MINSUR S.A. AND SUBSIDIARIES ANNOUNCE CONSOLIDATED RESULTS FOR THE THIRD QUARTER OF 2015

Lima, November 16, 2015 – 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 third quarter ("3Q15") and nine-month ("9M15") periods ended September 30, 2015. These results are reported in accordance with International Financial Reporting Standards (IFRS) and are expressed in U.S. dollars (US$), unless otherwise indicated.

I. OPERATING RESULTS AND FINANCIAL HIGHLIGHTS:

- **Production:**
  - **Tin: 5,628 tons** in 3Q15, an **18%** decrease compared to 3Q14 as a result of a scheduled maintenance stoppage of the Pisco smelter in September and lower head grades at San Rafael (in line with production guidance for 2015). Tin production at Pirapora was 7% above 3Q14.
  - **Gold: 33,464 ounces** in 3Q15**,** a 34**%** increase compared to 3Q14, above updated production guidance provided in the second quarter.
  - **Niobium and tantalum alloy: 449 tons**, a 42% decrease compared to 3Q14 but in line with the annual production plan.
  - Pucamarca operated at 21,000 tpd in 3Q15 compared to 17,500 tpd during the same quarter last year; while Pitinga operated at 521 tph in 3Q15 vs 763 tph in 3Q14, and San Rafael operated at 2,900 tpd during 3Q15.
- **Cash Cost per treated ton**: Lower costs in all operations as a result of the cost reduction initiatives and productivity improvements implemented throughout the year
  - San Rafael: US$ 119 in 3Q15 vs. US$ 144 in 3Q14 (-18%) due to the implementation of cost savings projects such as renegotiations with contractors and operational efficiencies.
  - Pucamarca: US$ 3.7 in 3Q15 vs. US$ 5.3 in 3Q14 (-31%) as a result of operating efficiency improvements, increase in tonnage treated and cost saving actions.
  - Pitinga: US$ 20.5 in 3Q15 vs. US$ 21.0 in 3Q14 (-2%), mainly due to cost savings initiatives and the devaluation of the Brazilian Real, partially offset by increased energy costs related to the hydroelectric plant contingency at Pitinga and lower ore treated.
- **Average metal prices:**
  - **Tin: US$ 15,207** per ton in 3Q15, a **31%** decrease compared to 3Q14.
  - **Gold: US$ 1,125** per ounce in 3Q15, a **12%** decrease compared to 3Q14.
- **EBITDA: US$ 33.0 M**, 59% below 3Q14, mainly due to lower tin prices and tin volume sold, partially offset by higher gold volume sold and lower cash cost in all operations. EBITDA for 9M15 reached US$ 129.9 M.
- **Net loss:** -**US$ 26.9 M** vs net profit of US$ 8.6 M in 3Q14, mainly due to a lower EBITDA and a foreign exchange difference of -US$ 20.0 M in Taboca. Net loss includes an investment of US$ 14 M in long-term growth projects and explorations expenses (discretionary expenses).
- **Adjusted net income**[1]: excluding results from subsidiaries and associates, foreign exchange

[1] Adjusted net income = Net Profit excluding Results from Subsidiaries and Associates, Foreign Exchange Difference and Explorations and Projects expenses.

difference and long-term growth investments and explorations expenses, adjusted net income was **US$ 0.5 M** in 3Q15. Adjusted net income in 9M15 was US$ 27.7 M.

Table N° 1: Summary of operating and financial results

Highlights	Unit	3Q15	3Q14	Var (%)	9M15	9M14	Var (%)
Production							
Tin (Sn)	t	5,628	6,852	-18%	18,044	21,644	-17%
Gold (Au)	oz	33,464	24,988	34%	93,782	77,843	20%
Niobium and Tantalum Alloy (NbTa)	t	449	781	-42%	1,738	2,245	-23%
Financial Results							
Net Revenue	US$ MM	138.1	226.2	-39%	464.7	711.3	-35%
EBITDA	US$ MM	33.0	79.7	-59%	129.9	286.2	-55%
EBITDA Margin	%	24%	35%	-32%	28%	40%	-31%
Net Income	US$ MM	-26.9	8.6	-412%	-30.3	95.4	-132%
Adjusted Net Income[1]	US$ MM	0.5	30.8	-98%	27.7	140.3	-80%

I. MAIN CONSIDERATIONS:

a. Average metal market prices:

Average Tin (Sn) Price in 3Q15 was US$ 15,207 per ton, which represents a decrease of 31% compared to the same period in 2014. As of the first 9M15, Tin prices reached US$16,399 per ton (27% decrease vs. 9M14)

