CONSOLIDATED RESULTS FOURTH QUARTER 2019

MINSUR S.A. AND SUBSIDIARIES

For further information please visit www.minsur.com or contact:

In Lima:

Joaquin Larrea
CFO
Email: joaquin.larrea@minsur.com
Tel: (511) 215-8300 Ext. 8444

Javier La Torre
Corporate Finance Manager
Email: javier.latorre@minsur.com
Tel: (511) 215-8300 Ext. 8090

Investor Relations
Email: contacto_IR@minsur.com

MINSUR S.A. AND SUBSIDIARIES ANNOUNCE CONSOLIDATED RESULTS FOR FOURTH QUARTER OF 2019

Lima, March 02, 2020 – 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 ("4Q19") and twelve months ("2019") periods ended December 31, 2019. 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.

EXECUTIVE SUMMARY 2019

2019 was a challenging year for Minsur; however, the company managed to achieve several key milestones such as:

- Safety: Zero fatal accidents and Minsur was awarded with the National Mining Prize for the project "Heading towards zero accidents, managing High Potential Events (HPE)"
- Operations: Tin and gold production above guidance
- Projects:
    - B2: Construction and commissioning of the B2 project completed in line with planned schedule and budget, and with 4.2 million-man hours worked without any incapacitating accident
    - Mina Justa: the total progress of the project is 72.5%, against 71.3% planned according to the baseline
- Taboca: Turnaround consolidation, generated EBITDA of US$ 36 M
- Explorations: Increase of mineral resources in San Rafael with 1.9 Mt of ore and ~44 kt of contained tin
- Costs: Pucamarca remained as one of the gold mine operations with the lowest cost in the world
- Ore Sorting: Extension of the Ore Sorting operation in San Rafael with the use of material deposited in the waste dump (low grade ore)
- Sustainability: Implementation of actions recommend by ICMM according to established schedule

During 2019 we had high volatility in metal prices, which were affected by the international context: i) uncertainty originated by the US-China trade war, ii) trade tensions between Japan and South Korea, and iii) Brexit. In the first semester the average tin price was $ 20,400 /t; however, in the second half of the year it fell to an average of $ 17,000 /t. On the other hand, this context benefited gold price, which registered an average $ 1,400 /oz. Faced with this unfavorable scenario for the Tin industry, management had a strong focus on productivity and costs reduction in every operation unit with the main goal of preserving the expected margins of the year and the cash position of the company, which improved our bottom line even further and helped us achieve a solid financial position, in line with our mining plans and long-term growth projects.

From the financial perspective in 2019, results were above plan. Net sales reached US$ 711.5 M, 3% above the same period of the previous year (US$ 693.8 M). In addition, an EBITDA of US$ 251.1 M was generated, 6% below the previous year. And there was a net profit of US$ 62.8 M, 42% below 2018. It is important to mention that the net profit of 2018 was positively impacted by the recovery of the return of taxes paid in excess in 2002. Excluding extraordinary effects, the adjusted net income was US$ 68.5 M at 2019, 75% above 2018.

Similarly, during 2019, dividends were distributed for US$ 66 M, corresponding to the refund of overpaid taxes for the 2002 period. Additionally, in 2019 taxes paid in excess in the period 2004-2005 were also refunded.

I. 4Q19 HIGHLIGHTS AND EXECUTIVE SUMMARY

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

Highlights	Unit	4Q19	4Q18	Var (%)	2019	2018	Var (%)
Production							
Tin (Sn)	t	6,894	6,505	6%	25,684	24,838	3%
Gold (Au)	oz	24,993	29,251	-15%	101,799	103,299	-1%
Ferro Niobium and Ferro Tantalum	t	1,167	1,040	12%	3,904	3,982	-2%
Financial Results							
Net Revenue	US$ M	180.8	179.2	1%	711.5	693.8	3%
EBITDA	US$ M	58.0	58.1	0%	251.2	266.8	-6%
EBITDA Margin	%	32%	32%	-	35%	38%	-
Net Income	US$ M	13.7	14.0	-2%	62.8	108.2	-42%
Adjusted Net Income[1]	US$ M	15.9	-1.2	-	68.5	39.2	75%

Executive Summary:

a. Operating Results

In 4Q19, the company registered mixed operating results compared to the same period of the previous year; tin and ferroalloys production was higher (+6% and +13%, respectively), while gold production was lower (-15%). In every case, the result was within the production guidance and in line with the mining plan established for each operating unit. On the one hand, the higher refined tin production in Pisco is explained by higher volume of ore from San Rafael fed to the smelting plant (+10%) compared to the same period of the previous year, partially offset by lower refined tin production in Pirapora (-6%). On the other hand, lower gold production was explained by lower volume fed to the Leeching Pad (-2%) and lower gold head grade placed on the Pad (-13%).

