7	34%
Pisco	US$ M	1.7	1.4	16%	3.1	2.5	24%
Pucamarca	US$ M	8.5	12.8	-34%	19.2	34.4	-44%
Others	US$ M	1.0	0.2	529%	2.9	0.2	1233%
Total Capex	**US$ M**	**29.5**	**33.9**	**-13%**	**86.3**	**82.8**	**4%**

In 3Q22 Capex was US$ 29.5 M, -13% vs. 3Q21. Among the main projects are our sustaining projects in the units, the construction of the tailing dam B4, and the project related to water management in San Rafael. In Pucamarca, the executed Capex is related to the expansion of the dump, the construction of the retaining wall of the Leaching Pad Phase 4 and equipment maintenance.

V. FINANCIAL RESULTS:

Table N°7. Financial Statements

Financial Statements	Unit	3Q22	3Q21	Var (%)	9M22	9M21	Var (%)
Net Revenue	US$ M	209.2	293.8	-29%	676.4	664.1	2%
Cost of Sales	US$ M	-126.7	-100.5	26%	-302.0	-257.7	17%
Gross Profit	**US$ M**	**82.5**	**193.3**	**-57%**	**374.4**	**406.4**	**-8%**
Selling Expenses	US$ M	-2.8	-2.3	20%	-8.2	-5.0	65%
Administrative Expenses	US$ M	-15.5	-13.8	13%	-48.8	-36.7	33%
Exploration & Project Expenses	US$ M	-4.0	-2.7	49%	-12.1	-8.2	47%
Other Operating Expenses, net	US$ M	-4.6	-2.4	87%	-10.2	-1.9	429%
Operating Income	**US$ M**	**55.5**	**172.0**	**-68%**	**295.1**	**354.5**	**-17%**
Financial Income (Expenses) and Others, net	US$ M	-6.0	-31.9	-81%	-17.6	-46.6	-62%
Results from Subsidiaries and Associates	US$ M	20.9	76.3	-73%	200.0	94.4	112%
Exchange Difference, net	US$ M	-1.9	-1.8	7%	-12.7	-2.3	440%
Profit before Income Tax	**US$ M**	**68.5**	**214.6**	**-68%**	**464.9**	**400.0**	**16%**
Income Tax Expense	US$ MM	-43.4	-32.4	34%	-107.0	-66.6	61%
Deferred Income Tax	US$ MM	14.6	-6.8	-	18.1	16.6	9%
Net Income	**US$ M**	**37.4**	**122.4**	**-69%**	**344.9**	**257.8**	**34%**
Net Income Margin	%	18%	42%	-	51%	39%	-
EBITDA	**US$ M**	**84.1**	**195.3**	**-57%**	**375.7**	**421.6**	**-11%**
EBITDA Margin	%	40%	66%	-	56%	63%	-
djusted Net Income[5]	**US$ M**	**18.5**	**47.9**	**-61%**	**157.6**	**165.7**	**-5%**

a. Net Revenue:

In 3Q22, net sales reached US$ 209.2 M, -29% vs. 3Q21. This increase is explained by i) lower tin prices (-32%) despite the higher sold volume of tin (+7%), ii) lower sold volume of gold (-13%), and iii) lower gold prices (-3%).

Table N°8. Net revenue Volume by product

Net Revenue Volume	Unit	3Q22	3Q21	Var (%)	9M22	9M21	Var (%)
Tin	t	7,895	7,349	7%	18,129	17,935	1%
Gold	oz	16,635	19,026	-13%	49,328	53,451	-8%

Table N°9. Net revenue in US$ by product

Net Revenue by Metal	Unit	3Q22	3Q21	Var (%)	9M22	9M21	Var (%)
Tin	US$ M	181.6	260.6	-30%	593.7	573.2	4%
Gold	US$ M	27.6	33.1	-17%	82.7	90.9	-9%
TOTAL	**US$ M**	**209.2**	**293.8**	**-29%**	**676.4**	**664.1**	**2%**

[5] Adjusted net income = Net income excluding Loss from Subsidiaries and Associates, exchange rate difference and extraordinary effects