Average Gold (Au) Price in the 2Q15 reached US$1,125 per ounce, a 12% decrease compared to the same period of the previous year. As of the 9M15, average Gold price was US$1,179 per ounce (8% decrease vs. 9M14)

Table N° 2: Average metal prices

Average Metal Prices	Unit	3Q15	3Q14	Var (%)	9M15	9M14	Var (%)
Tin	US$/t	15,207	21,930	-31%	16,399	22,567	-27%
Gold	US$/oz	1,125	1,282	-12%	1,179	1,288	-8%

Source: Bloomberg

b. Exchange rate:

The Peruvian Sol average exchange rate in 3Q15 was S/. 3.21 per US$1, compared to S/. 2.82 per US$1 in 3Q14, which represented a 14% depreciation of the Peruvian Sol. As of the 9M15, the average exchange rate was S/.3.14 per US$1, which represents a 12% depreciation of the Peruvian Sol.

The Brazilian Real average exchange rate 3Q15 was R$ 3.54 per US$1, representing a depreciation of 56% compared to 3Q14 (R$ 2.27 per US$1). Similarly, the average exchange rate for 9M15 was R$ 3.16 per US$1, a depreciation of 38% compared to the 9M14 (R$ 2.29 per US$1).

Table N°3: Exchange Rate

Average Exchange Rate	Unit	3Q15	3Q14	Var (%)	9M15	9M14	Var (%)
PEN/USD	S/.	3.21	2.82	14%	3.14	2.81	12%
BRL/USD	R$	3.54	2.27	56%	3.16	2.29	38%

Source: Bloomberg

III. OPERATING MINING RESULTS:

a. San Rafael – Pisco (Perú):

Table N° 4: San Rafael - Pisco Operating Results

San Rafael - Pisco	Unit	3Q15	3Q14	Var (%)	9M15	9M14	Var (%)
Ore Treated	t	264,004	264,661	0%	761,348	754,552	1%
Head Grade	%	2.02	2.39	-15%	2.09	2.48	-16%
Tin production (Sn) - San Rafael	t	4,852	5,739	-15%	14,382	16,887	-15%
Tin production (Sn) - Pisco	t	4,130	5,446	-24%	13,924	18,034	-23%
Cash Cost per Treated Ton[2] - San Rafael	US$/t	119	144	-18%	130	139	-6%
Cash Cost per Ton of Tin[3]	US$/t Sn	8,562	8,618	-1%	8,850	8,119	9%

Tin production

In 3Q15, refined Tin production reached 4,130 tons, a decrease of 24% compared to 3Q14. This decrease was driven by a scheduled plant maintenance shutdown of the Pisco smelter and refinery in September, and by lower tin concentrate production at San Rafael due to lower ore head grades, which decreased from 2.39% in 3Q14 to 2.02% in 3Q15 (in line with the geological model and mine plan).

Similarly, Tin production in 9M15 was 23% lower than that of 9M14 due to lower head grades (2.09% vs 2.48%) and a stock optimization plan performed in the first half of 2014 at Pisco. Tin annual production guidance remains at the lower end of the 20,000 – 22,000 ton range.

Cash cost per treated ton

San Rafael's cash cost per treated ton[2] in 3Q15 was US$ 119 vs. US$ 144 in 3Q14, a decrease of 18%. This significant decrease was primarily a result of a cost reduction plan that allowed the company to reduce materials, fuel, explosives and mining services costs. In addition, we are working on improving productivity through the development of operating nucleus which will allow us to consolidate and optimize underground mine infrastructure.

San Rafael's cash cost per treated ton in 9M15 reached US$ 130 vs US$139 in 9M14, a decrease of 6%. We expect an annual cash cost per treated ton slightly below the lower end of the guidance range of US$ 130 – US$ 140.

