CONSOLIDATED RESULTS FOURTH QUARTER 2020

MINSUR S.A. AND SUBSIDIARIES

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MINSUR S.A. AND SUBSIDIARIES ANNOUNCE CONSOLIDATED RESULTS FOR FOURTH QUARTER OF 2020

Lima, March 01, 2021 – 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 fourth quarter ("4Q20") and twelve months ("2020") periods ended Dec 31, 2020. 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 2020

2020 was a challenging year for Minsur, where due to the pandemic caused by COVID-19, we had to face a new context to operate where we improved our health and safety standards beyond official requirements. However, the company managed to achieve several key milestones such as:

- Operations were restarted after the mandatory quarantine settled by the government including safety and health protocols beyond official requirements
- We achieved very important progress in Mina Justa project that allowed us to get closer to the operational phase:
    - Total advance of 98.8% vs. 97.3% according to the baseline, with a disabling accident frequency rate of 0.18 (vs. 0.90 world class)
    - Progress in commissioning of 58.4% vs 52.1% according to the baseline
- Ramp-up completed and expected design parameters reached in B2 project
- Pisco's smelter plant capacity has been increased to levels around 5,870 tones fed per month mainly due to initiatives implemented by our lean management program "Lingo"
- Taboca's turn-around was reconfirmed, in 2020 Taboca attained an EBITDA of US$ 37 MM, +US$ 1 MM above 2019, and achieved a positive EBITDA for the fourth consecutive year
- Taboca's debt was partially refinanced for US$ 105 MM

During 2020 our operations were impacted by government quarantine and lockdown measures established as a result of the COVID -19 pandemic. There was also high volatility in metal prices, in 1H20 tin price fell to $ 13,400 / t and in the subsequent months, it had a significant recovery upwards reaching levels above $ 20,500 / t. The full-year average tin price in 2020 was $ 17,155 / t. Gold's average price rose during the year to $ 2,063 / oz, its highest level in the last 9 years.

Faced with this scenario, our focus was on improving productivity, reducing costs and expenses in all our operations, with all required measures to preserve the safety and health of all our collaborators. This was done to maintain the expected margins and the strong cash position, which has allowed us to continue with financial strength. On the operational side, we ended the year in line with our new mining plans and long-term growth project schedule.

Financial results in 2020 remain strong. Despite the lower sales compared to 2019 (-9%), it was possible to attain an EBITDA of US$ 267.5 MM, US$ 16.4 MM higher than 2019 (US$ 251.1 MM), mainly due to a favorable environment in the price of gold, the strategic decision to temporarily postpone exploration investments, and the reduction of overhead costs to protect the financial strenght of the company. Besides, a net profit of US$ -2.3 MM was registered, US$ 65.1 MM lower compared to 2019, mainly due to negative results in our associates, where Taboca had a significant negative impact due to non-cash impacts driven by the Brazilian currency devaluation.

I. 4Q20 HIGHLIGHTS AND EXECUTIVE SUMMARY

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

Highlights	Unit	4Q20	4Q19	Var (%)	2020	2019	Var (%)
Production							
Tin (Sn)	t	7,959	6,894	15%	25,072	25,684	-2%
Gold (Au)	oz	25,433	24,993	2%	80,215	101,799	-21%
Ferro Niobium and Ferro Tantalum	t	901	1,167	-23%	3,484	3,904	-11%
Financial Results							
Net Revenue	US$ M	203.5	180.8	13%	649.2	711.5	-9%
EBITDA	US$ M	89.4	57.9	54%	267.5	251.1	7%
EBITDA Margin	%	44%	32%	-	41%	35%	-
Net Income	US$ M	47.8	13.7	248%	-2.3	62.8	-
Adjusted Net Income[1]	US$ M	30.0	15.9	88%	30.9	68.5	-55%

Executive Summary:

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

All operations are strictly complying with and beyond the protocols required in the context of the COVID-19 pandemic to work safely. These protocols have been representing additional costs for our operations; however, it is essential and a priority to maintain the health and safety of all our people. Additionally, our main-headquarter staff remain working from home.

b. Operating Results

During 4Q20, refined tin and gold production were above the same period of the previous year by + 15% and + 2% respectively. On the other hand, ferroalloys were -23% below the 4Q19 period. This higher production of tin is mainly due to the higher production coming from B2 and the higher production in Pitinga. It is important to mention that, from this year onwards, Pucamarca's annual gold production will be lower than the previous years, which is aligned with its estimated life of mine. Finally, despite the impact of COVID-19 on operations, we managed to exceed the annual production plans in tin and gold, and we were below in ferroalloys.

