



CORPORATE PRESENTATION 4Q13 RESULTS

March 2014
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

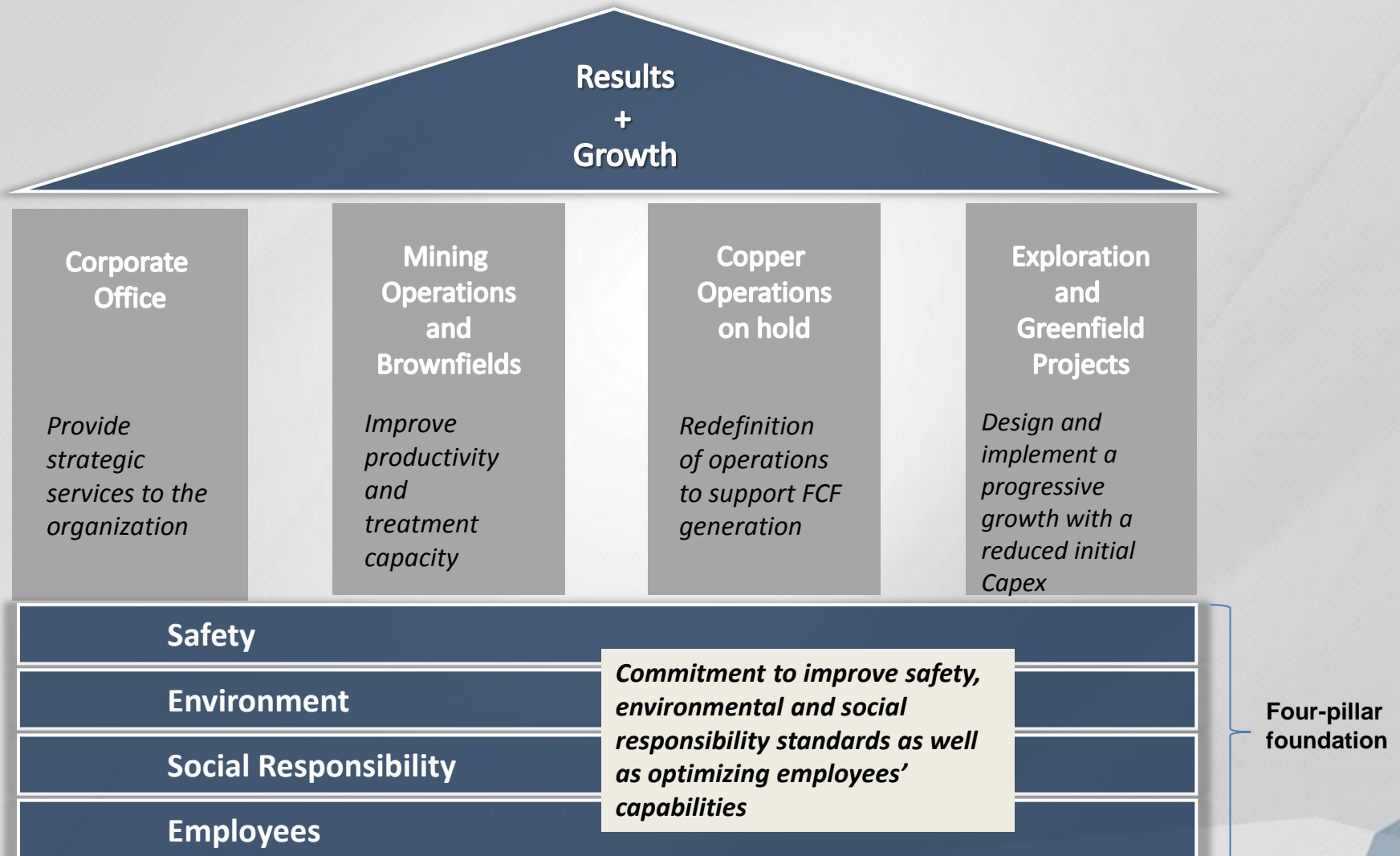
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Closing Remarks

Mr. Victor Gobitz- CEO

Milpo is focused on executing its four-pillar strategy in order to continuously improve its operating and financial results

Milpo is a medium sized polymetallic mining company, and a low cost producer of zinc, copper and lead concentrates. Our footprint extends throughout the Peruvian and Chilean territories.



In 2013, significant achievements were accomplished

Corporate Office

- Headcount reduced from 300 as of July 2013 to 185 as of December 2013.
- Corporate Supply Chain Management created to seek synergies in warehousing and purchasing.
- Successful implementation of SAP®.

Mining Operations

- Milpo drilled 130 thousand meters in 2013, resulting in a 12% increase in its Reserves and Resources in comparison to those of 2012.
- Production increased by 18% in 2013, achieving 681 thousand tonnes of zinc, copper and lead concentrates, due to the expansion projects executed in 2012.
- Cash cost reduced by 3%, from US\$ 36.1/t in 2012 to US\$ 35.0 /t in 2013.
- Administrative integration of El Porvenir and Atacocha in advanced state.