[2] Cash Cost per treated ton = San Rafael production costs / Ore Treated

[3] Cash Cost per ton of refined tin = (San Rafael and Pisco production cost + selling expenses + change in tin concentrates inventory, excluding employee profit sharing, depreciation and amortization) / (Tin Production in tons, excluding the tons recovered when treating Pitinga's concentrate at Pisco)

Cash cost per ton of refined tin

Cash cost per ton of refined tin[3] in 3Q15 was US$ 8,562 vs. US$ 8,618 in 3Q14, a 1% decrease, mainly due to lower cash cost per treated ton at San Rafael, which allowed us to compensate the lower tin production and the impact of the decline in head grade.

b. Pucamarca (Perú):

Table N°5. Pucamarca Operating Results

Pucamarca	Unit	3Q15	3Q14	Var (%)	9M15	9M14	Var (%)
Ore Treated	t	2,190,881	1,752,836	25%	6,027,524	4,595,713	31%
Head Grade	g/t	0.60	0.65	-7%	0.61	0.67	-9%
Gold production (Au)	oz	33,464	24,988	34%	93,782	77,843	20%
Cash Cost per Treated Ton	US$/t	3.7	5.3	-31%	4.1	6.2	-34%
Cash Cost per Ounce of Gold[4]	US$/oz Au	240	371	-35%	264	369	-28%

Gold production

In 3Q15, gold production reached 33,464 ounces, a 34% increase compared to 3Q14 mainly due to the increase in plant capacity from 17,500 tpd to 21,000 tpd in 2Q15 and higher cumulative recovery rates (72% in 3Q15 vs. 64% in 3Q14). Head grade was 0.60 g/t in 3Q15, a decrease of 7% compared to 3Q14, in line with Pucamarca's geological model and mine plan.

In 9M15, gold production reached 93,782 ounces, a 20% increase compared to 9M14. Similarly, higher production was explained by the plant daily capacity increase and recovery rates, partially offset by lower head grade (-9%). Due to the increased plant capacity and improved recovery rates, annual production in 2015 is expected to reach approximately 120,000 gold ounces, well above the initial guidance for the year of 95,000 – 105,000 gold ounces.

Cash cost per treated ton

Cash cost per treated ton at Pucamarca was US$ 3.7 in 3Q15 vs. US$ 5.3 in 3Q14, a decrease of 31%, mainly due to efficiencies resulting from the increase in daily plant capacity, to lower costs from a cost reduction plan, and to productivity improvements.

Cash cost per treated ton at Pucamarca was US$ 4.1 in 9M15, a decrease of 34% compared to 9M14. We expect an annual cash cost per treated ton in the range of US$ 4.0 – US$ 4.5, below the initial guidance.

Cash cost per ounce of gold

Cash cost per ounce of gold[4] in 3Q15 was US$ 240, which represented a decrease of 35% compared to 3Q14. This decrease was primarily explained by lower cash cost per treated ton, offsetting a lower head grade.

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

Cash cost per ounce of gold in 9M15 was US$ 264, which represented a decrease of 28% compared to 9M14.

c. Pitinga – Pirapora (Taboca - Brazil):

Table. N°6: Pitinga - Pirapora Operating Results

Pitinga - Pirapora	Unit	3Q15	3Q14	Var (%)	9M15	9M14	Var (%)
Ore Treated	t	1,149,297	1,484,500	-23%	4,130,514	4,249,530	-3%
Head Grade - Sn	%	0.19	0.21	-7%	0.20	0.20	-1%
Head Grade - NbTa	%	0.24	0.24	-4%	0.23	0.25	-7%
Tin production (Sn) - Pitinga	t	1,173	1,484	-21%	4,430	4,085	8%
Tin production (Sn) - Pirapora	t	1,498	1,406	7%	4,119	3,610	14%
Niobium and tantalum alloy production	t	449	781	-42%	1,738	2,245	-23%
Cash Cost per Treated Ton	US$/t	20.5	21.0	-2%	18.6	22.4	-17%
By-product credits Cash Cost per Ton of Tin[5]	US$/t Sn	17,668	20,145	-12%	15,166	19,991	-24%

<u>Production of refined tin</u>
In 3Q15, tin production at Pitinga was 1,173 tons, 21% below 3Q14 due to energy supply restrictions and the resulting production halt during the first days of August as a consequence of the event that affected the hydroelectric plant.

Nevertheless, refined tin production at Pirapora in the period was 1,498 tones, 7% above 3Q14, mainly reflecting the action plan implemented to mitigate the impact of the energy constraints at the mine, which mainly consisted of a drawdown of concentrate stocks and processing concentrates produced from the slags accumulated and stockpiled at Pirapora over the years, resulting in production of 50 tons of refined tin from these slags in September.

In 9M15, refined tin production reached 4,119 tons, a 14% increase compared to 9M14, mainly due to the operational improvements that allowed the plant to increase tin recoveries, and also reflecting the strong production results up to July 2015, prior to the event at the hydroelectric plant.

In spite of the impact of the hydroelectric plant at Pitinga we expect to close 2015 with refined tin production between 5,000 and 6,000 tons, in line with the guidance provided at the beginning of the year.