In 2019, higher tin production was explained by higher volume of ore treated in the concentration plant (+6%) and greater head grade (+6%). Nevertheless, there was a slightly decrease in gold and ferroalloys production (-1% and -2%, respectively). However, production was in line with the production guidance and with the mining plan established for each operating unit.

b. Financial Results

In 4Q19, sales were higher by 1% compared to the same period of the previous year, mainly due to higher sold volumes of tin (+6%), gold (+6%) and ferroalloys (+13%), as well as to higher gold price (+21%). These effects were partially offset by lower tin and ferroalloys prices (-13% and -26%, respectively). EBITDA was in line with and Net Income was 2% lower than the same period of the previous year.

During 2019, the net income reached US$ 62.8 M, 42% below that of 2018, mainly explained by the refund of overpaid taxes of the 2002 period during 2018.

[1] Adjusted net income = Net income excluding financial results from Subsidiaries and Associates - exchange rate difference: overpaid taxes of the 2002 period

II. MAIN CONSIDERATIONS

a. Average metal prices:

- **Tin**: Average Tin Price in 4Q19 was US$ 16,716 per ton, a 13% decrease compared to 4Q18. During 2019, average Tin Price was US$ 18,607 per ton, 8% below last year's average.

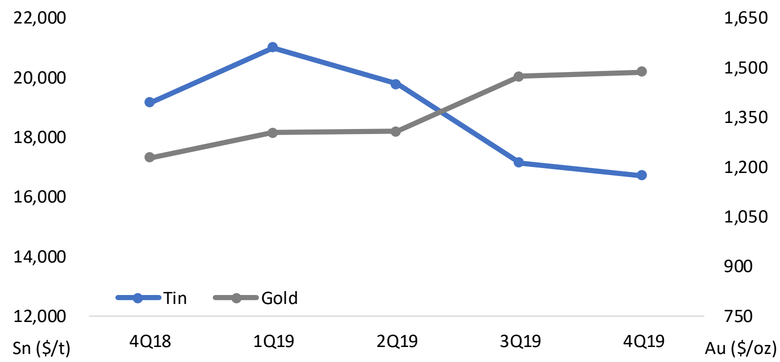
- **Gold**: Average Gold Price in 4Q19 was US$ 1,489 per ounce, 21% higher than the same period of the previous year. During 2019, average gold price was US$ 1,397 per ounce, an increase of 10% compared to last year's average.

Table N° 2: Average metal prices

Average Metal Prices	Unit	4Q19	4Q18	Var (%)	2019	2018	Var (%)
Tin	US$/t	16,726	19,182	-13%	18,597	20,155	-8%
Gold	US$/oz	1,490	1,231	21%	1,398	1,269	10%

Source: Bloomberg

Graph N° 1: Average metal prices trend



Source: Bloomberg

b. Exchange rate:

The average exchange rate for the Peruvian Sol during 4Q19 was S/ 3.36 per US$ 1, in line with 4Q18 (S/ 3.36 per US$ 1). Furthermore, at the close of 2018, the average exchange rate was S/. 3.29 per US$ 1, while at the close of 4Q19 it increased to S/. 3.34 per US$ 1.

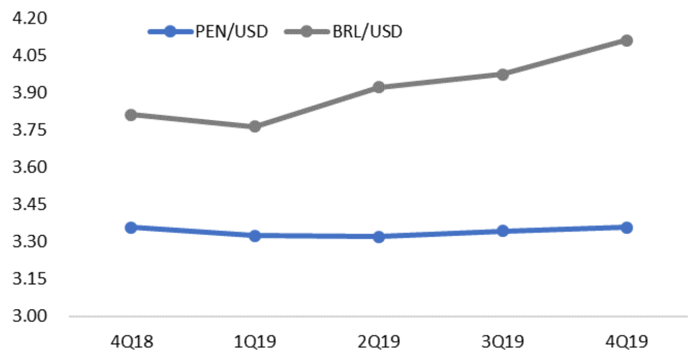
The average exchange rate for the Brazilian Real during 4Q19 was R$ 4.11 per US$ 1, which represented an 8% depreciation compared to the average exchange rate during 4Q18 (R$ 3.81 per US$ 1). At the end of 2018, exchange rate for Brazilian Real was R$ 3.65 per US$ 1, while at the close of 2019 it increased to R$ 3.95 per US$ 1.

Table N° 3: Exchange Rate

Average Exchange Rate	Unit	4Q19	4Q18	Var (%)	2019	2018	Var (%)
PEN/USD	S/	3.36	3.36	0%	3.34	3.29	1%
BRL/USD	R$	4.11	3.81	8%	3.95	3.65	8%

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

Graph N° 2: Average exchange rate trend



III. Safety

Table N° 11: Safety

Safety Indicators Detail	Unidad	4T19	4T18	Var (%)	2019	2018	Var (%)
Lost Time Injury (LTI)	#	2.0	4.0	-50%	10.0	9.0	11%

In terms of safety, in 4Q19 we had two (02) Lost Time Injuries (LTI´s), concluding the year 2019 with ten (10) LTIs and zero fatalities. Since 2016 Minsur has not registered any fatal accident in its operations and projects.

