



## Press Release

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### **MINSUR SELLS 9.5% OF RIMAC TO INVERSIONES BRECA AT A PRICE OF S/1.66 PER SHARE AND DISTRIBUTES AN EXTRAORDINARY DIVIDEND TO SHAREHOLDERS**

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Lima, Peru, September 22, 2017 - 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 that it sold today 119.7M of shares it owns in Rimac Seguros y Reaseguros (“Rimac”), which represents ~9.5% of the shares outstanding of Rimac, to Inversiones Breca S.A.C. for S/. 198.7M (equivalent to S/. 1.66 per share). This cash amount will be distributed on October 27th as an extraordinary dividend to shareholders (S/. 132.5M to common stockholders and S/.66.2M to preferred stockholders).

The sale follows the receipt of an offer from Inversiones Breca, and the subsequent formation of an Independent Committee composed of Minsur's independent board member, Apoyo Consultoría as financial advisor and Estudio Payet Rey Cauvi Perez Abogados (“Estudio Payet”) as legal counsel, to evaluate the merits of the proposal.

Prior to the transaction, Minsur owned 182.7M shares of Rimac, which represented an approximately 14.5% of the shares outstanding of Rimac. Following the reception of the offer from Inversiones Breca, and a diligent analysis by Apoyo Consultoría and Estudio Payet, it was decided that it was in the best interest of Minsur and its shareholders to proceed with the sale of a portion of the holding of Minsur in Rimac representing 9.5% of its stake given that:

1. Rimac is a non-core holding of Minsur representing a legacy investment; shareholders would be better served by investing in Rimac directly should they wish to do so.
2. Minsur has a strong investment pipeline and as a result has been unable to provide dividends to its shareholders. Selling a portion of the holding in Rimac would provide the funds to redistribute to shareholders.
3. The negotiated offer price is attractive given the current market share price (a 10.7% premium over a non-controlling interest) and initial offer price (9.4% higher). Even though the offer is attractive, Minsur will maintain an interest in Rimac for future potential share price appreciation.

Following the Independent Committee’s agreement to proceed with the sale, the Board of Directors executed the transaction today.

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### 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 operated in Peru since 1966. Mainly dedicated to exploration, exploitation and treatment of ore deposits, MINSUR is a leader in the international tin market. It has recently 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.

Lastly, MINSUR through its subsidiary Cumbres Andinas S.A., owns 100% of the shares of Marcobre S.A.C., which manages a copper ore project called Mina Justa, located in the district of San Juan de Marcona, in Ica. Cumbres Andinas S.A. is also the main shareholder of Compañía Minera Barbastro S.A.C., which has a polymetallic project in the Huancavelica region.

### 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.*