<u>Production of Niobium and Tantalum Alloy:</u>
In 3Q15, Niobium and tantalum alloy production amounted to 449 tons, a 42% decrease compared to 3Q14, mainly due to energy restrictions as a consequence of the event at the Pitinga hydroelectric plant which forced us to stop one production line, and also due to a lower NbTa head grade (-4% vs 3Q14).

In 9M15, niobium and tantalum alloy production was 1,738 tons, a 23% decrease compared to 9M14 also due to the lower head grade (-7%) and the energy supply restrictions explained above.

Importantly, we have decided to expand our product portfolio of NbTa alloys and, as a result, we are planning to produce FeNb with 50% or more niobium content and a niobium and tantalum alloy (FeTa) with a higher proportion of tantalum content than our current “liga” alloy product. Both products will replace our current “liga” production and will allow us to participate in a much deeper niobium market in the case of FeNb (i.e. steelmakers) and to provide a higher value proposition for customers who purchase our alloy because of its tantalum content. This initiative will enable us to tap the full market potential of our niobium and tantalum business once we increase the production capacity in 2016, allowing Taboca to scale up revenues while improving its margins.

Our guidance for the year is approximately 2,000 to 2,500 tons of Nb and Ta alloys (between “liga”, FeNb and FeTa).

Cash cost per treated ton

Cash cost per treated ton at Pitinga was US$ 20.5 in 3Q15 vs. US$ 21.0 in 3Q14, a decrease of 2%, mainly due to cost savings initiatives and the devaluation of the Brazilian Real, which partially offset the higher energy costs due to the usage of diesel power generators derived from the hydroelectric plant event, and the impact of the resulting lower ore treated (23%).

Cash cost per treated ton in 9M15 reached US$ 18.6 vs. US$ 22.4 in 9M14, a decrease of 17%.

By-product credit cash cost per ton of tin

By-product credit cash cost per ton of tin[5] in 3Q15 was $17,668, a decrease of 12% compared to 3Q14. This decrease was mainly explained by the cost efficiencies achieved and the depreciation of the Brazilian real. The strong cost reduction trends of the first semester of the year have been impacted by the temporary stoppage of part of the hydroelectric plant and the costs associated to the restructuring of Taboca. A very aggressive restructuring project has been implemented both at the mine and smelter to further reduce costs and improve margins at Taboca, which we expect to yield results in 2016.

In 9M15, the by-product credit cash cost per ton of tin was US$15,166, a 24% decrease compared to 9M14.

[5] By-product credit cash cost per ton of tin = (Pitinga and Pirapora production cost + selling expenses + change in tin concentrate inventory, excluding depreciation and amortization – commercial value of niobium and tantalum alloy production) / (Tin production in tons)

IV. CAPEX:

Table N°7. CAPEX

CAPEX	Unit	3Q15	3Q14	Var (%)	9M15	9M14	Var (%)
San Rafael - Pisco	US$ MM	4.4	5.1	-15%	8.9	10.0	-11%
Pucamarca	US$ MM	2.2	2.0	11%	2.5	11.8	-79%
Pitinga - Pirapora	US$ MM	7.2	7.5	-4%	23.2	20.9	11%
Explorations and M&A	US$ MM	1.4	-1.0	-242%	5.8	1.6	264%
Total	**US$ MM**	**15.2**	**13.6**	**12%**	**40.4**	**44.3**	**-9%**

In 3Q15, CAPEX amounted to US$ 15.2 M, an increase of 12% compared to 3Q14. In 9M15 CAPEX totaled US$ 40.4 M, a decrease of 9% compared to 9M14. Main investments as of 9M15 were:

- San Rafael: waste dump capacity expansion, in line with the short and mid-term mine sustaining plan.
- Pucamarca: Truck overhauls and investments in ore processing capacity to sustain production at a plant capacity of 21,000 tpd.
- Pitinga: Increase in tailings dam capacity for the short and long-term, mine camp-site infrastructure improvements and operational improvements at the tin flotation facilities.

The company continues to implement an aggressive plan to reduce capital expenditures in all units in line with the current metal prices context. Annual sustaining CAPEX is expected to remain within the lower end of guidance at each unit: US$ 15 M – US$ 20 M at San Rafael-Pisco, US$ 8 M – US$ 12 M at Pucamarca and US$ 30 M – US$ 35 M at Pitinga-Pirapora.