c. Financial Results

The financial results obtained during 4Q20 were higher than 4Q19; sales and EBITDA were up + 13% and + 54%, respectively. Higher sales during 4Q20 are mainly due to the higher sold volume of tin (+ 11%) and better tin prices (+ 13%). However, the sold volume of gold and ferroalloys was lower (- 17%) and (-28%) respectively. The lower sold volume of gold was partially offset by a higher price (+ 26%). Regarding EBITDA, it was higher due to the positive impact of sales for the reasons explained above, and due to the temporary postponement of explorations (- US$ 6.8 MM vs 4Q19) and the reduction in overhead expenses (- US$ 1.7 MM vs 4Q19). Net income was US$ 47.8 MM, (+ 248%) above 4Q19, mainly due to higher EBITDA. Finally, adjusted net income, which excludes results in

[1] Adjusted net income = Net income excluding financial results from Subsidiaries and Associates - exchange rate difference: taxes paid in excess in 2002 (repayment in 2019 US$ 5.2 MM)

subsidiaries, exchange difference, and extraordinary effects items, reached US $ 30.0 MM, 88% higher than the same period of the previous year.

II. MAIN CONSIDERATIONS

a. Average metal prices:

- **Tin**: Average tin price in 4Q20 was US$ 18,851 per ton, an increase of 13% compared to the same period of the previous year. In 2020, the average tin price was US$ 17,155 per ton, 8% below last year's average.

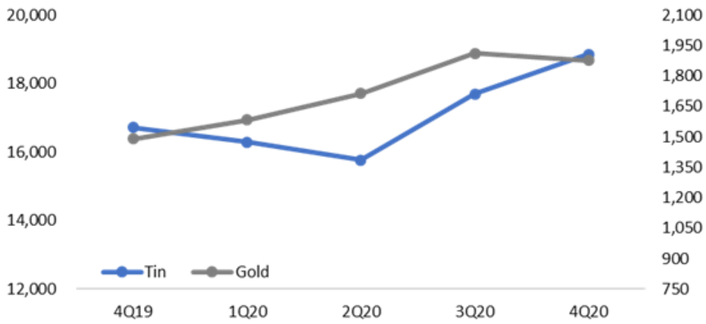
- **Gold**: Average gold price in 4Q20 was US$ 1,876 per ounce, 26% higher than the same period of the previous year. In 2020, the average gold price was US$ 1,772 per ounce, an increase of 27% compared to last year's average.

Table N° 2: Average metal prices

Average Metal Prices	Unit	4Q20	4Q19	Var (%)	2020	2019	Var (%)
Tin	US$/t	18,851	16,697	13%	17,155	18,645	-8%
Gold	US$/oz	1,876	1,483	26%	1,772	1,393	27%

Source: Bloomberg

Graph N° 1: Average metal prices trend



Source: Bloomberg

b. Exchange rate:

The Peruvian Sol average exchange rate for 4Q20 was S/ 3.60 per US$ 1, 7% higher than that of 4Q19 (S/ 3.36 per US$ 1). At the end of 2019, exchange rate was S/ 3.34 per US$ 1, while at the end of 2020 it increased to S/ 3.50 per US$ 1.

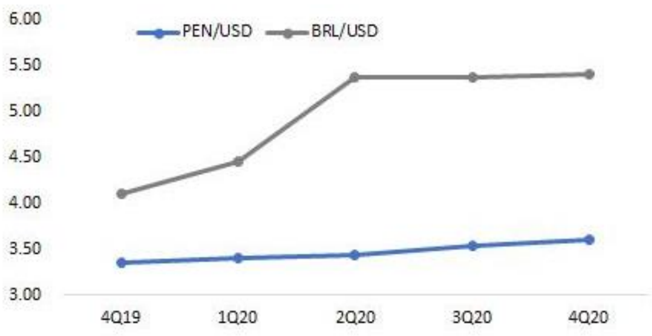
The average exchange rate for the Brazilian Real during 4Q20 was R$ 5.40 per US$ 1, which represented a 31% depreciation compared to the average exchange rate during 4Q19 (R$ 4.11 per US$ 1). At the end of 2019, exchange rate for Brazilian Real was R$ 3.95 per US$ 1; and increased to R$ 5.16 per US$ 1 at the end of 4Q20.