In 2019, we registered 31.7 million man-hours worked and achieved a frequency rate of incapacitating accidents of 0.37, which meant a reduction of 67% compared to 2018. Additionally, in 2019 we achieved a frequency index of recordable injuries of 1.61, which consolidates us as referents in safety in the mining industry in Peru and Brazil and place ourselves in the higher fifth on safety performance among mining companies associated with the ICMM.

Also, we continue with the development of Mina Justa project, achieving a remarkable performance in safety in mining projects in Peru, and we conclude the B2 project with zero LTIs.

In 4Q19, we received the National Mining Prize, the highest award granted by the Institute of Mining Engineers of Peru in PERUMIN 2019 for the presentation of the technical work **"Heading towards Zero accidents, managing high potential events in Mining".**

We continue working to improve our safety culture, including that of our strategic partners, aligned with the ICMM initiatives.

IV. OPERATING MINING RESULTS:

a. San Rafael – Pisco (Peru):

Table N° 4: San Rafael - Pisco Operating Results

San Rafael - Pisco	Unit	4Q19	4Q18	Var (%)	2019	2018	Var (%)
Ore Treated	t	445,233	539,299	-17%	1,981,097	1,871,288	6%
Head Grade	%	1.85	1.79	4%	1.86	1.75	6%
Tin production (Sn) - San Rafael	t	5,049	4,843	4%	20,273	18,601	9%
Tin production (Sn) - B2	t	467	-	-	467	-	-
Tin production (Sn) - Pisco	t	5,368	4,886	10%	19,675	18,339	7%
Cash Cost per Treated Ton[2] - San Rafael	US$/t	77.87	55.84	39%	65.47	64.05	2%
Cash Cost per Ton of Tin[3]	US$/t Sn	8,974	8,312	8%	8,627	8,662	0%

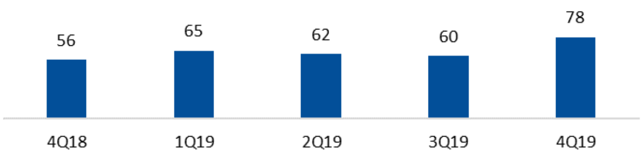
In 4Q19, refined tin production at Pisco reached 5,368 tons, 10% higher than in 4Q18, mainly due to higher volume of ore fed to the smelting plant (+7%). Tin production in San Rafael reached 5,049 tons, 4% higher than the same period of the previous year, mainly explained by higher head grade of ore fed to the concentration plant (+4%). Cash cost per treated ton at San Rafael in 4Q19 was $ 78, +39% above 4Q18, mainly explained by greater linear advances in the mine and increased mineral extraction (+4%).

During 2019, tin production at San Rafael was 9% higher than the previous year, mainly because the pre-concentration ore sorting plant did not operate during 1Q18 due to maintenance. In Pisco, the refined tin production was 7% higher than 2018, mainly due to higher volume of ore fed. Cash cost during 2019 was $65, slightly above 2018 (+2%), mainly explained by lower volume of ore treated during the first quarter of 2018 due to maintenance work in the pre-concentration ore sorting plant.

With these results we conclude 2019 with a production higher than the year's guidance and with costs in the lower limit of the established range.

It is important to mention that, as part of the commissioning phase of our B2 project, 432 tons of fine of concentrate were produced in B2, which has started commercial production in 2020.

Graph N° 3: Cash Cost per treated ton trend - San Rafael



[2]Cash Cost per treated ton = San Rafael production cost / ore treated (ore mine to concentrated plant +low-grade ore to ore sorting pre-concentration plant)

[3]Cash Cost per ton of tin = (San Rafael and Pisco production costs + selling expenses + change in tin concentrates inventory, excluding workers profit sharing, depreciation and amortization) / (tin Production, in tons)

Cash cost per ton of tin in 4Q19 was US$ 8,974, 8% above 4Q18, mainly explained by higher production cost of the mine due to greater linear advances in the mine and increased mineral extraction. In average in 2019 cash cost per ton of tin was US$ 8,627, like that of 2018.

Finally, it is important to note that a drilling campaign to replenish resources at San Rafael is being currently held. During the quarter, 0.3 Mt of ore containing 5.8 kt of tin were identified. During 2019, 1.9 Mt of ore were identified, which is equivalent to 44.2 kt of contained tin.

b. Pucamarca (Peru):

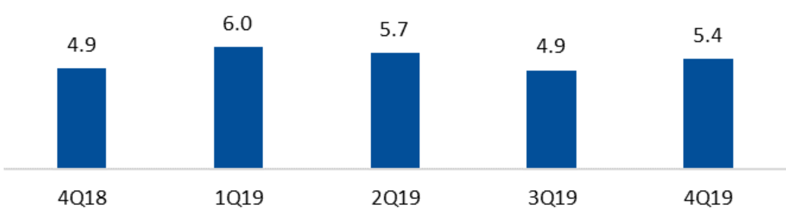
Table N° 5. Pucamarca Operating Results

Pucamarca	Unit	4Q19	4Q18	Var (%)	2019	2018	Var (%)
Ore Treated	t	2,159,216	2,214,407	-2%	8,220,833	8,168,163	1%
Head Grade	g/t	0.54	0.61	-13%	0.59	0.57	3%
Gold production (Au)	oz	24,993	29,251	-15%	101,799	103,299	-1%
Cash Cost per Treated Ton	US$/t	5.4	4.9	9%	5.5	4.4	23%
Cash Cost per Ounce of Gold[4]	US$/oz Au	466	375	24%	441	352	25%