Figure N°5: Net revenue breakdown in US$ by metal

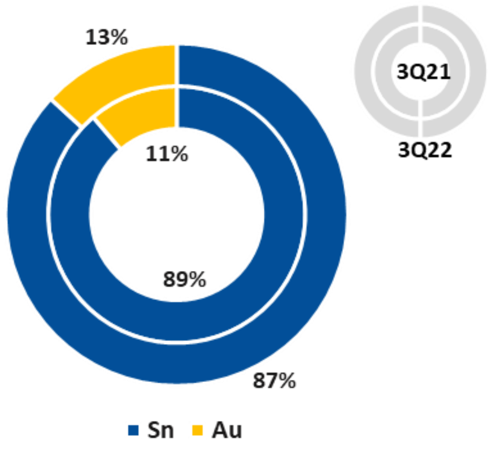


Table N°10. Cost of sales detail

Cost of Sales	Unit	3Q22	3Q21	Var (%)	9M22	9M21	Var (%)
Production Cost	US$ M	83.0	66.9	24%	239.6	199.3	20%
Depreciation	US$ M	28.3	22.9	24%	79.5	65.9	21%
Workers profit share	US$ M	4.2	7.4	-43%	20.0	16.6	20%
Stocks Variation and Others	US$ M	11.2	3.3	240%	-37.0	-24.1	54%
TOTAL	**US$ M**	**126.7**	**100.5**	**26%**	**302.0**	**257.7**	**17%**

b. Cost of Sales

Cost of sales for 3Q22 was US$ 126.7 M, +26% vs. 3Q21. This effect is mainly explained by: i) higher production costs, ii) higher depreciation associated with our investments in sustaining Capex, and iii) higher variation of inventories.

c. Gross Profit:

Gross profit during 3Q22 reached US$ 82.5 M (-57% vs. 3Q21), mainly explained by the lower net sales (-29% vs. 3Q21) and higher cost of sales (+26% vs. 3Q21) due to higher sold volume of tin as well as the increase in our production costs explained above. Gross margin in the period was 39% vs. 66% during 3Q21.

d. Selling expenses:

Selling expenses in 3Q22 were US$ 2.8 M, +US$ 0.5 M vs. 3Q21, explained mainly by higher freights.

e. Administrative expenses:

Administrative expenses in 3Q22 were US$ 15.5 M, +13% vs. 3Q21, explained by higher expenses to personnel and higher outsourced services.

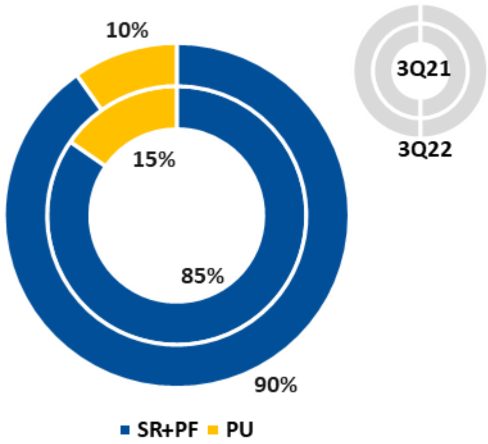
f. Exploration and Project Expenses:

In 3Q22, exploration and projects were US$ 4.0 M (+US$ 1.3 M vs. 3Q21), mainly due to the intensification of our exploration programs near San Rafael, which allows us to give continuity to our operations.

g. EBITDA:

EBITDA in 3Q22 amounted to US$ 84.1 M, +US$ 111.2 M vs. 3Q21, due to the lower gross profit explained above. EBITDA margin in the period was 40% vs. 66% during 3Q21.

Figure N°6: EBITDA share in US$ by Operating Unit[6]



h. Net financial expenses

Net financial expenses in 3Q22 were US$ 6.0 M, vs. US$ 31.9 M in 3Q21. The difference is mainly explained by: i) higher financial expenses in 3Q21 due to the 1° partial repurchase of the Minsur 2024 Bond (6.25%), which was fully refinanced during 2021, and i) the lower coupon rate of the Minsur 2031 Bond during 2022 (4.5%).

i. Results from Subsidiaries and Associates

In 3Q22, the results in subsidiaries and associates were US$ 20.9 M, vs. US$ 76.3 M in 3Q21. The

[6] Includes SR + FR + B2

difference is mainly explained by the lower results of our subsidiary Marcobre.

j. Income tax expense:

In 3Q22, we registered income taxes of US$ 22.9 M, - US$ 26.8 M vs. 3Q21 due to the lower operating income for the period.

