



CORPORATE PRESENTATION 3Q13 RESULTS

**November 2013
Lima**

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Agenda

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Business and Operational Performance

Mr. Víctor Gobitz - CEO

2

Financial Highlights

Mr. Persio Morassutti - CFO

3

Closing Remarks

Mr. Persio Morassutti - CFO

Milpo's corporate strategy is based on four main pillars:

Mining Operations



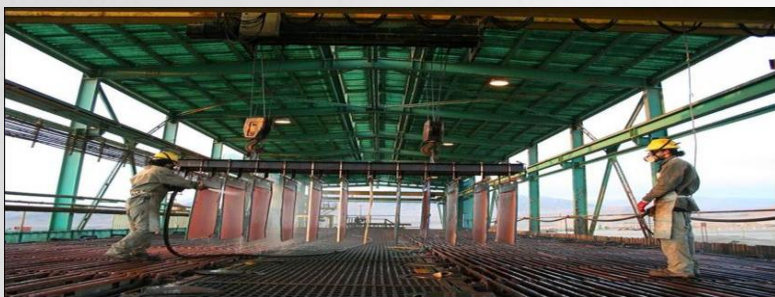
- ✓ The focus is increasing productivity:
 - Integration of the underground mines located in the Pasco Region, El Porvenir and Atacocha, in just one operational overhead.
 - Elimination of the main bottlenecks of Cerro Lindo: backfill and ventilation processes.

Corporate Office



- ✓ Focus on providing strategic services to the whole organization and reinforce tactical and operative capabilities on site.

Copper Operations on hold



- ✓ Continued brownfield exploration campaigns focused on identifying alternative mining plans, looking for free cash flow generation.

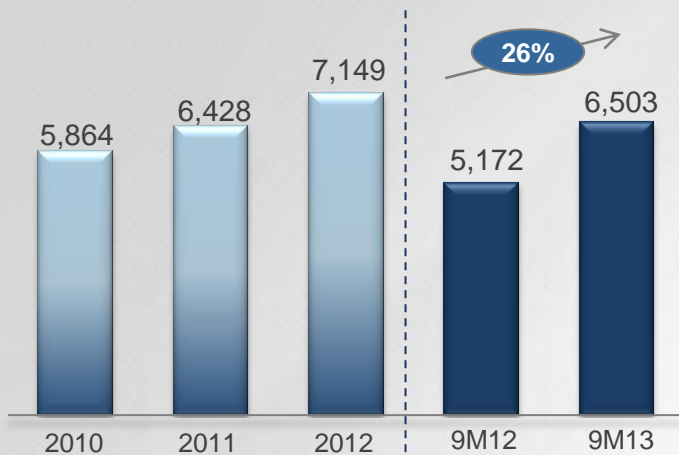
Greenfield Projects



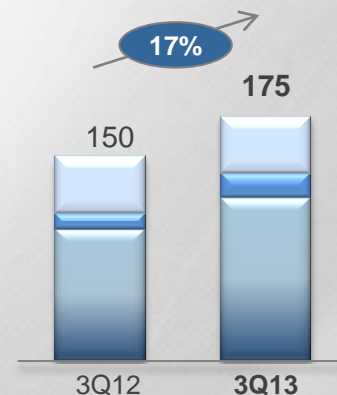
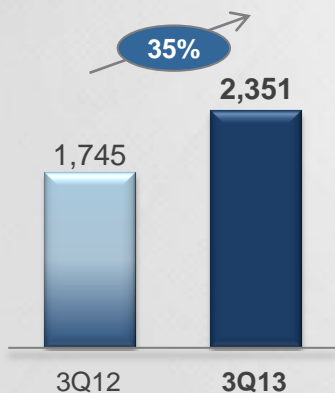
- ✓ The focus is to reduce the risks associated with its development through increased exploration and new development approaches, reducing capex and accelerating payback.

