MINSUR S.A.

SECOND QUARTER 2015

CONSOLIDATED RESULTS

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

Lima, August 14, 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 second quarter ("2Q15") and six-month ("6M15") periods ended June 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: 6,532 tons**, a 10**%** decrease compared to 2Q14 as a result of lower head grades at San Rafael but in line with production guidance for 2015.
  - **Gold: 31,539 ounces**, 29**%** increase compared to 2Q14, in line with annual production guidance.
  - **Niobium and tantalum alloy: 610 tons**, 31% decrease compared to 2Q14 but in line with annual production guidance.
- Pucamarca operated at 21,000 tpd in 2Q15 compared to 17,500 tpd during the same quarter last year; while Pitinga operated at 757 tph in 2Q15 vs 725 tph in 2Q14, and San Rafael operated at 2,900 tpd during 2Q15.
- **Cash Cost per treated ton**: Lower costs in all operations
  - San Rafael: US$ 126 in 2Q15 vs. US$ 145 in 2Q14 (-13%) due to the implementation of cost saving measures such as renegotiations with contractors, higher volume of ore treated and the postponement of certain expenses.
  - Pucamarca: US$ 4.3 in 2Q15 vs. US$ 6.8 in 2Q14 (-37%) as a result of cost savings such as lower fuel costs and lower auxiliary costs, and an increase in tonnage treated.
  - Pitinga: US$ 18.3 in 2Q15 vs. US$ 25.0 in 2Q14 (-27%) as a result of higher volume of ore treated and the devaluation of the Brazilian Real.
- **Average metal market prices:**
  - **Tin: US$ 16,104** per ton, a **30%** decrease compared to 2Q14.
  - **Gold: US$ 1,190** per ounce, a **9%** decrease compared to 2Q14.
- **EBITDA: US$ 37.5 M**, a **60%** decrease compared to 2Q14 due to lower tin prices and tin volume sold, partially offset by lower cash cost in all operations. EBITDA for 6M15 reached US$ 96.9 M.
- **Net income: US$ 11.7 M**, a **69%** decrease compared to 2Q14, mainly due to a lower EBITDA. Net income includes growth investments (explorations and projects) of US$ 14.9 M. Net income for 6M15 totaled -US$ 3.4 M.
- **Adjusted net income**[1]: excluding results from subsidiaries and associates, and foreign exchange difference, adjusted net income was **US$ 0.4 M** in 6M15.
- **Temporary suspension of activities at Pitinga (Taboca)** due to water filtrations at the dike of the hydroelectric plant during the first week of August.

[1] Adjusted net profit = Net Profit excluding Results from Subsidiaries and Associates and Foreign Exchange Difference.

Table N° 1: Summary of operating and financial results

Highlights	Unit	2Q15	2Q14	Var (%)	6M15	6M14	Var (%)
Production							
Tin (Sn)	t	6,532	7,241	-10%	12,415	14,792	-16%
Gold (Au)	oz	31,539	24,457	29%	60,318	52,855	14%
Niobium and Tantalum Alloy (NbTa)	t	610	880	-31%	1,288	1,464	-12%
Financial Results							
Net Revenue	US$ MM	156.4	240.6	-35%	326.6	485.1	-33%
EBITDA	US$ MM	37.5	94.5	-60%	96.9	206.5	-53%
EBITDA Margin	%	24%	39%	-39%	30%	43%	-30%
Net Income	US$ MM	11.7	37.9	-69%	-3.4	86.8	-104%
Adjusted Net Income[1]	US$ MM	-8.7	31.5	-128%	0.4	76.9	-99%

I. MAIN CONSIDERATIONS:

a. Average metal market prices:

Average Tin (Sn) Price in 2Q15 was US$ 16,104 per ton, a decrease of 30% compared to the same period of 2014, while in 6M15, Tin prices reached US$17,011 per ton, a 26% decrease compared to 6M14.

Average Gold (Au) Price in 2Q15 was US$1,190 per ounce, a 9% decrease compared to the same period of the previous year, while in 6M15, gold price reached US$1,206 per ounce, a 7% decrease compared to 6M14.