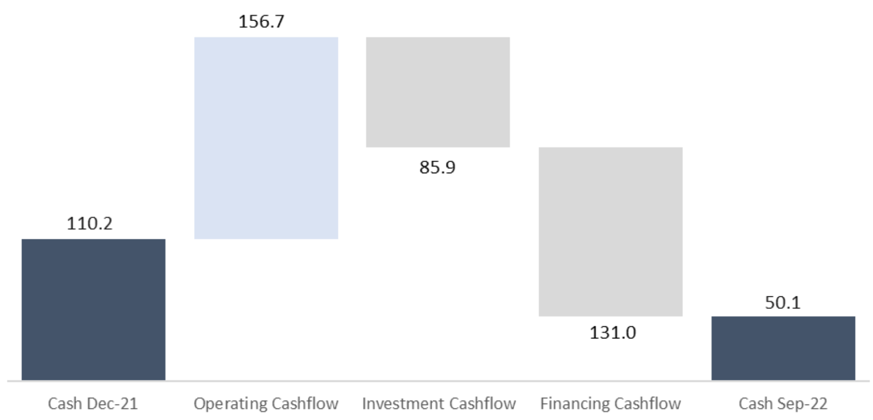
On the other hand, a lower deferred income tax was recorded, -US$ 8.2 M vs. -US$ 42.6 M in 3Q21, due to the difference in the estimate of the effective annual rate of profit before tax for both quarters. It is relevant to mention that deferred income tax is a non-cash effect.

k. Net income and Adjusted net income:

Net income in 3Q22 was US$ 37.4 M, vs. US$ 122.4 M in 3Q21, due to lower EBITDA and lower results of subsidiaries and associates. If (i) results of subsidiaries and associates and (ii) exchange difference were excluded, adjusted net income in 3Q22 would amount to US$ 18.5 M vs. US$ 47.9 M.

VI. LIQUIDITY:

As of September 30, 2022, the company's cash balance was US$ 50.1 M vs. US$ 110.2 M as of December 31, 2021. This decrease is explained by an operating cash flow of US$ 156.7 M, an investment cash flow of -US$ 85.9 M, and a financing cash flow of -US$ 131.0 M. It is important to mention that the operating cash flow of US$ 156.7 M includes the 2021 annual income tax payment for US$ 64.0 M made in 1Q22.



As of September 30, 2022, the company's financial liabilities reached US$ 527.1 M. La financial debt is explained by i) the corporate bond issued with an expiration date of 2031 (net value: US$ 487.1 M) and ii) short-term debt of US$ 40.0 M. The net leverage ratio (Net Debt/EBITDA) reached 0.8x as of September 2022 vs. 0.7x by the end of December 2021.

Table N°11. Changes in Financing Cashflow

Concept	Unit	2022
Financing	**US$ M**	**-55.0**
Short term Debt	US$ M	-55.0
Dividends/Contributions		**-76.0**
Dividends paid to shareholders	US$ M	-64.0
Capital contributions - Cumbres del Sur	US$ M	-12.0
Total	**US$ M**	**-131.0**

Table N°12. Debt Summary

ıl Ratios	Unit	Set-22	Dec-21	Var (%)
Total Debt	US$ M	527.1	581.3	-9%
Long Term - Minsur 2031 Bond	US$ M	487.1	486.3	0%
Short term debt	US$ M	40.0	95.0	-58%
Cash	US$ M	50.1	110.2	-55%
Cash and Equivalents	US$ M	50.1	110.2	-55%
Net Debt	US$ M	477.0	471.0	1%
Total Debt / EBITDA	x	0.9x	0.9x	-2%
Net Debt / EBITDA	x	0.8x	0.7x	9%

VII. 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.