V. FINANCIAL RESULTS:

Table 8: Profit and Loss Statement

Financial Statements	Unit	3Q15	3Q14	Var (%)	9M15	9M14	Var (%)
Net Revenue	US$ MM	138.1	226.2	-39%	464.7	711.3	-35%
Cost of Sales	US$ MM	-98.9	-133.0	-26%	-313.0	-387.4	-19%
Gross Profit	**US$ MM**	**39.3**	**93.3**	**-58%**	**151.8**	**323.9**	**-53%**
Selling Expenses	US$ MM	-1.8	-2.4	-27%	-6.1	-7.9	-23%
Administrative Expenses	US$ MM	-8.2	-13.7	-41%	-33.2	-38.6	-14%
Exploration & Project Expenses	US$ MM	-14.1	-15.1	-6%	-41.0	-47.7	-14%
Other Operating Expenses, net	US$ MM	-7.2	-7.4	-3%	-10.9	-15.6	-30%
Operating Income	**US$ MM**	**8.0**	**54.6**	**-85%**	**60.7**	**214.2**	**-72%**
Finance Income (Expenses) and Others, net	US$ MM	-9.9	-9.5	3%	-30.0	-27.3	10%
Results from Subsidiaries and Associates	US$ MM	7.0	7.8	10%	19.0	11.1	-71%
Exchange Difference, net	US$ MM	-20.2	-14.9	36%	-36.0	-8.3	333%
Profit before Income Tax	**US$ MM**	**-15.1**	**37.9**	**-140%**	**13.6**	**189.7**	**-93%**
Income Tax Expense	US$ MM	-11.8	-29.3	-60%	-43.9	-94.3	-53%
Net Income	**US$ MM**	**-26.9**	**8.6**	**-412%**	**-30.3**	**95.4**	**-132%**
Net Income Margin	%	-19%	4%	-612%	-7%	13%	-149%
EBITDA	**US$ MM**	**33.0**	**79.7**	**-59%**	**129.9**	**286.2**	**-55%**
EBITDA Margin	%	24%	35%	-32%	28%	40%	-31%
Adjusted Net Income	**US$ MM**	**0.5**	**30.8**	**-98%**	**27.7**	**140.3**	**-80%**

Third quarter financial results

a. Net Revenue:

In 3Q15, net revenue reached US$ 138.1 M, a decrease of 39% (-US$ 88.1 M) compared to 3Q14. This decrease was mainly explained by lower tin and gold average metal prices (-31% and -12%, respectively), lower volume sold of tin (-20%, due to stocks optimization plan in 2014) and NbTa alloy (-34%) partially offset by higher volume of gold sold (+18%).

Table 9: Revenue volume by product

Net Revenue Volume	Unit	3Q15	3Q14	Var (%)	9M15	9M14	Var (%)
Tin	t	6,249	7,792	-20%	19,511	24,685	-21%
San Rafael - Pisco	t	4,771	6,458	-26%	15,352	21,109	-27%
Pitinga - Pirapora	t	1,478	1,334	11%	4,159	3,577	16%
Gold	oz	28,661	24,307	18%	88,076	78,691	12%
Niobium and Tantalum Alloy	t	495	750	-34%	2,224	2,316	-4%

Table 10: Net Revenue in US$ by product

Net Revenue in US$	Unit	3Q15	3Q14	Var (%)	9M15	9M14	Var (%)
Tin	US$ MM	98.8	175.0	-44%	329.7	572.7	-42%
San Rafael - Pisco	US$ MM	76.3	144.8	-47%	259.8	490.3	-47%
Pitinga - Pirapora	US$ MM	22.5	30.2	-25%	69.9	82.4	-15%
Gold	US$ MM	32.8	38.3	-14%	104.9	101.6	3%
Niobium and Tantalum Alloy, and others	US$ MM	6.6	13.0	-49%	30.2	37.0	-19%
TOTAL	**US$ MM**	**138.1**	**226.3**	**-39%**	**464.7**	**711.4**	**-35%**

b. Gross Profit:

In spite of a 26% lower cost of sales in 3Q15, gross profit reached US$ 39.3 M, a 58% decrease (-US$ 54.0 M) compared to the same period of the previous year, mainly due to lower average tin and gold prices in 3Q15 compared to 3Q14.

c. Administrative Expenses:

Administrative expenses in 3Q15 were US$ 8.2 M, a 41% decrease (US$ 5.6 M) compared to the same period of the previous year. The cost improvements were widely spread amongst all areas as a result of an aggressive expense reduction plan, lower workers' profit sharing expenses and exchange rate devaluations in Peru and Brazil.

d. Exploration and Project Expenses:

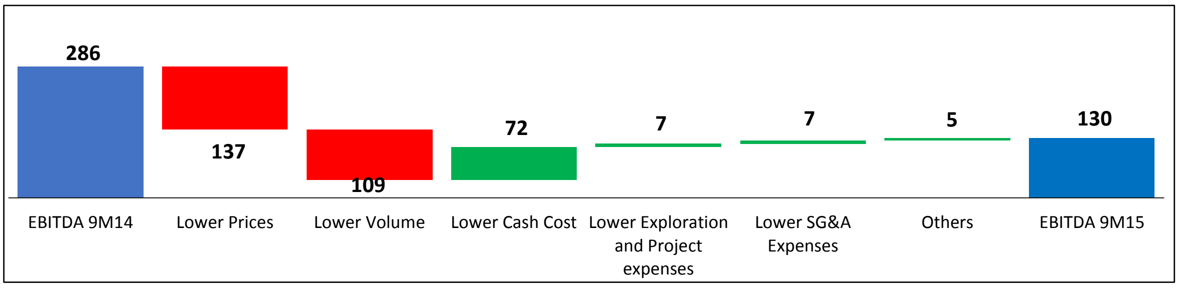
In 3Q15, exploration & project expenses totaled US$ 14.1 M, a reduction of 6% (US$ 1.0 M) compared to 3Q14. This decrease was mainly due to lower and concentration of exploration expenses, and to lower expenses in the prefeasibility study of our B2 tailings project at San Rafael.

e. EBITDA:

EBITDA in 3Q15 reached US$ 33.0 M, a decrease of 59% (-US$ 46.7 M) compared to 3Q14. This was mainly explained by lower tin volume sold and lower tin and gold average metal prices, partially offset by higher gold volume sold, lower cash cost in all units and lower sales, administrative and exploration expenses.

Table 10 below illustrates the impact of the lower prices and more importantly of the cost savings initiatives and operational improvements undertaken by the company resulting in lower costs and expenses of US$91M for the 9M15 when compared to the same period of the previous year, significantly contributing to offset in part the impact of the lower prices.

Table 10: Waterfall Chart YTD EBITDA ($M)



Given that some cost saving initiatives and restructuring actions are being implemented in the second half of this year, we expect further cost reductions in 2016 as the full year impact of these cost savings are reflected in our results.

f. Finance Income / (Expenses) and Others, net:

In 3Q15 net finance expenses reached US$ 9.9 M, an increase of 3% compared to 3Q14 (US$ 0.3 M).

This increase was mainly due to a loss in financial assets of -US$ 1.0 M in 3Q15 compared to a loss of US$ 0.4 M in 3Q14.

g. Foreign Exchange difference, net:

In 3Q15 the Company recorded a US$ 20.2 M loss due to foreign exchange differences compared to a US$ 14.9 M loss in 3Q14. This foreign exchange difference is explained by the impact of the depreciation of the Brazilian Real during the quarter over a net liability position that Taboca held in US dollars. It is important to note that due to the Brazilian Real being the functional reporting currency of Taboca, the impact of the exchange rate fluctuation over the net USD asset or liability position in the balance sheet generates a financial gain or loss. Nevertheless, Taboca generates net revenues in US dollars (which are converted into Reales) therefore it is appropriate for Taboca to be financed with US dollars based instruments. Therefore, negative exchange rate differences during the period generate an accounting loss with no impact on Taboca's cash flow.

h. Net Income and Adjusted Net Income:

The company recorded a net loss of -US$ 26.9 M in 3Q15, compared to a net profit of US$ 8.6 M in 3Q14, while in 9M15 the net loss was -US$ 30.3M. This result was impacted by the lower EBITDA and a US$ 20.2 M foreign exchange loss at Taboca. It is worth mentioning that the net loss recorded by the company includes discretionary investments in long term growth projects (explorations and project expenses) of US$ 14.1 M in 3Q15 and $ 41.0 M in 9M15. Excluding the results from subsidiaries and associates, the foreign exchange difference and the discretionary explorations and growth projects expenses, adjusted net income would have been US$ 27.7 M in 9M15.

VI. LIQUIDITY

As of September 30, 2015, cash and cash equivalents totaled US$ 569.4 M, a decrease of 5% compared to December 2014 (US$ 597.5 M), while total debt reached US$ 535.1 M, slightly below that of December 2014 (US$ 535.3 M). Net leverage ratio was -0.2x at the end of September, 2015 in line with that of December 2014.