Milpo's consolidated operational performance

Ore Treated
(thousand of tonnes)



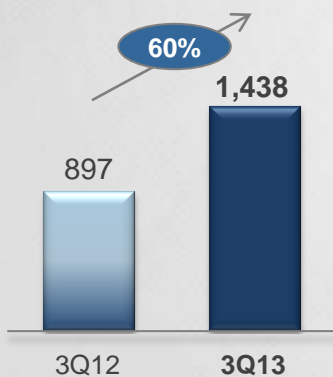
Concentrates production
(thousand of tonnes)



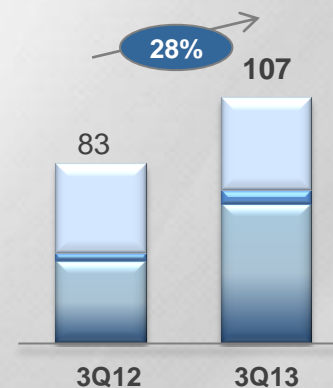
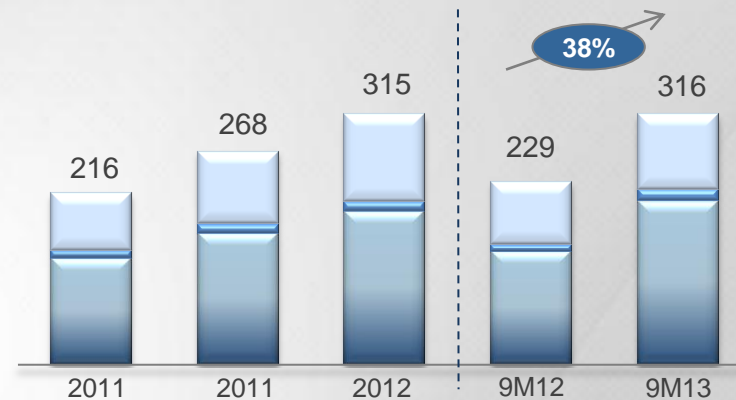
Zinc Lead Copper

Cerro Lindo's operational performance

Ore Treated
(thousand of tonnes)



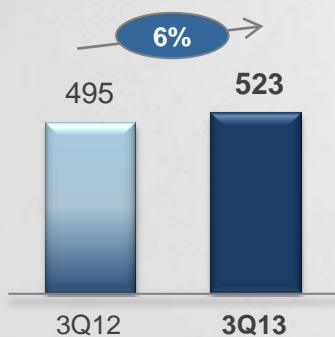
Concentrates production
(thousand of tonnes)



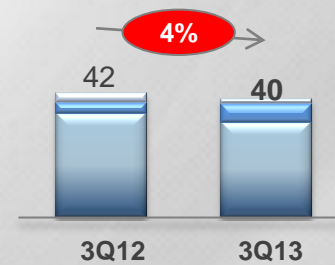
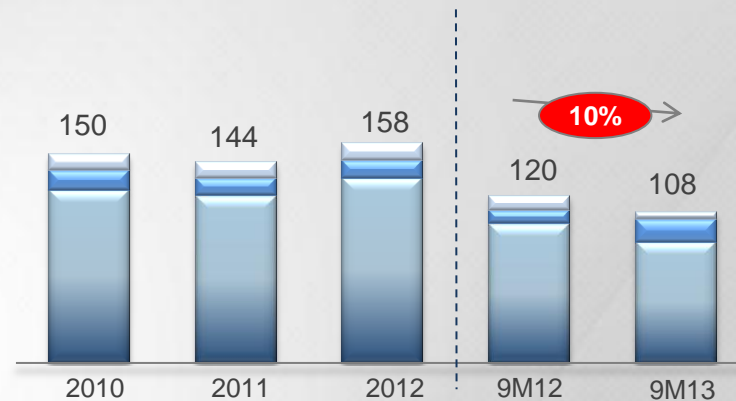
Zinc Lead Copper

El Porvenir's operational performance

Ore Treated
(thousand of tonnes)