Table N° 2: Average metal prices

Average Metal Prices	Unit	2Q15	2Q14	Var (%)	6M15	6M14	Var (%)
Tin	US$/t	16,104	23,157	-30%	17,011	22,901	-26%
Gold	US$/oz	1,190	1,301	-9%	1,206	1,291	-7%

Source: Bloomberg

b. Exchange rate:

The Peruvian Sol average exchange rate in 2Q15 was S/. 3.13 per US$1, representing a 12% depreciation of the Peruvian Sol compared to S/. 2.80 per US$1 in 2Q14. In 6M15, the average exchange rate was S/. 3.10 per US$1, representing a 12% depreciation of the Peruvian Sol compared to 6M14 (S/. 2.76 per US$1).

The Brazilian Real average exchange rate 2Q15 was R$ 3.09 per US$1, representing a depreciation of 37% compared to 2Q14 (R$ 2.25 per US$1). Similarly, the average exchange rate for 6M15 was $R 2.97 per US$1, a depreciation of 29% compared to the 6M14 (R$ 2.30 per US$1)

[1] Adjusted net profit = Net Profit excluding Results from Subsidiaries and Associates and Foreign Exchange Difference

Table N°3: Exchange Rate

Average Exchange Rate	Unit	2Q15	2Q14	Var (%)	6M15	6M14	Var (%)
PEN/USD	S/.	3.13	2.80	12%	3.10	2.76	12%
BRL/USD	R$	3.09	2.25	37%	2.97	2.30	29%

Source: Bloomberg

III. OPERATING MINING RESULTS:

a. San Rafael – Pisco (Perú):

Table N° 4: San Rafael - Pisco Operating Results

San Rafael - Pisco	Unit	2Q15	2Q14	Var (%)	6M15	6M14	Var (%)
Ore Treated	t	261,885	243,941	7%	497,344	489,891	2%
Head Grade	%	2.09	2.44	-14%	2.12	2.53	-16%
Tin production (Sn) - San Rafael	t	4,954	5,374	-8%	9,530	11,148	-15%
Tin production (Sn) - Pisco	t	5,019	5,620	-11%	9,794	12,588	-22%
Cash Cost per Treated Ton[2] - San Rafael	US$/t	126	145	-13%	136	136	0%
Cash Cost per Ton of Refined Tin[3]	US$/t Sn	8,880	8,483	5%	8,895	7,642	16%

Tin production

In 2Q15, refined Tin production reached 5,019 tons, a decrease of 11% compared to 2Q14. This decrease was driven by lower tin concentrate production at San Rafael due to lower ore head grades (from 2.44% in 2Q14 to 2.09% in 2Q15 in line with the geological model and mine plan), partially offset by higher volume of ore treated. Pisco refined tin production was also impacted by the execution of a tin concentrate stock optimization plan during 2Q14, not repeated during 2Q15.

Similarly, tin production in 6M15 was 22% lower compared to 6M14 due to lower head grades (2.12% vs 2.53%) and the stock optimization plan that took place in 2014. This was partially offset by higher ore treated in spite of a scheduled plant maintenance in the first quarter of 2015. Tin annual production guidance remains at 20,000 – 22,000 tons.

Cash cost per treated ton

San Rafael's cash cost per treated ton[2] in 2Q15 was US$ 126 vs. US$ 145 in 2Q14, a decrease of 13%. This significant decrease was mainly due to a cost reduction plan that allowed the company to reduce materials, fuel and explosives prices, the effect of higher ore treated, and the timing of some expenses. Additionally, further savings were obtained through renegotiation of contractor rates which will result in cost reductions during the second half of 2015.

[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 any tons recovered when treating Pitinga's concentrate at Pisco)

San Rafael's cash cost per treated ton in 6M15 reached US$ 136, in line with the same period of the previous year. In spite of the Company's efforts to reduce material prices, cash cost per treated ton was impacted by extraordinary expenses related to optimization studies and further mine preparation meters in 1Q15. Annual cash cost per treated ton is expected to be in the lower end of the annual guidance of US$ 130 – US$ 140.