Table N° 3: Exchange Rate

Average Exchange Rate	Unit	4Q20	4Q19	Var (%)	2020	2019	Var (%)
PEN/USD	S/	3.60	3.36	7%	3.50	3.34	5%
BRL/USD	R$	5.40	4.11	31%	5.16	3.95	31%

Source: 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	Unit	4Q20	4Q19	Var (%)	2020	2019	Var (%)
Lost Time Injury (LTI)	#	6	2	200%	14	10	40%

In terms of safety, 2020 was a year with excellent performance in our Mina Justa project, classified as one of the safest greenfield mining projects developed in the country and receiving the safety plate in the gold category after surpassing the milestone of 7 million man-hours without lost-time injuries. On the other hand, our operating unit's safety performance was not as expected, we had 12 lost-time injuries and on the project's side, we had 2. However, we registered 0.58 as lost-time injury index per million man-hours worked versus an average of the Peruvian mining industry of 1.73.

IV. OPERATING MINING RESULTS:

a. San Rafael – Pisco (Peru):

Table N° 4: San Rafael - Pisco Operating Results

San Rafael - Pisco	Unit	4Q20	4Q19	Var (%)	2020	2019	Var (%)
Ore Treated	t	304,748	445,233	-32%	972,152	1,981,097	-51%
Head Grade	%	1.99	1.85	8%	1.90	1.86	3%
Tin production (Sn) - San Rafael	t	5,433	5,049	8%	17,458	20,273	-14%
Tin production (Sn) - B2	t	1,285	466.92	-	3,190	466.92	-
Tin production (Sn) - Pisco	t	6,137	5,368	14%	19,592	19,675	0%
Cash Cost per Treated Ton[2] - San Rafael	US$/t	122.40	77.87	57%	112.07	65.47	71%
Cash Cost per Ton of Tin[3]	US$/t Sn	9,389	8,204	14%	8,472	8,485	0%

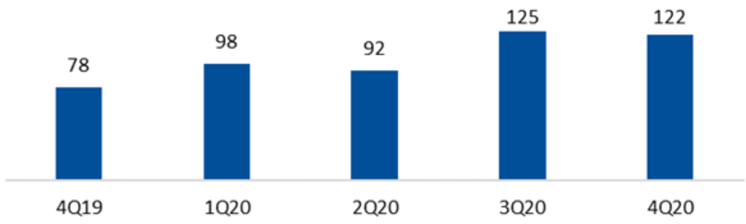
In 4Q20, tin contained production in San Rafael reached 5,433 tons, 8% above the period 4Q19, mainly due to higher head grades. The refined tin production in Pisco was 6,137 tons, 14% above

4Q19, due to the higher production of B2 and the increase in the smelter's treatment capacity after the improvements implemented by the "Lingo" lean management program.

Cash cost per treated ton at San Rafael in 4Q20 was $122, 57% higher than 4Q19, mainly explained by the lower volume of treated in the ore sorting plant (-32%) and the higher costs associated with the implementation of protocols to deal with the pandemic. The higher volume of mineral treated in 4Q19 corresponds to low-grade material fed into the concentration plant through our Ore-Sorting process.

In 2020, production of San Rafael was 14% lower than the same period of the previous year, mainly due to the shorter operating time caused by the pandemic. In B2, full-year production was 3,190 tons of tin contained. In Pisco smelter, tin refined production was in line with 2019, because B2 production partially offset the decrease in San Rafael's production. Cash cost per treated ton during 2020 was $112, 71% above 2019 average, mainly due to the lower volume of ore treated and the additional costs resulting from the implementation of protocols in our operations.

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



Cash cost per ton of tin[3] in 4Q20 was US$ 9,389, 14% higher than 4Q19, mainly explained by the new costs of health and safety protocols. However, the accumulated cash cost per ton of tin reached US$ 8,472, which is in line with the previous year.

b. Pucamarca (Peru):

Table N° 5. Pucamarca Operating Results

Pucamarca	Unit	4Q20	4Q19	Var (%)	2020	2019	Var (%)
Ore Treated	t	2,246,684	2,159,216	4%	7,572,278	8,220,833	-8%
Head Grade	g/t	0.53	0.54	-1%	0.48	0.59	-18%
Gold production (Au)	oz	25,433	24,993	2%	80,215	101,799	-21%
Cash Cost per Treated Ton	US$/t	5.8	5.4	7%	5.4	5.5	0%
Cash Cost per Ounce of Gold[4]	US$/oz Au	527	479	10%	531	452	17%

In 4Q20, gold production reached 25,433 ounces, 2% above compared to the same period of last year. This difference is driven mainly by higher mineral placed in the leaching PAD (+ 4%). Cash cost