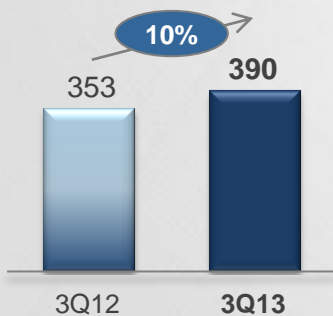
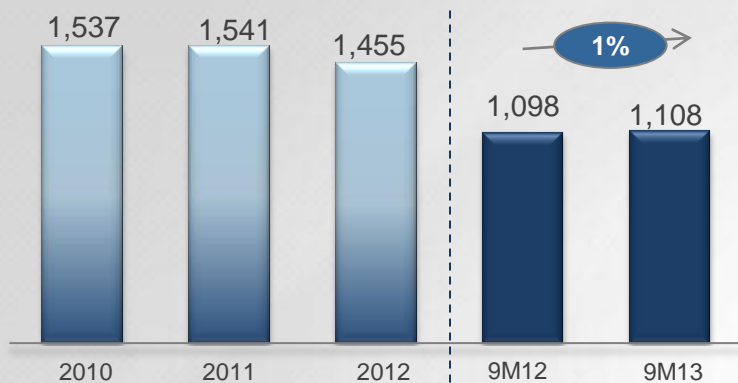
Concentrates production
(thousand of tonnes)



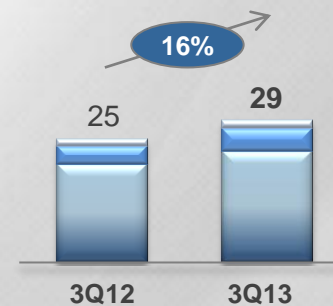
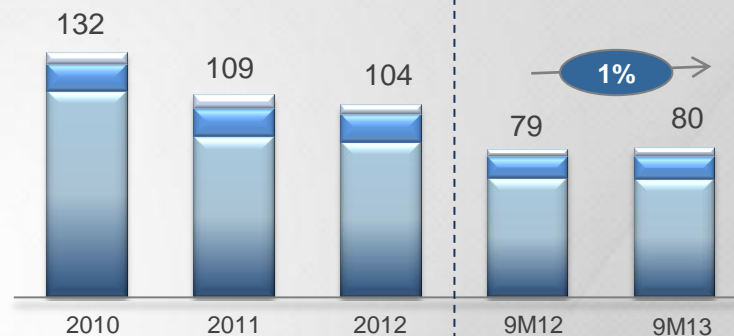
■ Zinc ■ Lead ■ Copper

Atacocha's operational performance

Ore Treated
(thousand of tonnes)



Concentrates production
(thousand of tonnes)



Zinc Lead Copper

As a part of its strategy, Milpo is continuing the exploration campaigns at the sites of its copper operations ...



CHAPI MINE BROWNFIELD EXPLORATION

- Technical and geological studies have been performed at Chapi mine to evaluate the underground exploitation of the deepest high-grade copper mineralization (40Mt @ >1%Cu)
- Exploration of nearby prospects with proven additional copper resources which can be processed at the Chapi plant (San José)

IVAN MINE – EXPLORATION AT SIERRA MEDINA

- Oxide copper mineralization at Sierra Medina has been intensively explored during the 3Q13
- Drilling results delineated a critical mass of Cu oxides (6.7Mt @ 1.35%Cu) which could be mined also by underground methods.
- The project conceptual study considers the location of the crushing and heap leaching infrastructure at the mine site.

...and analyzing different options to execute its greenfield projects.



- Our greenfield portfolio includes the Magistral, Hilarion and Pukaqqa projects.
- During the 3Q13, Milpo continued to carry out an extensive technical and geological evaluation of all project aspects in order to improve Magistral, Hilarion and Pukaqqa economics.

MAGISTRAL

- The plan contemplates an initial open-pit mining phase of the near surface high-grade ore.
- Exploration drilling carried out during Q313 resulted in the identification of more mineralization in the westernmost part of the Magistral ore body.