Cash cost per ton of tin

Cash cost per ton of refined tin[3] in 2Q15 was US$ 8,880 vs. US$ 8,483 in 2Q14, a 5% increase, mainly due to lower tin production in the period explained by a lower head grade, partially offset by lower cash cost per treated ton at San Rafael. Cash cost per ton of refined tin in 6M15 was US$ 8,895.

b. Pucamarca (Perú):

Table N°5. Pucamarca Operating Results

Pucamarca	Unit	2Q15	2Q14	Var (%)	6M15	6M14	Var (%)
Ore Treated	t	2,057,830	1,516,286	36%	3,836,643	2,842,877	35%
Head Grade	g/t	0.60	0.63	-5%	0.62	0.69	-10%
Gold production (Au)	oz	31,539	24,457	29%	60,318	52,855	14%
Cash Cost per Treated Ton	US$/t	4.3	6.8	-37%	4.4	6.8	-36%
Cash Cost per Ounce of Gold[4]	US$/oz Au	280	423	-34%	277	364	-24%

Gold production

In 2Q15, gold production reached 31,539 ounces, a 29% increase compared to 2Q14. Head grade at Pucamarca was 0.60 g/t in 2Q15, a decrease of 5% compared to 2Q14, in accordance with its geological model and mine plan. Plant daily capacity was increased from 17,500 tons in 2Q14 to 21,000 tons in 2Q15 to offset expected lower head grades and to maximize Pucamarca's value.

In 6M15, gold production amounted to 60,318 ounces, a 14% increase compared to 6M14. Similarly, higher production is explained by an increase of the plant daily capacity, partially offset by a lower head grade (-10%). Annual production guidance remains at 104,500 – 115,500 ounces of gold as stated in the first quarter of 2015.

Cash cost per treated ton

Cash cost per treated ton at Pucamarca was US$ 4.3 in 2Q15 vs. US$ 6.8 in 2Q14, a decreased of 37%, mainly due to higher tonnage treated explained by an increase in plant daily capacity, and the cost reduction plan during the period .

Cash cost per treated ton at Pucamarca was US$ 4.4 in 6M15, a decreased of 36% compared to 6M14. Annual cash cost per treated ton guidance remains at US$ 5.0 – US$ 5.5.

[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 any tons recovered when treating Pitinga's concentrate at Pisco)

[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

Cash cost per ounce of gold[4] in 2Q15 was US$ 280, a decrease of 34% compared to 2Q14. This decrease was explained by lower cash cost per treated ton, partially offset by lower head grade. Cash cost per ounce of gold in 6M15 was US$ 277, a decrease of 24% compared to 6M14.

c. Pitinga – Pirapora (Taboca - Brazil):

Table. N°6: Pitinga - Pirapora Operating Results

Pitinga - Pirapora	Unit	2Q15	2Q14	Var (%)	6M15	6M14	Var (%)
Ore Treated	t	1,466,289	1,369,369	7%	2,981,216	2,765,031	8%
Head Grade - Sn	%	0.203	0.196	4%	0.201	0.197	2%
Head Grade - NbTa	%	0.219	0.254	-14%	0.233	0.254	-8%
Tin production (Sn) - Pitinga	t	1,672	1,278	31%	3,256	2,601	25%
Tin production (Sn) - Pirapora	t	1,513	1,621	-7%	2,621	2,204	19%
Niobium and tantalum alloy production	t	610	880	-31%	1,288	1,464	-12%
Cash Cost per Treated Ton	US$/t	18.3	25.0	-27%	17.7	23.2	-23%
By-product credits Cash Cost per Ton of Tin[5]	US$/t Sn	13,812	18,355	-25%	14,481	17,620	-18%

Production of refined tin

In 2Q15, refined tin production amounted to 1,513 tons, a 7% decrease compared to 2Q14. This is explained by high volumes of concentrates processed in 2014 as a result of the failure in one of the kilns' transformers in 1Q14 at Pirapora. It is worth highlighting that Pitinga produced 31% higher volume in 2Q15 compared to 2Q14 due to operational improvements that allowed the plant to increase treated ore volumes and recovery.

In 6M15, refined tin production reached 2,621 ton, a 19% increase compared to 6M14, mainly due to the operational improvements that allowed the plant to increase treated ore volumes and tin recovery.