In 4Q19, gold production reached 24,993 ounces, a 15% decrease compared to the same period of the previous year. This decrease in gold production is mainly due to lower volume fed to Leeching Pad (-13%) and lower gold head grace placed on the Leeching Pad (-2%). Cash cost per treated ton at Pucamarca was US$ 5.4 in 4Q19 vs US$ 4.9 in 4Q18, a 9% increase, mainly due to the advancement of dismount work, in order to optimize our geotechnical parameters. It is important to mention that the production and cost remain in line with the established mining plan.

During 2019, production was 101,799 ounces of gold, slightly below (-1%) previous year production, mainly explained by lower recovery rate (-2%) due to fine material processing, according to plan. Cash cost per treated ton for 2019 was US$ 5.5, 23% higher tan the same period last year. With these results, production was above and cost at the lower limit of our guidance.

Graph N° 4: Cash Cost per treated ton trend – Pucamarca



Cash cost per gold ounce[4] in 4Q19 was US$ 466, which is 24% higher compared to 4Q18, mainly due to higher production cost and lower gold production as explained above. During 2019, cash cost per ounce of gold was US$ 441, an increase of 25% compared to 2018.

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

c. Pitinga – Pirapora (Brazil):

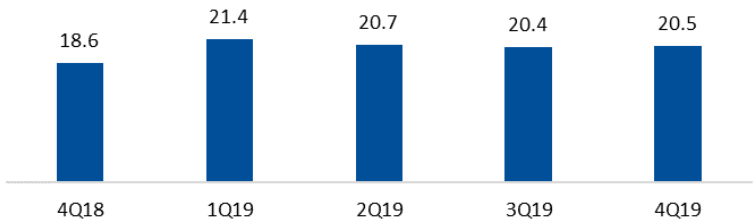
Table N°6. Pitinga – Pirapora Operating Results

Pitinga - Pirapora	Unit	4Q19	4Q18	Var (%)	2019	2018	Var (%)
Ore Treated	t	1,472,072	1,599,606	-8%	6,013,609	6,130,428	-2%
Head Grade - Sn	%	0.20	0.20	-2%	0.20	0.20	-4%
Head Grade - NbTa	%	0.26	0.27	-4%	0.25	0.26	-4%
Tin production (Sn) - Pitinga	t	1,597	1,726	-7%	6,559	6,814	-4%
Tin production (Sn) - Pirapora	t	1,525	1,619	-6%	6,009	6,498	-8%
Niobium and tantalum alloy production	t	1,167	1,040	12%	3,904	3,982	-2%
Cash Cost per Treated Ton	US$/t	20.5	18.6	10%	20.7	20.2	3%
By-product credits Cash Cost per Ton of Tin[5]	US$/t Sn	10,630	7,586	40%	10,795	8,572	26%

On the one hand, in 4Q19, refined tin production at Pitinga reached 1,597 tons, a decrease of 7% compared to 4Q18, mainly due to lower ore treated (-8%) and lower tin head grade (-2%). At Pirapora, refined tin production reached 1,525 tons, a decrease of 6% compared to the same period of the previous year, mainly because in 2018 the furnace was fed with a stock of old smelting process waste with contained tin. On the other hand, production of ferroalloys reached 1,167 tons in 4Q19, 12% above that of the same period of the previous year, mainly explained by higher NbTa head grade and higher recovery rate (+15% and +5%, respectively). During 2019, refined tin production at Pirapora reached 6,009 tons, 8% below 2018, and production of ferroalloys reached 3,904, 2% below 2018. However, in both cases, the results were higher than the annual production guidance.

Cash cost per treated ton at Pitinga was US$ 20.5 in 4Q19, a 10% increase compared to 4Q18, mainly due to lower ore treated (-8%). During 2019, the cash cost per treated ton reached US$ 20.7, 3% above 2018, mainly explained by i) lower ore treated (-2%), ii) higher costs associated with the greater ferroalloys production (+12%) and iii) unscheduled maintenance of trucks and equipment, partially offset to a lower cost in US$ dollars resulting from the devaluation of the Brazilian Real. Despite this increase, we generated savings opportunities to offset the higher cost of the accumulated period and finished the year with results slightly above guidance.