Table 12: Net Debt

Financial Ratios	Unit	sep-15	dic-14	Var (%)
Total Debt	US$ MM	535.1	535.3	0%
Cash	US$ MM	569.4	597.5	-5%
Net Debt	US$ MM	-34.3	-62.2	-45%
Total Debt / LTM EBITDA	x	3.1x	1.6x	89%
Net Debt / LTM EBITDA	x	-0.2x	-0.2x	4%

VII. Production Initiatives:

- **San Rafael:** Reserve grades are stabilizing around 2.0%, 5% lower than that mined during the 9M15. As San Rafael's mining grade trends towards this level, production levels will be accordingly affected. To mitigate and reverse this trend, we are implementing the following projects:
    - **Ore Sorting:** a mineral selection process using an equipment denominated "ore-sorter", which allows, through the use of x-ray technology, to select and segregate higher grade ore from the ore that is not economically viable. We have run industrial scale tests over low-grade stocks (0.7% Sn grade) resulting in a reduction of 70% of the ore and an increase of Sn grade from 0.7% to 2.7%. Investment in the project is expected to be in the range of US$ 25 M; US$ 13 M will be invested in 2015 (not included in San Rafael's capex guidance). The project has the potential to contribute approximately with 3,000 tons of refined tin per year from processing low-grade ore stockpiled at the mine which could feed the plant for 2 – 2.5 years. Further tests to process higher grade ore from the mine are on-going and may result in potential upside for the project. These "ore-sorters" are expected to be running during 2Q16.

      B2: the tailings re-treatment project at San Rafael is currently under pre-feasibility stage; tests on an industrial scale are being performed with positive results. Preliminary conclusions show a potential contribution of around 5,000 tons - 6,000 tons per year of high margin refined tin. We expect B2 to start production in 2H18.
- **Taboca:** production expansion at Taboca is focused on i) increasing tin production from debottlenecking the plant operations at Pitinga and from processing slags at Pirapora; and on ii) expanding plant capacity to increase the production of niobium and tantalum alloys together with developing new products and markets for these metals.
    - **Pitinga:** we are mainly focusing on eliminating bottlenecks in the processing facilities, mainly at the crushing and concentration plant which will increase throughput and tin concentrate production. We are also repairing the hydroelectric plant and expanding our niobium and tantalum flotation plant with the goal of doubling the production of niobium and tantalum alloys. These initiatives are expected to increase production starting on 3Q 2016.
    - **Pirapora:** the plant is currently running at full capacity. To increase processing capacity by around 40% we will sinterize our concentrates before entering the main furnace. This will allow us to have processing capacity to support the expected increase in concentrate production at Pitinga and treat other concentrates as well. We are also currently producing concentrates from slags accumulated over the years at Pirapora with potential to contribute approximately 1,000 tonnes of additional refined tin in 2016 and onwards.

Conference Call Information

Minsur S.A. cordially invites you to its Third Quarter 2015 Consolidated Results Conference Call.

Tuesday, Nov 17, 2015
10:00 am Eastern Time
10:00 am Lima Time

To access the call, please dial:
1-800-311-9401 from within in the U.S
1-334-323-7224 from outside the U.S
Conference ID Number: 98214

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 70% 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.*

Minsur S.A. and Subsidiaries

Interim condensed consolidated statements of financial position

As of September 30, 2015 (unaudited) and December 31, 2014 (audited)

	Note	As of September 30, 2015 US$(000)	As of December 31, 2014 US$(000)
Assets			
Current assets			
Cash and cash equivalents	5	376,607	407,882
Trade and other receivables, net	6	64,637	88,711
Related parties	6, 26	298	466
Inventory, net	7	96,704	119,872
Financial assets at fair value through profit or loss	8	7,378	8,155
Income tax prepayments		11,962	9,708
Prepaid expenses		152	915
Available-for-sale financial assets		2,949	4,134
		560,687	639,843
Non-current assets			
Other financial assets	9	192,785	189,576
Trade and other receivables, net	6	41,600	51,007
Investments in associates	10	303,568	345,595
Property, plant and equipment, net	11	441,266	510,409
Intangible assets, net	12	988,911	1,055,769
Deferred income tax asset, net		45,206	52,494
Other assets		1	4,637
		2,013,337	2,209,487
Total asset		**2,574,024**	**2,849,330**
Libialities			
Current liabilities			
Trade and other payables	13	44,122	87,387
Related parties	13, 26	9,742	11,001
Financial obligations	14	82,995	68,440
Provision for employees benefits		23,661	41,704
Provisions	15	17,891	10,786
		178,411	219,318
Non-current liabilities			
Trade and other payables	13	10,000	10,000
Financial obligations	14	452,120	466,851
Provision for employees benefits		628	453
Provisions	15	115,421	122,546
Deferred income tax liability, net		187,157	178,021
		765,326	777,871
Total liabilities		**943,737**	**997,189**
Equity			
Capital stock	17	601,269	601,269
Investment shares	17	300,634	300,634
Other reserves	17	160,670	160,670
Other equity items	17	(251,109)	(101,604)
Retained earnings	17	645,926	717,207
Equity attributable to equity holders of the parent		**1,457,390**	**1,678,176**
Non-controlling interests	17	172,897	173,965
Total equity		**1,630,287**	**1,852,141**
Total liabilities and equity		**2,574,024**	**2,849,330**