Production of Niobium and Tantalum Alloy:

In 2Q15, Niobium and tantalum alloy production amounted to 610 tons, a 31% decrease compared to 2Q14, mainly due to a lower head grade (-14%). As a result of lower head grades, the Company undertook a strategic decision of closing two of the three plants (those with the lowest recovery rates and highest operating costs) that work in parallel in the processing of the NbTa alloy in order to maximize the volume treated by the plant with the highest recovery and lowest cost, improving efficiency, lowering production costs and optimizing the contribution margin of this product line.
In 6M15, niobium and tantalum allow production was 1,288 tons, a 12% decrease compared to 6M14 also due to the lower head grade (-8%) and the closing of the plants mentioned above.

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

[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)

Cash cost per treated ton

Cash cost per treated ton at Pitinga was US$ 18.3 in 2Q15 vs. US$ 25.0 in 2Q14, a decrease of 27%. This decrease was mainly due to higher volumes of ore treated, the devaluation of the Brazilian Real, and improvements in productivity.

Similarly, cash cost per treated ton in 6M15 reached US$ 17.7 vs. US$ 23.2 in 6M14, a decrease of 23%.

By-product credit cash cost per ton of tin

By-product credit cash cost per ton of tin[5] in 2Q15 was $13,812, a decrease of 25% compared to 2Q14. This decrease was explained by the lower production costs related to the devaluation of the Brazilian Real, partially offset by a lower production of tin and alloy.

In 6M15, the by-product credit cash cost per ton of tin was US$14,481, an 18% decrease compared to 6M14.

IV. CAPEX:

Table N°7. CAPEX

CAPEX	Unit	2Q15	2Q14	Var (%)	6M15	6M14	Var (%)
San Rafael - Pisco	US$ MM	2.8	3.7	-26%	4.3	4.9	-11%
Pucamarca	US$ MM	0.4	8.5	-96%	0.3	9.8	-97%
Pitinga - Pirapora	US$ MM	10.2	9.2	10%	16.2	17.6	-8%
Explorations	US$ MM	4.2	0.5	665%	4.4	1.0	321%
Total	**US$ MM**	**17.5**	**22.1**	**-21%**	**25.2**	**33.3**	**-25%**

In 2Q15, CAPEX amounted to US$ 17.5 M, a decrease of 21% compared to 2Q14. Likewise, in 6M15 capex totaled US$ 25.2 M, a decrease of 25% compared to 6M14. Main investments as of 6M15 were:

- San Rafael: waste dump capacity expansion, in line with the mine short and mid-term sustaining plan.
- Pucamarca: in 1Q15 there was a refund credited to the Company corresponding to claims from contractors associated to the initial CAPEX of Pucamarca.
- Pitinga: Increase tailings dam capacity for the short and long-term, mine camp site infrastructure improvements and tin flotation plant operational improvements.

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

[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)

V. FINANCIAL RESULTS:

Table 8: Profit and Loss Statement

Financial Statements	Unit	2Q15	2Q14	Var (%)	6M15	6M14	Var (%)
Net Revenue	US$ MM	156.4	240.6	-35%	326.6	485.1	-33%
Cost of Sales	US$ MM	-109.8	-135.8	-19%	-214.1	-254.5	-16%
Gross Profit	**US$ MM**	**46.6**	**104.8**	**-56%**	**112.5**	**230.7**	**-51%**
Selling Expenses	US$ MM	-2.2	-3.3	-34%	-4.3	-5.5	-21%
Administrative Expenses	US$ MM	-14.0	-12.3	14%	-25.0	-24.9	0%
Exploration & Project Expenses	US$ MM	-14.9	-16.3	-9%	-26.9	-32.6	-18%
Other Operating Expenses, net	US$ MM	-0.7	-2.7	-73%	-3.7	-8.1	-54%
Operating Income	**US$ MM**	**14.8**	**70.2**	**-79%**	**52.7**	**159.6**	**-67%**
Finance Income (Expenses) and Others, net	US$ MM	-10.7	-10.0	7%	-20.2	-17.7	14%
Results from Subsidiaries and Associates	US$ MM	9.5	3.7	-156%	12.0	3.3	-260%
Exchange Difference, net	US$ MM	11.0	2.6	318%	-15.8	6.6	-341%
Profit before Income Tax	**US$ MM**	**24.6**	**66.6**	**-63%**	**28.7**	**151.8**	**-81%**
Income Tax Expense	US$ MM	-12.8	-28.7	-55%	-32.1	-65.0	-51%
Net Income	**US$ MM**	**11.7**	**37.9**	**-69%**	**-3.4**	**86.8**	**-104%**
Net Income Margin	%	8%	16%	-52%	-1%	18%	-106%
EBITDA	**US$ MM**	**37.5**	**94.5**	**-60%**	**96.9**	**206.5**	**-53%**
EBITDA Margin	%	24%	39%	-39%	30%	43%	-30%
Adjusted Net Income	**US$ MM**	**-8.7**	**31.5**	**-128%**	**0.4**	**76.9**	**-99%**