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



Furthermore, by-product[5] cash cost, which recognizes the value of by-products as a credit, was US$ 10,630 per ton in 4Q19, a 40% increase compared to 4Q18. The higher by-product cash cost was due to a lower average price of ferroalloys (-26%) and a lower tin production (-4%)

[5] 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)

V. CAPEX AND EXPANSION:

a. CAPEX – in operation and projects

In 4Q19, CAPEX was US$ 213.0 M, an increase of 11% compared to 4Q18, mainly due to the execution of the Mina Justa project. The major investments during the period were:

Table N°7. CAPEX

CAPEX	Unit	4Q19	4Q18	Var (%)	2019	2018	Var (%)
San Rafael - Pisco	US$ M	10.3	9.2	12%	24.9	18.3	36%
Pucamarca	US$ M	2.5	12.4	-80%	6.9	30.2	-77%
Pitinga - Pirapora	US$ M	12.3	1.5	748%	25.6	10.3	149%
Others		1.8	0.0	-	3.7	0.0	-
Sustaining Capex	**US$ M**	**26.9**	**23.0**	**17%**	**61.2**	**58.8**	**4%**
B2	US$ M	27.6	37.2	-26%	112.0	78.2	43%
Marcobre	US$ M	158.5	131.1	21%	729.8	257.0	184%
Capex Expansion	**US$ MM**	**186.1**	**168.3**	**11%**	**841.8**	**335.1**	**151%**
Total Capex	**US$ MM**	**213.0**	**191.3**	**11%**	**903.0**	**393.9**	**129%**

- **San Rafael - Pisco**: Tailings dam
- **Pucamarca:** Equipment renewal
- **Taboca:** Equipment renewal
- **B2:** Execution and closing phase of the project
- **Marcobre:** Execution phase of the project

b. Expansion Projects

i. B2 Project

- **Objective:** Treat and recover tin contained in the tailings deposit known as B2
- **Location:** Inside San Rafael, Puno
- **Resources:** Measured Resources 7.6 Mt @1.05% Sn
- **Production and Life of Mine:** ~50 Kt of Sn contained in concentrates
- **Life of mine:** 9 years
- **Cash cost average LOM:** ~ U$ 5,500 / fine ton
- **Capex executed:** US$ 171 M, below the guidance (US$ 200 M)
- **Progress:** At the end of December of 2019, the construction and commissioning of B2 project was completed, one month ahead of schedule and in line with the established plan
- **Safety:** The construction was completed achieving zero lost time injury with 4.2 million man-hours worked

- **Main activities during the period:**
  - ✓ The Project Closure Program started to reach the production ramp-up and the balance of auxiliary infrastructure
  - ✓ Since October, the concentrate produced by B2 was sent to Pisco for processing. Cumulatively, the production was 476 tons of tin contained, above the plan
  - ✓ The head grade of concentrate produced and recovery rate are above plan

ii. Marcobre Project

- **Objective:** Mine, treat and recover copper from the deposit known as Mina Justa
- **Description:** Mineralization of Mina Justa consists of two types of ore: a layer of shallow copper oxides and a layer of deeper cooper sulphides located below the copper oxide. Currently, the Mineral Processing Infrastructure Execution stage is being developed, as well as pre-mining activities. In addition, the tailing depot is being built
- **Location:** San Juan de Marcona, Ica
- **Resources:** Measured Resource 374 Mt @0.71% Cu
- **Production:** ~640 Kt of Cu in cathodes and ~828 Kt of Cu in concentrates
- **Life of Mine:** 16 years
- **Cash cost average LOM:** ~ US$ 1.38 / fine pound
- **Capex executed:** US$ 1,067 M executed, out of a total of US$ 1,600 M
- **Progress:** The cumulative progress is 72.5% versus 71.3% planned
- **Safety:** The project reported 01 lost time injury during the 4Q19 and 05 during the all year 2019. Mina Juta's safety performance is remarkable as the LTI frequency rates or the Lost Time Injury Frequency Rate remains at a world-class low of 0.35 for a project of this complexity and given the significant number of people involved. Still, safety remains a challenge, and is our key priority
- **Main activities during the period:**
  - ✓ Cumulative pre-stripping production reached 64.6 Mt (47.5% vs 47.3%)
  - ✓ In the oxides plant, began assembly for the first gantry bridge for the extraction and unloading of rubble. Bottom mounting and rack pipe installation of the vats continue
  - ✓ In the sulphides plant, Jameson cells and drive system in the grinding area were installed and unloading stacker was assembled
  - ✓ Port´s sulfuric acid tanks were painted and settlement testing was completed