Minsur S.A. and Subsidiaries

Interim condensed consolidated income statements

For Nine-months period ended September 30, 2015 and 2014 (unaudited)

	Note	For the specific quarter from January 1, to September 30,		For the Three months period ended September 30,	
		2015	2014	2015	2014
		US$(000)	US$(000)	US$(000)	US$(000)
Net sales	19	138,141	226,225	464,741	711,337
Cost of sales	20	(98,890)	(132,950)	(312,953)	(387,402)
Gross margin		39,251	93,275	151,788	323,935
Operating expenses					
Administrative expenses	22	(8,177)	(13,746)	(33,152)	(38,611)
Selling expenses	21	(1,772)	(2,411)	(6,096)	(7,885)
Other operating income	23	2,628	2,952	7,936	12,254
Other operating expenses	24	(23,961)	(25,513)	(59,820)	(75,539)
Total operating expenses		(31,282)	(38,718)	(91,132)	(109,781)
Operating income		7,969	54,557	60,656	214,154
Other income (expenses)					
Finance income	25	1,574	1,493	3,721	4,259
Finance costs	25	(10,443)	(10,639)	(32,992)	(31,597)
Gain (loss) from investments in associates, net	10 (b)	6,986	7,800	18,988	11,134
Gain (loss) from financial assets at fair value through profit or loss		(1,000)	(391)	(777)	84
Exchange difference, net		(20,198)	(14,875)	(35,980)	(8,313)
Total other income (expenses)		(23,081)	(16,612)	(47,040)	(24,433)
Profit before income tax		(15,112)	37,945	13,616	189,721
Income tax expense	16	(11,769)	(29,340)	(43,880)	(94,330)
Profit for the period		(26,881)	8,605	(30,264)	95,391
Atributable to :					
Owners of the parent	17 (i)	(25,201)	10,947	(24,109)	102,414
Non-controlling interests		(1,680)	(2,342)	(6,155)	(7,023)
Profit or loss for the period		(26,881)	8,605	(30,264)	95,391
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:					
Common shares	17 (i)	-0.874	0.380	-0.836	3.552
Investment shares	17 (i)	-0.009	0.004	-0.008	0.036

Minsur S.A. and Subsidiaries

Interim condensed consolidated statements of cash flows

For the Nine-months period ended September 30, 2015 and 2014

(unaudited)

	Note	As of September 30, 2015 US$(000)	As of Sept4ember 30, 2014 US$(000)
Operating activities			
Collection from customers		373,426	713,205
Interest received		7,197	998
Payments to suppliers		(162,930)	(280,346)
Payroll and social benefit payments		(68,834)	(120,779)
Tax payments and other taxes		-	-
Interest paid		(28,154)	(34,475)
Other (payments) receipts related to the activity, net		(90,632)	(112,223)
Net cash flows (used in) provided by operating activities		30,073	166,380
Investing activities			
Loss of control of subsidiaries or other businesses		-	11,871
Proceeds from sale of property, plant and equipment		36	157
Dividends received		-	1,437
Purchase of property, plant and equipment		(41,754)	(43,810)
Purchase of intangibles		(540)	(105)
Others		-	2,162
Net cash flows used in investing activities		(42,258)	(28,288)
Financing activities			
Proceeds from borrowings		42,639	450,000
Dividends paid	17 (e)	(49,984)	(50,010)
New contributions of minority		7,290	10,620
Repayment of borrowings		(961)	(200,000)
Others		(9,169)	(23,221)
Net cash flows provided by financing activities		(10,185)	187,389
Net (decrease) increase in cash and cash equivalents		(22,370)	325,481
Net exchange difference		(8,905)	(238)
Cash and cash equivalents as of January 1	3	407,882	221,326
Cash and cash equivalents as of March 31	3	376,607	546,569