<u>Second quarter financial results</u>

a. Net Revenue:

In 2Q15, net revenue reached US$ 156.4 M, a decrease of 35% (-US$ 84.2 M) compared to 2Q14. This decrease was mainly explained by lower tin and gold average metal prices (-30% and -9%, respectively), lower tin (-22%, due to stocks optimization plan in 2Q14) and alloy (-15%) volumes sold, partially offset by higher gold volume sold (+52%).

Table 9: Revenue volume by product

Net Revenue Volume	Unit	2Q15	2Q14	Var (%)	6M15	6M14	Var (%)
Tin	t	6,408	8,253	-22%	13,263	16,893	-21%
San Rafael - Pisco	t	4,948	6,723	-26%	10,581	14,650	-28%
Pitinga - Pirapora	t	1,460	1,531	-5%	2,682	2,243	20%
Gold	oz	36,140	23,724	52%	59,415	48,666	22%
Niobium and Tantalum Alloy	t	789	924	-15%	1,729	1,566	10%

Table 10: Net Revenue in US$ by product

Net Revenue in US$	Unit	2Q15	2Q14	Var (%)	6M15	6M14	Var (%)
Tin	US$ MM	101.8	201.1	-49%	230.3	402.6	-43%
San Rafael - Pisco	US$ MM	78.4	160.3	-51%	183.5	345.5	-47%
Pitinga - Pirapora	US$ MM	23.5	40.8	-42%	46.8	57.1	-18%
Consolidated Results adjustments		0.0	-2.8	-	0.0	-4.9	-
Gold	US$ MM	43.7	30.5	43%	72.1	63.3	14%
Niobium and Tantalum Alloy and others	US$ MM	10.8	11.8	-9%	24.2	24.1	1%
TOTAL	**US$ MM**	**156.4**	**240.6**	**-35%**	**326.6**	**485.1**	**-33%**

b. Gross Profit:

In spite of a 19% lower cost of sales in 2Q15, gross profit reached US$ 46.6 M, a 56% decrease (-US$ 58.2 M) compared to the same period of the previous year, mainly due to lower average tin and gold prices in 2Q15 compared to 2Q14.

c. Administrative Expenses:

Administrative expenses in 2Q15 were US$ 14.0 M, a 14% increase (US$ 1.7 M) compared to the same period of the previous year. This increase was mainly due to severance payments as a result of changes in certain administrative personnel profiles and the consolidation of the project development department. The cost and expense reduction plan is expected to yield results in the second half of the year.

d. Exploration and Project Expenses:

In 2Q15, exploration & project expenses totaled US$ 14.9 M, a reduction of 9% (US$ 1.4 M) compared to 2Q14. This decrease was mainly due to lower expenses in Mina Justa and B2 projects, and lower exploration expenses in areas surrounding Pucamarca, partially offset by higher exploration expenses at areas surrounding San Rafael. Additionally, some brownfields projects are being reviewed in accordance with the new tin price scenario, therefore lower exploration and project expenses can be expected in the second half of the year.

e. EBITDA:

EBITDA in 2Q15 was US$ 37.5 M, a decrease of 60% (-US$ 57.0 M) compared to 2Q14. This was mainly explained by lower tin volume sold and lower tin and gold average metal prices, partially offset by higher gold volume sold and lower cash cost per treated ton in all units.