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

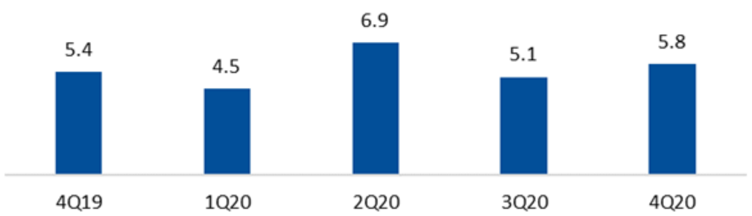
[3] Cash Cost per ton of tin = (San Rafael and Pisco production costs + selling expenses + change in tin concentrates inventory, excluding employee profit sharing, depreciation and amortization) / (Tin Production, in tons)

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

per treated ton at Pucamarca was US$ 5.8 in 4Q20 vs. US$ 5.4 in 4Q19, an increase of 7%, mainly due to higher costs associated with health and safety protocols implemented.

In 2020, production was 80,215 ounces of gold, 21% below the same period of the previous year. Additionally, cash cost per treated ton was US$ 5.4, in line with 2019, when operating expenses were higher due to additional tonnes mined from the pit to optimize our geotechnical parameters. This effect was partially offset by the lower volume of ore treated in 2020 and higher costs as a result of new health and safety Covid-19 protocols.

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



Cash cost per ounce of gold[4] in 4Q20 was US$ 527, an increase of 10% compared to 4Q19, mainly due to higher costs as a result of new health and safety Covid-19 protocols. The cash cost per ounce of gold of 2020 was US$ 531, 17% higher than 2019.

c. Pitinga – Pirapora (Brazil):

Table N°6. Pitinga – Pirapora Operating Results

Pitinga - Pirapora	Unit	4Q20	4Q19	Var (%)	2020	2019	Var (%)
Ore Treated	t	1,668,284	1,472,072	13%	5,959,314	6,013,609	-1%
Head Grade - Sn	%	0.20	0.20	0%	0.20	0.20	1%
Head Grade - NbTa	%	0.26	0.26	3%	0.26	0.25	4%
Tin production (Sn) - Pitinga	t	1,772	1,597	11%	6,148	6,559	-6%
Tin production (Sn) - Pirapora	t	1,822	1,525	19%	5,480	6,009	-9%
Niobium and tantalum alloy production	t	901	1,167	-23%	3,484	3,904	-11%
Cash Cost per Treated Ton	US$/t	15.7	20.5	-24%	15.8	20.7	-24%
By-product credits Cash Cost per Ton of Tin[5]	US$/t Sn	8,367	10,630	-21%	8,221	10,795	-24%

In 4Q20, tin production in Pitinga reached 1,772 tons, which represents an increase of +11% compared to the same period of the previous year, mainly due to a higher volume treated (+13%). At Pirapora, refined tin production was 1,828 tons, 19% higher compared to 4Q19, due to a higher tonnage and grade of concentrate received from Pitinga mine. On the other hand, the production of ferroalloys in 4Q20 was 901 tons, 23% below the same period of the previous year, due to a lower feed at the high-grade slags plant and a lower NbTa recovery. During 2020, the production of refined tin was 5,480 and that of ferroalloys was 3,484 tons, -9% and -11% below 2019 respectively, reflecting the Covid-19 impact on the production.

Pitinga's cash cost per treated ton in 4Q20 was US$ 15.7, 24% lower than that reported in 4Q19, mainly due to a higher tonnes treated compared to the same period of the previous year (+ 13%).

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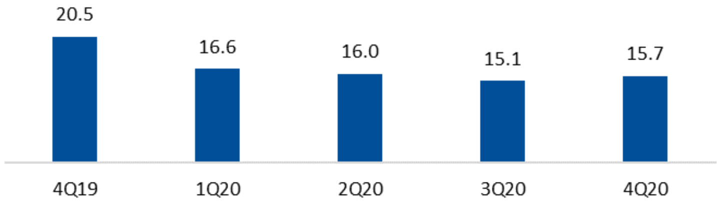
[4] Cash Cost per ounce of gold = (Pucamarca production cost + selling expenses, excluding employee profit sharing, depreciation and amortization) / (Gold production in ounces)

During 2020, the cost per treated ton was US $ 15.8, 24% below 2019, mainly due to the impact of the devaluation of the local currency (+ 31%, R $ 5.16 vs R $ 3.95).

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



By-product cash cost[5], which recognizes the value of by-products as a credit, was US$ 8,367 per ton in 4Q20, a 21% decrease compared to 4Q19. The lower by-product cash cost was explained by the lower costs impacted by the devaluation of the local currency explained above, partially offset by ferroalloy's lower production.