HILARION

- Infill drilling completed at the northern part of the Hilarion ore body indicates continuity of high-grade mineralization, particularly, in the wider part of the ore bodies.
- The mineralization remains opened to the north and this area will be the focus of 2014 drilling campaign.

PUKAQQA

- Milpo is evaluating an internal review of the key aspects of the project.

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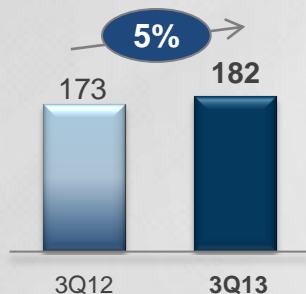
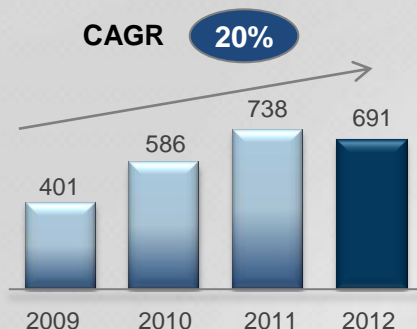
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Closing Remarks

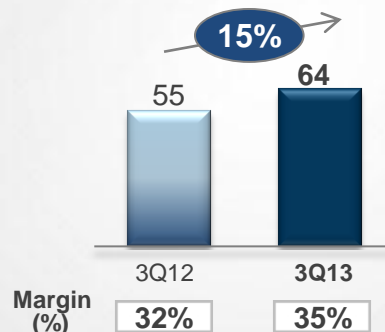
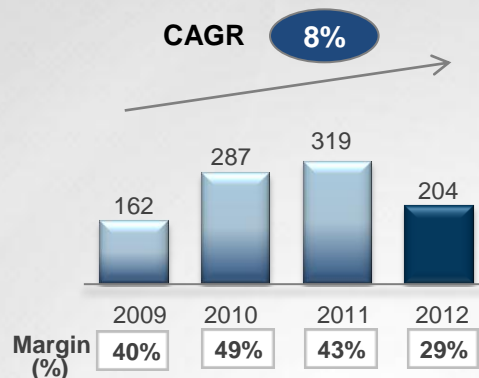
Mr. Persio Morassutti - CFO

During 3Q13 Milpo improved its consolidated financial position.

Revenues (US\$ million)



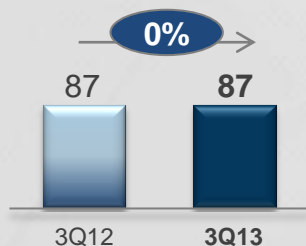
EBITDA (US\$ million)



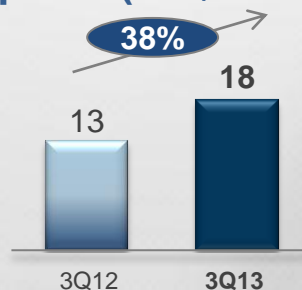
Highlights 3Q13 vs. 3Q12

- Revenues increased by 5% to US\$ 182 million in 3Q13, due to the increase in metal production and in spite of the decrease in metal prices.
- Cost of sales reached US\$ 87 million in 3Q13, similar to that of 3Q12, sustained by decreased per unit cash costs.
- EBITDA increased by 15% to US\$ 64 million in 3Q13 due to higher revenues and lower consolidated cash costs.
- Consolidated Net Profit increased by 38% to US\$ 18 million in 3Q13 due to the higher EBITDA.
- As of September, Milpo also shows better financial results in comparison to those of the same period 2012:

Cost of sales (US\$ million)



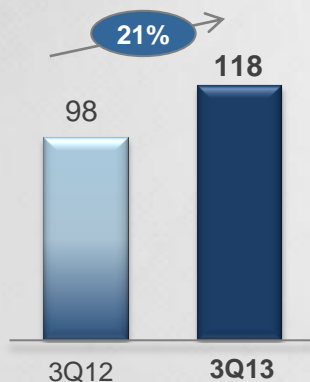
Net profit (US\$ million)