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

In 2Q15 net finance expenses reached US$ 10.7 M, an increase of 7% compared to 2Q14 (US$ 0.7 M). This increase was mainly due to a loss in financial assets of -US$ 0.2 M in 2Q15 compared to a gain of US$ 0.6 M in 2Q14.

g. Foreign Exchange difference, net:

In 2Q15 the Company recorded US$ 11.0 M gain in foreign exchange difference compared to US$ 2.6 M gain in 2Q14. This foreign exchange difference is explained by the impact of the appreciation during the quarter of the Brazilian Real over a net liability position that Taboca held in US dollars. It is important to notice that due to functional currency registered in Brazilian Real, the impact of the exchange rate fluctuation over the net asset or liability position in the balance sheet generates financial gain or loss. Nevertheless, Taboca generates net revenues inflow in US dollars and is convenient to be funded in US dollars. Therefore, negative exchange difference in the period is an accounting loss and has no impact in Taboca's cash flow.

h. Net Income and Adjusted Net Income:

Net income in 2Q15 reached US$ 11.7 M, a decrease of 69% (-US$ 26.2 M) compared to 2Q14, while in 6M15 was –US$ 3.4. Excluding results from subsidiaries and associates, and foreign exchange difference, adjusted net income would have been US$ 0.4 M in 6M15.

VI. LIQUIDITY

As of June 30, 2015, cash and cash equivalents totaled US$ 541.3 M, a decrease of 9% compared to December 2014 (US$ 597.5 M). While total debt reached US$ 546.6 M, a 2% increase compared to December 2014 (US$ 535.3 M). Net leverage ratio was 0.0x at the end of June, 2015 vs. -0.2x at the end of 2014.

Table 11: Net Debt

Financial Ratios	Unit	jun-15	dec-14	Var (%)
Total Debt	US$ MM	546.6	535.3	2%
Cash	US$ MM	541.3	597.5	-9%
Net Debt	US$ MM	5.4	-62.2	109%
Total Debt / EBITDA	x	2.5x	1.6x	53%
Net Debt / EBITDA	x	0.0x	-0.2x	113%

VII. RELEVANT INFORMATION

During the first week of August, water filtrations were found at the dike of the hydroelectric plant that provides energy to Pitinga, forcing the hydroelectric plant to work at half of its capacity. As a precautionary measure, the Company decided the temporary suspension of activities at the mine in order to evaluate and repair the water filtrations in the hydroelectric plant.

The company is currently evaluating different alternatives to gradually resume operations at Pitinga, with a limited production capacity, depending on the energy that could be generated during the repair work at the hydroelectric plant, and on alternative power generation capacity that could be implemented. At this moment it is not able to make a production estimate or to determine how long this situation can take.

Conference Call Information

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

Tuesday, Aug 18, 2015
11:00 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 June 30, 2015 (unaudited) and December 31, 2014 (audited)

	Note	As of June 30, 2015	As of December 31, 2014
		US$(000)	US$(000)
Assets			
Current assets			
Cash and cash equivalents	3	349,121	407,882
Trade and other receivables, net	4	91,347	88,711
Related parties	4,22	448	466
Inventory, net	5	101,670	119,872
Financial assets at fair value through profit or loss	6	8,379	8,155
Income tax prepayments		13,688	9,708
Prepaid expenses		1,433	915
Available-for-sale financial assets		3,632	4,134
		569,718	639,843
Non-current assets			
Other financial assets	6	192,162	189,576
Trade and other receivables, net	4	43,645	51,007
Investments in associates	7	331,214	345,595
Property, plant and equipment, net	8	487,540	510,409
Intangible assets, net	9	1,024,878	1,055,769
Deferred income tax asset, net		49,955	52,494
Other assets		2,365	4,637
		2,131,759	2,209,487
Total asset		**2,701,477**	**2,849,330**
Libialities			
Current liabilities			
Trade and other payables	10	51,208	87,287
Related parties	10,22	5,224	11,101
Financial obligations	11	91,227	68,440
Provision for employees benefits	10	22,132	41,704
Provisions	12	11,032	10,786
		180,823	219,318
Non-current liabilities			
Trade and other payables	10	10,000	10,000
Financial obligations	11	455,420	466,851
Provision for employees benefits	10	570	453
Provisions	12	134,041	122,546
Deferred income tax liability, net		186,583	178,021
		786,614	777,871
Total liabilities		**967,437**	**997,189**
Equity			
Capital stock	14	601,269	601,269
Investment shares		300,634	300,634
Other reserves		160,670	160,670
Other equity items		(164,696)	(101,604)
Retained earnings		665,763	717,207
Equity attributable to equity holders of the parent		**1,563,640**	**1,678,176**
Non-controlling interests		170,400	173,965
Total equity		**1,734,040**	**1,852,141**
Total liabilities and equity		**2,701,477**	**2,849,330**