V. CAPEX AND EXPANSION:

a. CAPEX – in operation and projects

In 4Q20, Capex was US$ 169.7 M, which represents a decrease of 20% compared to what was invested in 4Q19, when the B2 project was still under construction. Capital disbursements for the execution of our Mina Justa project were lower by 25% compared to the same period of the previous year, but in line with the plan. Additionally, the operating units main investments were related to sustaining Capex.

Table N°7. CAPEX

CAPEX	Unit	4Q20	4Q19	Var (%)	2020	2019	Var (%)
San Rafael + B2	US$ M	27.9	9.8	186%	46.0	23.6	95%
Pisco	US$ M	0.4	0.5	-29%	2.8	1.3	117%
Pucamarca	US$ M	16.0	2.5	544%	22.2	6.9	221%
Pitinga - Pirapora	US$ M	6.8	12.3	-44%	15.0	25.6	-41%
Others		0.0	1.8	-100%	0.0	3.7	-100%
Sustaining Capex	**US$ M**	**51.1**	**26.9**	**90%**	**86.0**	**61.2**	**41%**
B2	US$ M	0.0	27.6	-100%	0.0	112.0	-100%
Marcobre	US$ M	118.6	158.5	-25%	468.1	729.8	-36%
Expansion Capex	**US$ MM**	**118.6**	**186.1**	**-36%**	**468.1**	**841.8**	**-44%**
Total Capex	**US$ MM**	**169.7**	**213.0**	**-20%**	**554.1**	**903.0**	**-39%**

- **San Rafael – B2**: Construction and re-growth of tailings dam
- **Pucamarca:** PAD mine
- **Taboca:** Equipment renewal and maintenance
- **Marcobre:** Execution phase of the project

[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)

b. Expansion Projects

i. Marcobre Project

- **Objective:** Mine, treat and recover copper from the deposit known as Mina Justa
- **Description:** Mina Justa deposit consists of a primary mineralization of copper sulfites at depth overlain by a secondary mineralization of copper oxides to a depth of 180-200 meters. Currently, the mineral processing and tailings storage facilities are in the late stage of construction, as well as pre-stripping activities. Besides, the tailing depot is being built.
- **Location:** San Juan de Marcona, Ica
- **Resources:** Measured and Indicated Resources 381 Mt @0.74% 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$ 1,546 MM executed, out of a total of US$ 1,610 MM
- **Progress:** The cumulative progress was close to 98.8% compared to 97.3% planned
- **Safety:** During 2020 they registered 02 disabling accidents.
- **Main activities during the period**
  - ✓ Port and multi-buoy terminal constructions have been completed.
  - ✓ We receive approvals of the following:
    - Modification of the benefit concession for the construction of the tailings dam in its optimized design
    - Start of mining activities (execution of the mining plan in all its phases)
    - Registry of Chemical Inputs and Fiscalized Goods - IQBF for the use of sulfuric acid in operational activities in the mine
    - Port operation license for the multi-buoy terminal
  - ✓ Delivery to the TSF (Tailings Storage Facility) operations area, port and multi-buoy station, acid mine tanks, laboratory in the oxide plant and truck workshop
  - ✓ Progress of 99.5% and 99.4% in the construction of the oxide and sulfide plant, respectively

VI. FINANCIAL RESULTS:

Table N°9. Financial Statements

Financial Statements	Unit	4Q20	4Q19	Var (%)	2020	2019	Var (%)
Net Revenue	US$ M	203.5	180.8	13%	649.2	711.5	-9%
Cost of Sales	US$ M	-118.0	-113.4	4%	-412.7	-446.0	-7%
Gross Profit	**US$ M**	**85.5**	**67.4**	**27%**	**236.5**	**265.5**	**-11%**
Selling Expenses	US$ M	-2.7	-2.3	16%	-7.2	-8.2	-12%
Administrative Expenses	US$ M	-13.7	-16.5	-17%	-43.4	-54.9	-21%
Exploration & Project Expenses	US$ M	-3.1	-10.0	-68%	-12.8	-41.6	-69%
Other Operating Expenses, net	US$ M	-1.8	-2.6	-32%	-1.7	-2.7	-36%
Operating Income	**US$ M**	**64.2**	**36.0**	**78%**	**171.4**	**158.1**	**8%**
Finance Income (Expenses) and Others, net	US$ M	-16.9	-11.4	49%	-57.7	-27.2	112%
Results from Associates	US$ M	7.6	-8.8	-	5.2	-8.2	-
Exchange Difference, net	US$ M	10.2	6.6	56%	-38.4	-2.6	1375%
Profit before Income Tax	**US$ M**	**65.1**	**22.5**	**190%**	**80.4**	**120.1**	**-33%**
Income Tax Expense	US$ M	-17.3	-8.8	98%	-82.7	-57.2	45%
Net Income	**US$ M**	**47.8**	**13.7**	**248%**	**-2.3**	**62.8**	**-**
Net Income Margin	%	23%	8%	-	0%	9%	-
EBITDA	**US$ M**	**89.4**	**57.9**	**54%**	**267.5**	**251.1**	**7%**
EBITDA Margin	%	44%	32%	-	41%	35%	-
Depreciation	US$ M	25.2	21.9	15%	96.2	93.0	3%
Adjusted Net Income[6]	**US$ M**	**30.0**	**15.9**	**88%**	**30.9**	**68.5**	**-55%**