Revenues: US\$ 535 million (5% increase); **EBITDA:** US\$ 189 million (21% increase); **Cost of sales:** US\$ 248 million (7% decrease); **Net profit:** US\$ 46 million (66% increase)

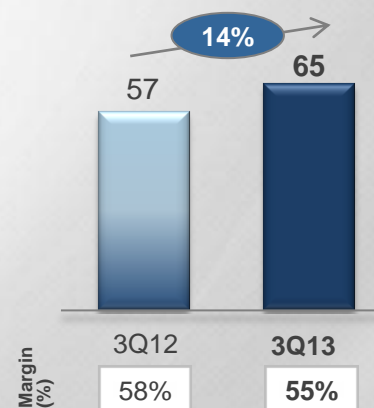
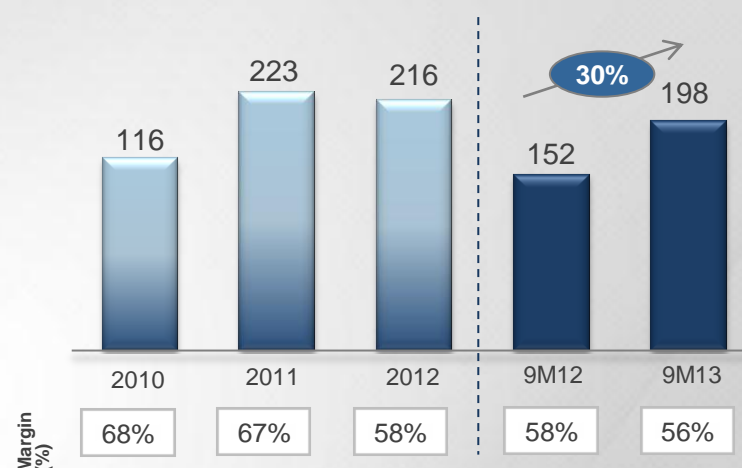
Cerro Lindo's financial performance (65% of Milpo's revenues)

Revenues
(US\$ millions)



Revenues increased by US\$ 20 million in 3Q13 due to higher production .

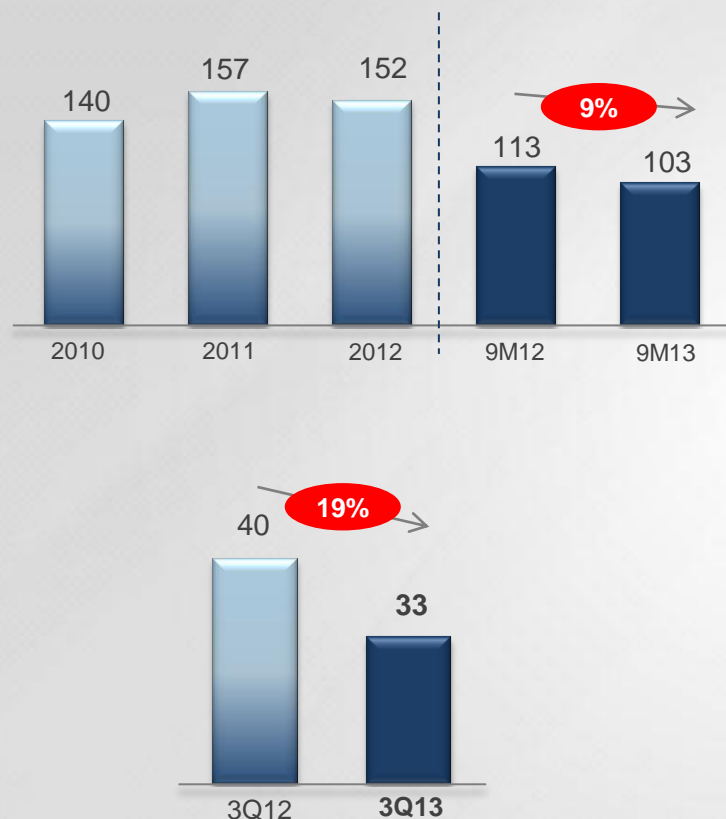
EBITDA
(US\$ millions)



EBITDA increased by US\$ 8 million, due to higher revenues.