VI. FINANCIAL RESULTS:

Table N°9. Financial Statements

Financial Statements	Unit	4Q19	4Q18	Var (%)	2019	2018	Var (%)
Net Revenue	US$ M	180.8	179.2	1%	711.5	693.8	3%
Cost of Sales	US$ M	-113.4	-111.8	1%	-446.0	-411.6	8%
Gross Profit	**US$ M**	**67.4**	**67.4**	**0%**	**265.5**	**282.2**	**-6%**
Selling Expenses	US$ M	-2.3	-2.1	9%	-8.2	-7.7	7%
Administrative Expenses	US$ M	-16.5	-10.2	62%	-54.9	-51.2	7%
Exploration & Project Expenses	US$ M	-10.0	-9.6	4%	-41.6	-37.2	12%
Other Operating Expenses, net	US$ M	-2.6	-18.4	-86%	-2.7	-19.7	-86%
Operating Income	**US$ M**	**36.0**	**27.2**	**33%**	**158.1**	**166.5**	**-5%**
Finance Income (Expenses) and Others, net	US$ M	-11.4	2.2	-	-27.2	18.0	-
Results from Subsidiaries and Associates	US$ M	-8.8	1.8	-	-8.2	11.9	-
Exchange Difference, net	US$ M	6.6	0.0	-	-2.6	-23.7	-89%
Profit before Income Tax	**US$ M**	**22.5**	**31.2**	**-28%**	**120.1**	**172.7**	**-30%**
Income Tax Expense	US$ M	-8.8	-17.1	-49%	-57.2	-64.5	-11%
Net Income	**US$ M**	**13.7**	**14.0**	**-2%**	**62.8**	**108.2**	**-42%**
Net Income Margin	%	8%	8%	-	9%	16%	-
EBITDA	**US$ M**	**58.0**	**58.1**	**0%**	**251.2**	**266.8**	**-6%**
EBITDA Margin	%	32%	32%	-	35%	38%	-
Adjusted Net Income	**US$ M**	**15.9**	**-1.2**	**-**	**68.5**	**39.2**	**75%**

a. Net Revenue:

In 4Q19, net revenue reached US$ 180.9 M, slightly above that of the same period of the previous year (+1%). This increase is mainly explained by the higher sold volumes of tin (+6%), gold (+6%) and ferroalloys (+13%), as well as the higher gold price (+21%), offset by lower tin and ferroalloys prices (-13% and -26%, respectively).

During 2019, net revenue reached US$ 711.5 M, US$ 17.7 M above 2019, mainly due to higher sold volumes of tin (+9%), gold (+4%) and higher gold prices (+10%), partially offset by lower sold volumes of ferroalloys (-5%) and lower tin and ferroalloys prices (-8%, -12%, respectively)

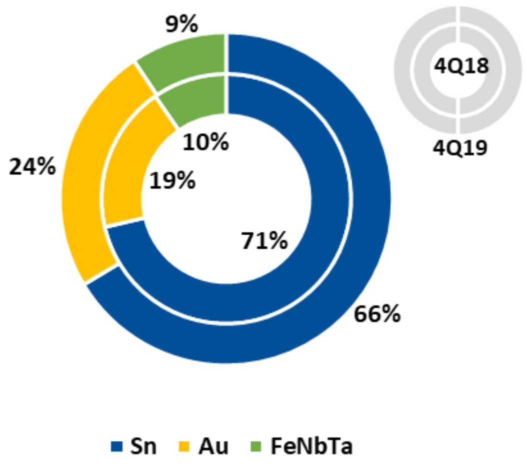
Table N°10. Net revenue Volume by product

Net Revenue Volume	Unit	4Q19	4Q18	Var (%)	2019	2018	Var (%)
Tin	t	6,874	6,456	6%	26,138	23,891	9%
San Rafael - Pisco	t	5,407	4,780	13%	20,092	17,483	15%
Pitinga - Pirapora	t	1,467	1,677	-13%	6,046	6,409	-6%
Gold	oz	28,955	27,189	6%	105,643	101,177	4%
Niobium and Tantalum Alloy	t	1,041	918	13%	3,775	3,958	-5%

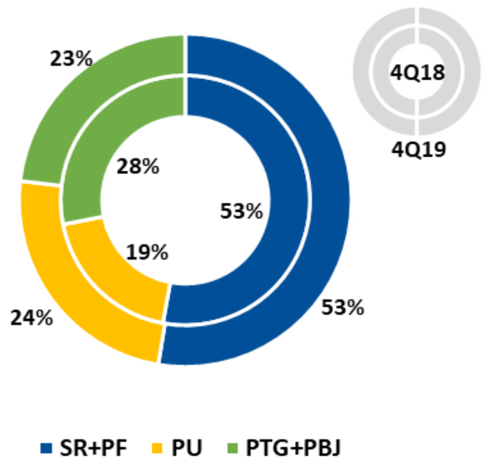
Table N°11. Net revenue in US$ by product

Net Revenue by Metal	Unit	4Q19	4Q18	Var (%)	2019	2018	Var (%)
Tin	US$ M	120.0	127.9	-6%	492.7	492.6	0%
San Rafael - Pisco	US$ M	95.1	94.8	0%	379.6	360.6	5%
Pitinga - Pirapora	US$ M	24.9	33.1	-25%	113.1	132.0	-14%
Gold	US$ M	43.8	34.1	29%	150.0	130.9	15%
Niobium and Tantalum Alloy	US$ M	16.9	17.2	-2%	68.8	70.3	-2%
TOTAL	**US$ M**	**180.8**	**179.2**	**1%**	**711.5**	**693.8**	**3%**

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



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



b. Cost of Sales:

Table N°12. Cost of Sales breakdown

Cost of Sales	Unit	4Q19	4Q18	Var (%)	2019	2018	Var (%)
Production Cost	US$ M	85.7	76.9	11%	337.9	314.1	8%
Depreciation	US$ M	21.1	28.4	-25%	91.0	95.9	-5%
Workers profit share	US$ M	3.0	5.7	-48%	12.8	14.3	-10%
Variation of stocks and others	US$ M	3.6	0.9	312%	4.3	-12.7	-
Total	**US$ M**	**113.4**	**111.8**	**1%**	**446.0**	**411.6**	**8%**