a. Net Revenue:

In 4Q20, net sales reached US$ 203.5 MM, which represented an increase of 13% compared to 4Q19. This increase is explained by the higher sold volume of tin (+ 11%) and the better price received (+ 13%). The lower sale of gold is due to the lower sold volume (-17%) and was partially offset by a higher price (+ 26%). On the other hand, the lower sale of ferroalloys is mainly due to the lower sold volume (-39%).

Table N°10. Net revenue Volume by product

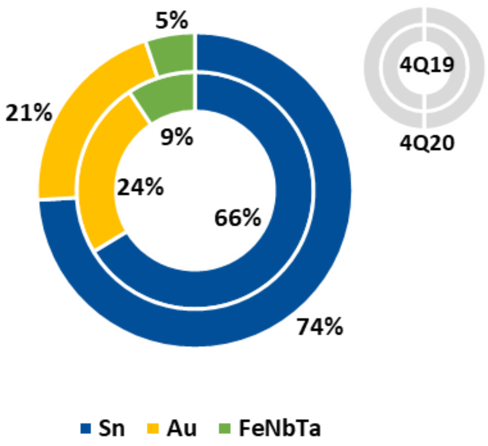
Net Revenue Volume	Unit	4Q20	4Q19	Var (%)	2020	2019	Var (%)
Tin	t	7,632	6,874	11%	25,735	26,138	-2%
San Rafael - Pisco	t	5,858	5,407	8%	20,410	20,092	2%
Pitinga - Pirapora	t	1,774	1,467	21%	5,325	6,046	-12%
Gold	oz	24,094	28,955	-17%	80,869	105,643	-23%
Niobium and Tantalum Alloy	t	751	1,041	-28%	3,324	3,775	-12%

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

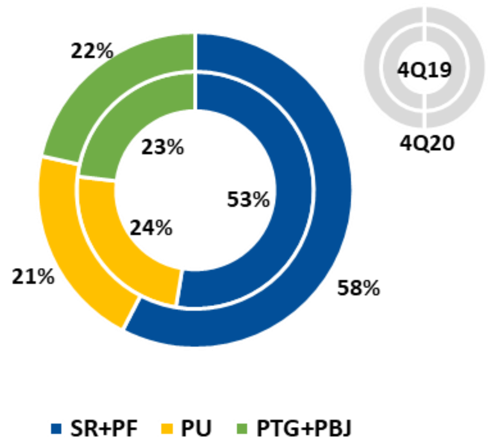
Net Revenue by Metal	Unit	4Q20	4Q19	Var (%)	2020	2019	Var (%)
Tin	US$ M	150.7	120.0	26%	458.4	492.6	-7%
San Rafael - Pisco	US$ M	117.3	95.1	23%	365.1	379.8	-4%
Pitinga - Pirapora	US$ M	33.4	24.9	34%	93.4	112.8	-17%
Gold	US$ M	42.4	43.8	-3%	136.7	150.0	-9%
Niobium and Tantalum Alloy	US$ M	10.4	16.9	-39%	54.0	68.8	-22%
TOTAL	**US$ M**	**203.5**	**180.8**	**13%**	**649.2**	**711.5**	**-9%**

[6] Adjusted net income = Net income excluding financial results from Subsidiaries and Associates - exchange rate difference: taxes paid in excess in 2002 (repayment in 2019 US$ 5.2 MM)

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	4Q20	4Q19	Var (%)	2020	2019	Var (%)
Production Cost	US$ M	96.5	85.7	13%	299.1	337.9	-11%
Depreciation	US$ M	27.7	21.1	31%	88.6	91.0	-3%
Workers profit share	US$ M	3.1	3.0	4%	8.9	12.8	-30%
Variation of stocks and others[7]	US$ M	-9.3	3.6	-357%	16.1	4.3	274%
Total	**US$ M**	**118.0**	**113.4**	**4%**	**412.7**	**446.0**	**-7%**

Cost of sales in 4Q20 was US $ 118.0 MM, which represented an increase of 4% compared to the same period of 2019. This effect is mainly explained by the higher volume of tin sold and higher depreciation due to the start of operations of B2. It is important to mention that production costs have been affected by the new health and safety protocols implemented in the context of the pandemic.