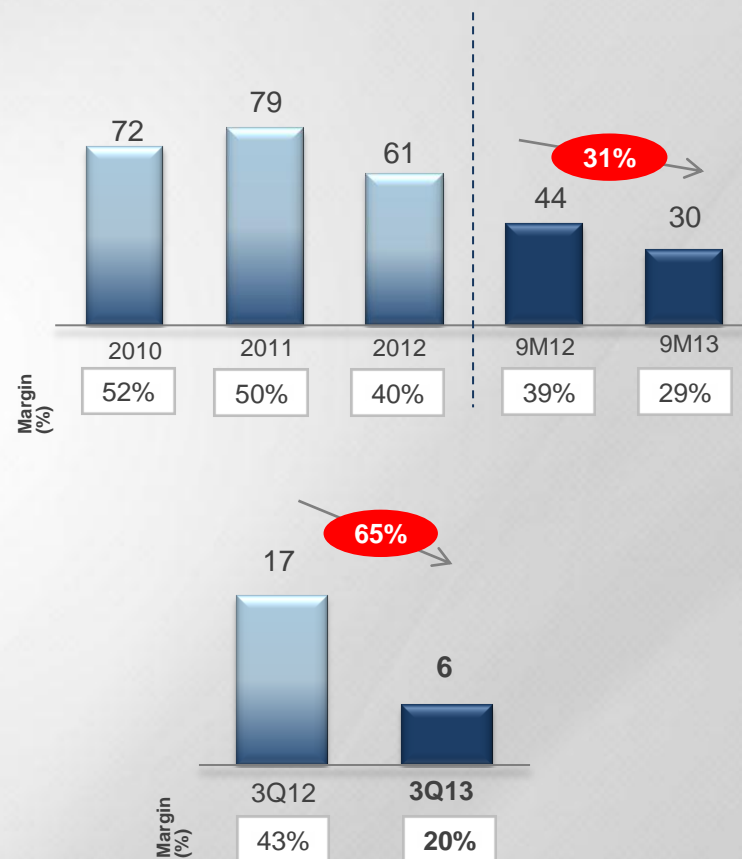
El Porvenir's financial performance (18% of Milpo's revenues)

Revenues
(US\$ millions)



Revenues decreased by 19% in 3Q13 from 3Q12 mainly because of lower metal prices

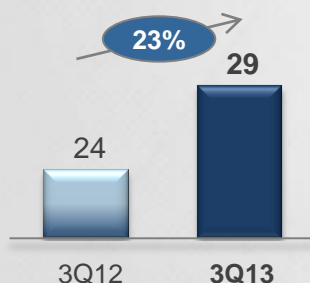
EBITDA
(US\$ millions)



EBITDA decreased by 65% due to lower revenues. However as of September 2013, the EBITDA was of US\$ 30 million, a 31% decrease explained in lower metal prices.