In 4Q19, cost of sales reached US$ 113.4 M, 1% above to the cost of sales reported in 4Q18, mainly due to higher sales volume of tin, gold and ferroalloys (+6%, +6% and +13%, respectively). Likewise, in 2019, cost of sales reached US$ 446.0 M, up 8% compared to 2018, mainly due to higher sales volume of tin and gold (+9% and +4%, respectively) and higher costs associated to advancement of dismount work in Pucamarca and higher costs in San Rafael due to the operation of the pre-concentration ore sorting plant in 2019, because in 1Q18 the ore sorting plant was under maintenance.

c. Gross Profit:

Gross profit during 4Q19 was US$ 67.4 M, in line with the same period of the previous year. Gross profit in 2019 was 6% lower compared to the 2018, as a result of the effects in the cost of sales explained above.

d. Administrative Expenses:

Administrative expenses in 4Q19 were US$ 16.5 M, an increase of 62% (US$ 6.3 M) compared to the same period of last year. This increase was primarily due to the reclassification of administrative expenses of the Mina Justa project to fixed assets in 4Q18, in accordance with the update of our accounting policy.

During 2019, administrative expenses reached US$ 54.9 M, a 7% increase compared to 2018, mainly explained by higher consulting fees carried out to maximize the value of our operations and higher personnel expenses, which were partially compensated with a lower expense in services provided by third parties and various management charges.

e. Exploration and Project Expenses:

In 4Q19, exploration & project expenses totaled US$ 10.0 M, a 4% increase compared to the same period of last year, due to higher spending on operating units, which during the year was partially offset by the partial postponement of exploration activities due to the impact of the international market context on the tin price.

During 2019, exploration and project expenses totaled US$ 41.6 M, 12% above 2018, mainly explained by an extension of the brownfield exploration program of Marcobre, in order to add value to the surrounding areas to the Mina Justa project.

f. EBITDA:

4Q19 EBITDA reached US$ 58.0 M, in line with the same period of the previous year. The EBITDA margin in 4Q19 was 32%, similar to 4Q18. During 2019, EBITDA reached US$ 251.2 M, US$ 15.6 M below than 2018, mainly explained by the lower gross profit explained above.

g. Results from Subsidiaries and Associates:

In 4Q19, results from subsidiaries and associates reached -US$ 8.8 M, a US$ 10.6 M decrease compared to the same period of the previous year. During 2019, results reached -US$ 8.2 M, a US$ 20.2 M decrease compared to 2018.

h. Finance income and expenses

The net financial expenses in 4Q19 were -US$ 11.4M vs US$ 2.2 M registered in the same period of the previous year. This difference is explained by the refund of overpaid taxes of the 2002 period received in 4Q18. Similarly, 2019 registered -US$ 27.2 M vs US$ 18.0 in 2018; as we mentioned before, 2018 was favored by the refund of overpaid taxes of 2002.

i. Income Tax:

In 4Q19, Minsur accrued -US$ 8.8 M on income tax expense vs -US$ 17.1 in 4Q18, mainly due to i) exchange rate effect for having dollar as functional currency for accounting purposes and soles for tax purposes, and ii) lower profit before taxes compared to the same period of the previous year (-28%).

During 2019 we registered -US$ 57.2 M of tax expense, 11% lower than that of 2018. The difference is explained by i) exchange rate effect for having dollar as functional currency for accounting purposes and soles for tax purposes, ii) lower profit before taxes compared to the same period of the previous year and iii) the refund of overpaid taxes of the 2002 period.

j. Net Income and Adjusted Net Income:

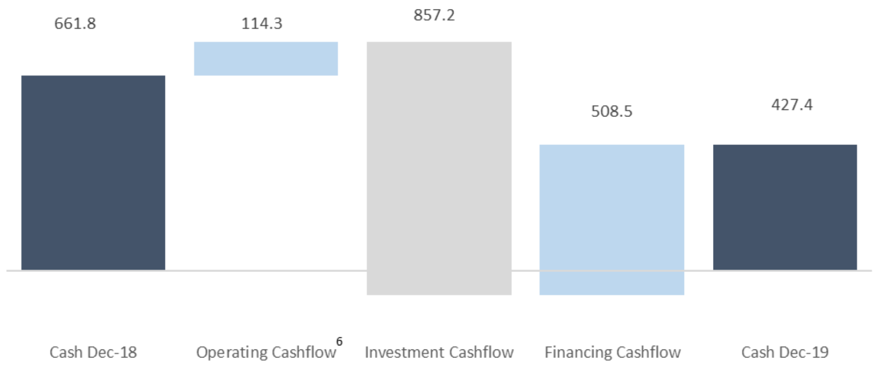
In 4Q19, the company registered a net income of US$ 13.7 M, a decrease of US$ 0.3 M vs. 4Q18, mainly due to i) the return of overpaid taxes for the sale of Backus shares and ii) negative results of associates. Likewise, in 2019, net income was US$ 62.8 M, 42% lower than last year. This difference is mainly explained by the refund of overpaid taxes during 2002 in 2018.