[7] Variation of stocks and others includes costs not absorbed by normal production capacity

c. Gross Profit:

Gross profit for 4Q20 was US$ 85.5 MM, which meant an increase of US$ 18.2 MM compared to the same period of 2019, mainly due to the higher sold volume of tin and better price (+ 13%), as well as the higher gold price (+ 26%). The gross margin achieved in 4Q20 was 42% versus 37% achieved in 4Q19.

d. Selling expenses:

Selling expenses in 4Q20 were US$ -2.7 M, US$ 0.4 M higher than the same period of the previous year, mainly explained by higher tin sales.

e. Administrative Expenses:

Administrative expenses in 4Q20 were US$ 13.7 MM, which meant a decrease of 17% compared to 4Q19, due to a reduction in consulting and services to mitigate the impact of the production stop, as well as the lower participation of workers.

f. Exploration and Project Expenses:

In 4Q20, exploration and project expenses were US$ 3.1 MM, which meant a reduction of US$ 6.9 MM compared to the same period of the previous year, mainly due to the temporary postponement of some exploration activities due to Covid-19.

g. EBITDA:

EBITDA in 4Q20 was US$ 89.4 MM, which meant an increase of US$ 31.4 MM compared to the same period of the previous year, mainly due to the higher gross profit explained above, and in addition to the efficiency and savings plans in administrative expenses and explorations. The EBITDA margin for 4Q20 was 44%, above the margin reached in the same period of 2019.

h. Results from Associates:

In 4Q20, the results from associates were US$ 7.6 MM, an increase of US$ 16.3 MM compared to the same period of the previous year. During 2020, it registered US$ 5.2 MM, which meant an increase of US$ 13.4 MM compared to 2019.

i. Exchange difference, net

The exchange difference in 4Q20 was US$ +10.2 M vs US$ +6.6 M registered in 4Q19. This effect is mainly explained by the impact of Brazilian devaluation on Taboca’s balance sheet.

j. Finance income and expenses

The net financial expenses in 4Q20 were US$ -16.9 MM vs US$ -11.4 MM registered in 4Q19. The difference is mainly explained by the interest capitalization that comes from the financing associated with the B2 project in 2020, due to its start of operations.

k. Income Tax:

In 4Q20, we registered income tax expenses of US$ 17.3 MM, which is US$ 8.5 MM above 4Q19, mainly due to the higher operating results for the reported period.

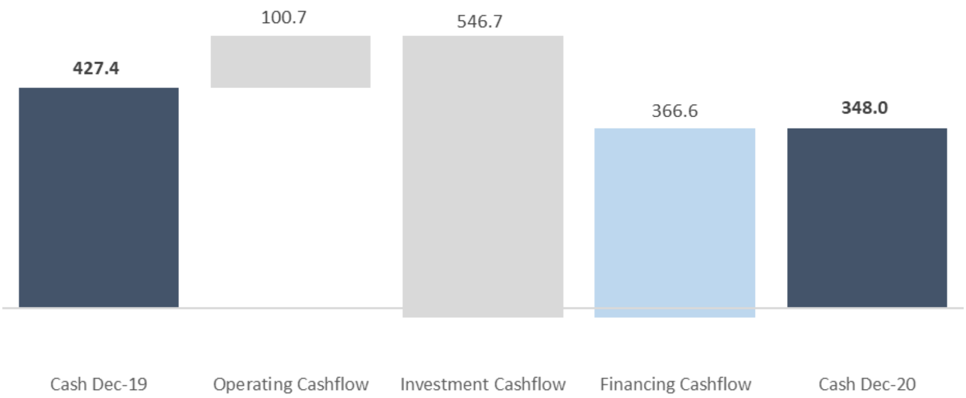
l. Net Income and Adjusted Net Income:

Net income in 4Q20 was US$ 47.8 MM, while in 4Q19 it was US$ 13.7 MM, mainly due to higher EBITDA and the result from associates. Excluding the extraordinary effects, the results in associates and the exchange difference, the adjusted net income in 4Q20 was US$ 30.0 MM, which is US$ 14.1 MM above what was registered in 4Q19.