Minsur S.A. and Subsidiaries

Interim condensed consolidated income statements

For Six-months period ended June 30, 2015 and 2014 (unaudited)

	Note	For the specific quarter from April 1, to June 30,		For the Six months period ended June 30,	
		2015	2014	2015	2014
		US$(000)	US$(000)	US$(000)	US$(000)
Net sales	15	156,353	240,585	326,600	485,112
Cost of sales	16	(109,755)	(135,771)	(214,063)	(254,452)
Gross margin		46,598	104,814	112,537	230,660
Operating expenses					
Selling expenses	17	(2,185)	(3,330)	(4,324)	(5,474)
Administrative expenses	18	(13,974)	(12,274)	(24,975)	(24,865)
Exploration and project expenses	19	(23,892)	(31,923)	(35,859)	(50,026)
Other, net		8,268	12,898	5,308	9,302
Total operating expenses		(31,783)	(34,629)	(59,850)	(71,063)
Operating income		14,815	70,185	52,687	159,597
Other income (expenses)					
Finance income		1,273	1,568	2,147	2,766
Finance costs		(11,770)	(12,139)	(22,549)	(20,958)
Gain (loss) from investments in associates, net		9,497	3,710	12,002	3,334
Gain (loss) from financial assets at fair value through profit or loss		(208)	603	223	475
Exchange difference, net		10,958	2,624	(15,782)	6,562
Total other income (expenses)		9,750	(3,634)	(23,959)	(7,821)
Profit before income tax		24,565	66,551	28,728	151,776
Income tax expense	13	(12,823)	(28,689)	(32,111)	(64,990)
Profit for the period		11,742	37,862	(3,383)	86,786
Atributable to :					
Owners of the parent	21	13,864	39,549	1,092	91,467
Non-controlling interests		(2,122)	(1,687)	(4,475)	(4,681)
Profit or loss for the period		11,742	37,862	(3,383)	86,786
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:					
Common shares	21	0.481	1.373	0.038	3.173
Investment shares	21	0.004	0.014	0.000	0.032

Minsur S.A. and Subsidiaries

Interim condensed consolidated statements of cash flows

For the Six-months period ended June 30, 2015 and 2014 (unaudited)

	Note	As of June 30, 2015	As of June 30, 2014
		US$(000)	US$(000)
Operating activities			
Collection from customers		325,892	504,101
Interest received		6,430	536
Payments to suppliers		(181,261)	(194,231)
Payroll and social benefit payments		(83,397)	(92,386)
Interest paid		(20,275)	(19,318)
Other (payments) receipts related to the activity, net		(45,584)	(102,460)
Net cash flows (used in) provided by operating activities		1,805	96,242
Investing activities			
Proceeds from sale of property, plant and equipment		25	145
Repayment of investments in associates		-	11,871
Purchase of property, plant and equipment		(24,947)	(31,483)
Purchase of intangibles		(429)	-
Others		2,543	3,508
Net cash flows used in investing activities		(22,808)	(15,959)
Financing activities			
Proceeds from borrowings		23,954	459,734
Dividends paid		(49,973)	(49,996)
New contributions of minority	14 (d)	3,120	7,740
Repayment of borrowings		(677)	(200,000)
Others		(11,718)	(8,921)
Net cash flows provided by financing activities		(35,294)	208,557
Net (decrease) increase in cash and cash equivalents		(56,297)	288,840
Net exchange difference		(2,464)	(56)
Cash and cash equivalents as of January 1	3	407,882	221,326
Cash and cash equivalents as of June 30	3	349,121	510,110