Excluding (i) extraordinary effects, (ii) the results of subsidiaries and associates, and (iii) the exchange difference, the adjusted net income in 4Q19 would amount to US$ 15.9 M, US$ 17.1 M higher than the same period of the previous year. This increase is mainly due to i) negative impact of a provision for impairment of net assets in Sillustani in 4Q18, and ii) higher taxes generated by a higher income before taxes in 4Q18 compared to 4Q19. Likewise, during 2019, excluding (i) extraordinary effects, (ii) the results of subsidiaries and associates, (iii) the exchange difference and (iv) the return of overpaid taxes, adjusted net income would reached US$ 68.5 M, US$ 29.3 higher than 2018, mainly explained by (i) the provision for impairment explained above and ii) higher taxes generated by higher income before taxes in 2018 compared to 2019.

VII. LIQUIDITY:

As of December 31st, 2019, cash and cash equivalents totaled US$ 427.4 M, a 35% decreased compared to December 2018 (US$ 661.8 M). This was mainly due to investment cash flow of US$ 857.2 M, which was partially offset by operating[6] cash flow of US$ 114.3 M and financial cash flow of US$ 508.5 M, including US$ 468.0 M from the Mina Justa project financing, US$ 122.9 M contributions from Alxar and dividend payments in Minsur for US$ 66.0 M. It is worth mentioning that the operating cash flow includes a tax payment of US$ 44.1 M in Mina Justa, which will be recovered through the Special Regime for General Sales Tax Early Recovery.

Graph N°8: Cash Flow Reconciliation



In terms of debt, total financial debt as of December 31st, 2019 reached US$ 1,095.4 M, 71% higher than the total debt reported at the end of 2018 (US$ 639.6 M), mainly due to the Mina Justa project financing. Net leverage ratio reached 2.7x as of December 31, 2019, vs. -0.1x at the end of 2018.

Table N°13. Net Debt Bank

Financial Ratios	Unit	Dec-19	Dec-18	Var (%)
Total Debt Bank	US$ M	1,095.4	639.6	71%
Minsur 2024 Bond	US$ M	443.4	442.1	0%
Taboca	US$ M	149.7	127.9	17%
Marcobre	US$ M	502.3	69.7	621%
Cash	US$ M	427.4	661.8	-35%
Cash and Equivalents	US$ M	133.2	251.9	-47%
Term deposits with original maturity greater than 9	US$ M	212.7	309.7	-31%
Certificates without public quotation	US$ M	0.0	40.6	-100%
Comercial papers	US$ M	81.5	59.6	37%
Net Debt	US$ M	668.0	-22.1	-3116%
Total Debt / EBITDA	x	4.4x	2.4x	82%
Net Debt / EBITDA	x	2.7x	-0.1x	-

[6]Operating cash Flow includes a tax payment of US$ 44.1 M in Mina Justa, which will be recovered through the Special Regime for General Sales Tax Early Recovery

Graph N°9: Evolution Net Debt Bank

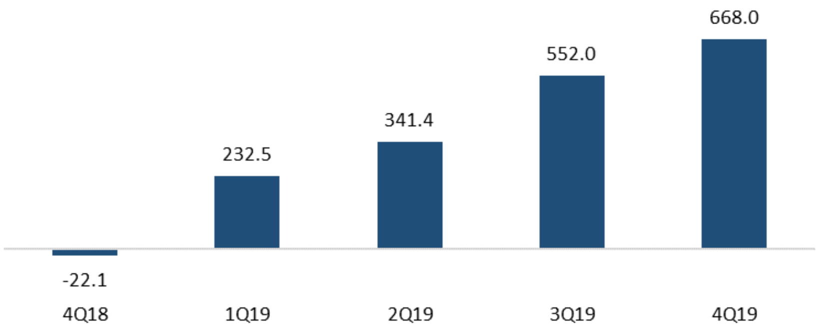


Table N°14. Current Credit Ratings

Rating Agency	Given Rating	Outlook
Fitch Ratings	BBB-	Negative
S&P Global Ratings	BBB-	Negative

VIII. Guidance 2019

Operating Unit	Metric	Guidance
San Rafael/Pisco	Refined Tin Production (tons)	20,000 - 23,000
	Cash Cost per treated ton at San Rafael (US$)	100 -105
	CAPEX (US$ M)	50-55
Pucamarca	Gold production (koz)	70 – 80
	Cash Cost per treated ton (US$)	4.5 – 5.5
	CAPEX (US$ M)	28 – 30
Pitinga / Pirapora	Refined tin production (tons)	6,200 – 6,500
	Ferroalloys production (tons)	3,800 – 3,900
	Cash Cost per treated ton at Pitinga (US$)	20.0 - 21.0
	CAPEX (US$ M)	30 – 35

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 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 Marcobre S.A.C., which manages a copper ore project called Mina Justa, located in the district of San Juan de Marcona, in Ica.