VII. LIQUIDITY:

As of December 31st, 2020, the cash balance and cash equivalents were US $ 348.0 MM, 19% lower than at the end of 2019 (US$ 427.4 MM). This difference is mainly explained by the generation of operating flows of +US$ 100.7 MM, investment flows of -US$ 546.7 MM and financing flows of + US$ 366.6 MM. The financing flows consider US $ 270.0 MM from the financing of the Mina Justa project, US$ 93.4M from contributions from Alxar and US$ 3.2 MM from financing from Taboca.

Graph N°8: Cash Flow Reconciliation



Regarding debt levels, bank financial obligations as of December 31st, 2020 amounted to US$ 1,359.8 MM, 27% above the end of 2019 (US$ 1,095.4 MM), mainly due to the financing of our Mina Justa project. The EBITDA net debt ratio reached 3.8x as of December 31, 2020 vs 2.7x at the end of 2019.

Table N°13. Net Debt Bank

Financial Ratios	Unit	Dec - 20	Dec-19	Var (%)
Total Debt Bank	US$ M	1,359.8	1,095.4	24%
Minsur 2024 Bond	US$ M	444.9	443.4	0%
Taboca	US$ M	149.0	149.7	0%
Marcobre	US$ M	765.9	502.3	52%
Cash	US$ M	348.0	427.4	-19%
Cash and Equivalents	US$ M	257.4	133.2	93%
Term deposits with original maturity greater than 90 days	US$ M	90.6	212.7	-57%
Comercial papers	US$ M	0.0	81.5	-100%
Net Debt	US$ M	1,011.8	668.0	51%
Total Debt / EBITDA	x	5.1x	4.4x	-
Net Debt / EBITDA	x	3.8x	2.7x	-
Total Debt / EBITDA (Attributable)[8]	x	3.9x	3.6x	-
Net Debt / EBITDA (Attributable)[8]	x	2.7x	1.9x	-

Graph N°9: Evolution Net Debt Bank

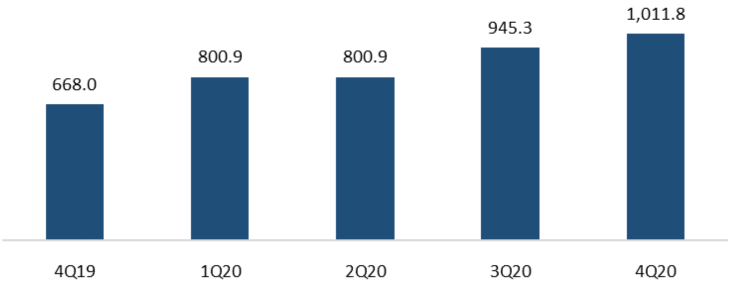


Table N°14. Current Credit Ratings

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

[8]Attributable: considers 60% of the cash, debt and EBITDA from Marcobre. Minsur owns 60% of Marcobre, while our partner Alxar has the remaining 40%.

VIII. Guidance 2021

Operating Unit	Metric	Guidance
San Rafael/ B2/ Pisco	Refined Tin Production (tons)	22,500 – 26,200
	Cash Cost per treated ton at San Rafael (US$)	96 - 112
	CAPEX (US$ M)	104 - 122
Pucamarca	Gold production (koz)	60 - 70
	Cash Cost per treated ton (US$)	5.1 – 6.0
	CAPEX (US$ M)	42 - 49
Pitinga / Pirapora	Refined tin production (tons)	5,900 – 6,900
	Ferroalloys production (tons)	3,400 – 3,900
	Cash Cost per treated ton at Pitinga (US$)	14.4 - 16.8
	CAPEX (US$ M)	27 - 31
Marcobre	Production (kt)	97 - 113
	Cash Cost per treated ton (US$)	18.0 – 21.0
	CAPEX (US$ M)	22 - 26

XI. Risk Management

The company has a financial reporting and consolidation area, which permanently validates that the financial information to be disclosed to the market is in accordance with IFRS and free from material errors.

The internal controls associated with the risks of the aforementioned function are evaluated and verified by an independent external auditor, who annually issues an opinion on the reasonableness of the Financial Statements and the evaluation of the internal control system to mitigate risks related to integrity and reliability of financial information.

Likewise, periodically, the Internal Auditor reports to the Audit Committee on work progress and deadlines compliance regarding the implementation of Internal and External Audit observations in accordance with the audit plan.

Finally, the company has a Risk area, in charge of managing the identified risk matrix, as well as evaluating and monitoring mitigation plan proposals.

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 operates 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.