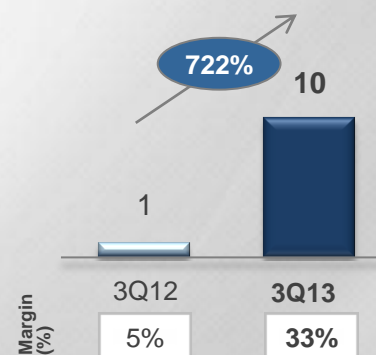
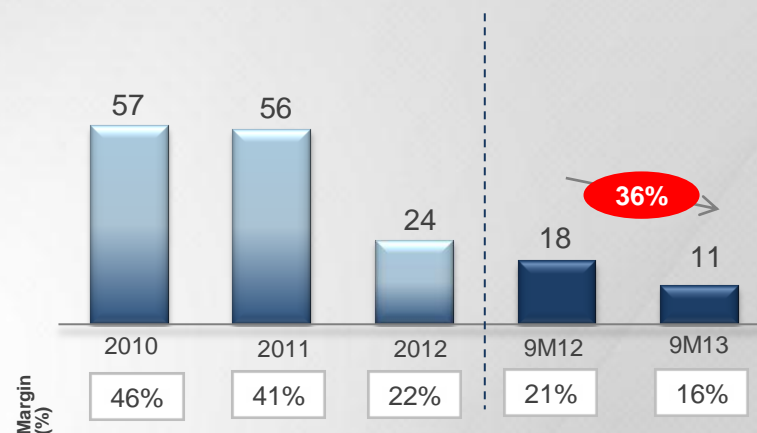
Atacocha's financial performance (16% of Milpo's revenues)

Revenues
(US\$ millions)



Revenues increased by 23% to US\$ 29 million in 3Q13.

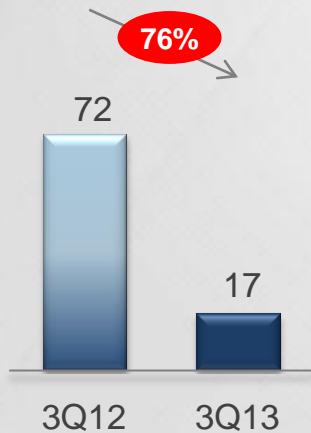
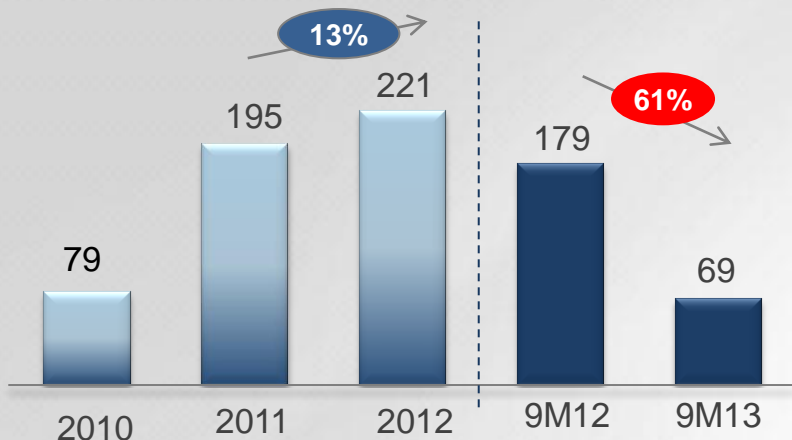
EBITDA
(US\$ millions)



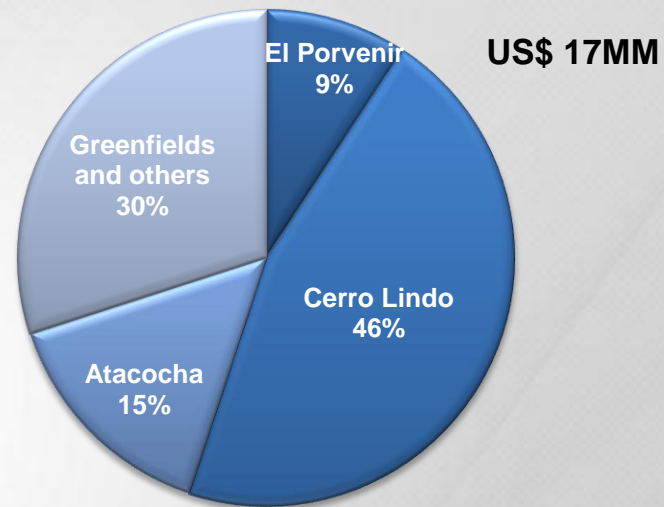
EBITDA increased to US\$ 10 million in 3Q13 from US\$ 1 million in 3Q12, positively impacted by higher revenues and lower cash cost (-20%).

Investments in 2013 are focused on sustaining the operations

Capex (US\$ million)



3Q13 Capex breakdown per unit

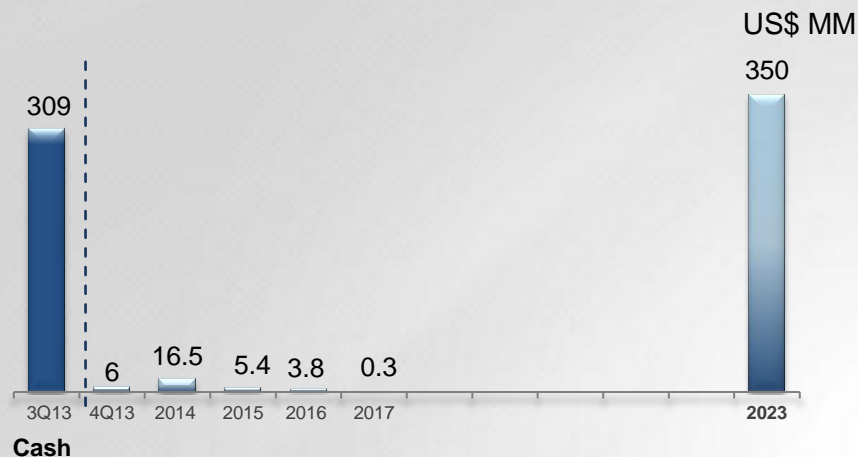


2013 Capex forecast is US\$ 110 million and includes:

2013 Forecast	US\$ (MM)
Cerro Lindo brownfield project 15k (culmination)	34
Greenfield projects studies	16
Mobile equipment acquisition	9
Shaft deepening (AT)	5
Tailing dam elevation (EP)	3

Strong liquidity and long tenor of debt enable Milpo to face current market volatility

Debt Amortization Profile



3Q13 Funding Mix



Net Debt to EBITDA ratio



Average Debt maturity (years)



Outlook 2013

Price Evolution (Quarter Average)

HIGHLIGHTS

2Q12

3Q12

4Q12

1Q13

2Q13

3Q13

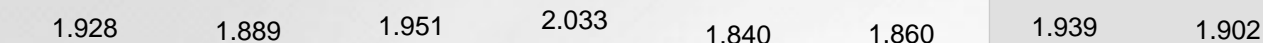
CURRENT
PRICE *

2013
FCST

ZINC

US\$/ton

1.928 1.889 1.951 2.033 1.840 1,860 1.939 1.902



Zinc: Demand showing positive signs in China, reflecting a more constructive perspective in housing and auto sectors.

COPPER

US\$/ton ⁽¹⁾

7.863 7.714 7.825 7.928 7.146 7,079 7.216 7.312

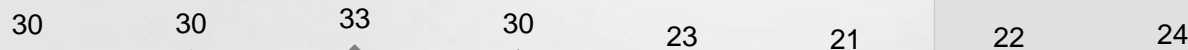


Copper: Market will have a smaller surplus this year than expected due to an improvement on demand, especially in China.

SILVER

US\$/oz ⁽¹⁾

30 30 33 30 23 21 22 24



Silver: Market is in surplus and therefore there is pressure on prices. Investor activity has not changed significantly since the price went down in April. Federal Reserve QE exit strategy will be the main driver for the metal price

(1) Source: Bloomberg. Current price: LME cash prices 2013 Fcst Milpo: Average 2013:
* As of October 30th, 2013

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Closing Remarks

- Current corporate strategy based on the four pillars to support enhanced productivity and business growth.
- Continuous efforts to optimize investments, operating costs and administrative expenses, suited to market conditions.
- Intensive exploration at Chapi and Ivan mines, and review of Greenfield project approach looking forward to reduce operational and financial risks.
- Increased EBITDA margins in 2013 due to higher production and profitability of operating units.
- Strong liquidity position and disciplined financial management allowing the company to respond to LME prices variations and market volatility.

Q & A