Copper Operations on hold

- Exploration programs in Peru and Chile continued:
 - Chapi: focus on exploring the Cuprita ore body as part of underground feasibility studies. Metallurgical and geotechnical studies have been performed.
 - Ivan: focus on defining leachable ore at Ivan and Sierra Medina.

Greenfield Projects

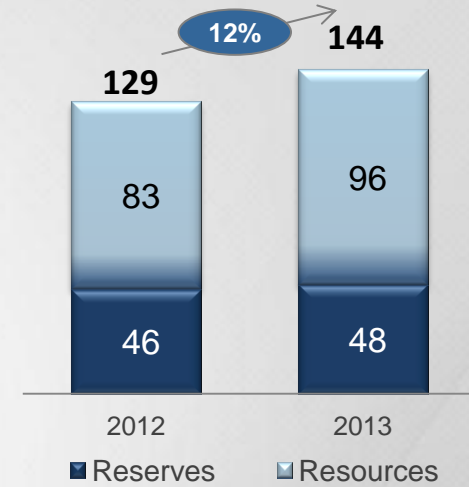
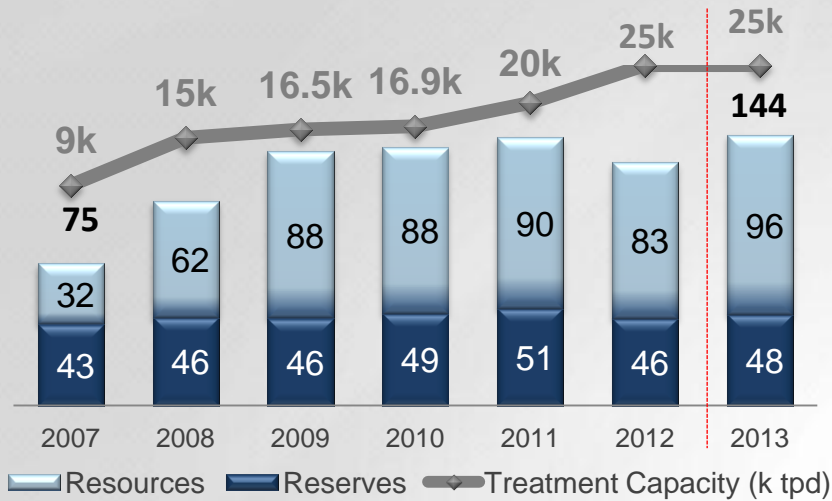
- Extensive exploration campaigns :

Project	2013 DDH	Inventory MMt
Magistral	14,152 m DDH	250Mt @ 0.55%Cu, 0.045%Mo (cut off 0.3%Cu)
Hilarion	18,025 m DDH	60Mt @ 4.38%Zn, 0.66%Pb, 0.98optAg (cut off 3%Zn)
Pukaqaqa	84,466 m DDH (2012)	130Mt @ 0.62%Cu, 0.10g/t Au (cut off 0.4%Cu)

- Deliverables for 2014 include the prefeasibility study (FEL 2) for Magistral and Hilarion and the scoping study (FEL 1) for Pukaqaqa ⁽¹⁾.

Track record of reserves and resources replacement reinforced by 2013 inventory

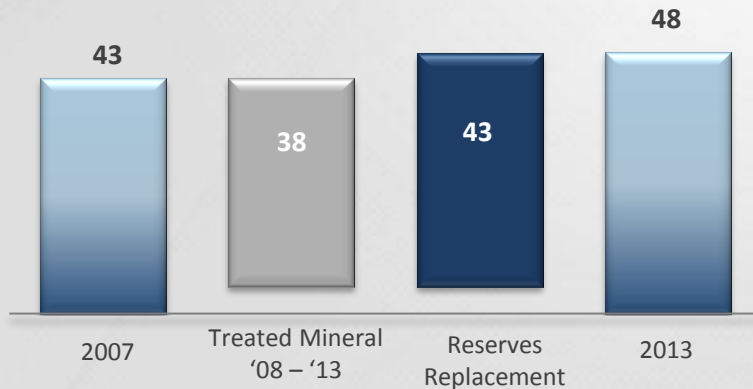
Reserves and Resources Growth (million of tonnes) ^{(1) (2)}



(1) The mineral resource and reserve estimates are made in accordance with the standards specified in the JORC code.

(2) 2013 inventories here informed are currently under external auditing by international companies.

Reserves Replacement (million of tonnes)



Cerro Lindo

- 35,668m. of DDH were drilled during 2013.
- Reserves & Resources (R&R) inventory increased by 9.7Mt in 2013.
- Considering the inventory's increase and the ore treated in 2013, 15.1 Mt were added to the R&R inventories.
- LOM increased by 2 years considering reserves and measured + indicated resources.

IR&R (Mt)



Life of Mine



* Without including inferred resources

El Porvenir

- 43,975m. of DDH were drilled during 2013.
- R&R inventory increased by 1Mt in 2013.
- Considering the inventory's increase and the ore treated in 2013, 2.9 Mt were added to the R&R inventories.
- LOM increased by 1 year considering reserves and measured + indicated resources.

+1.0Mt



+1 year



* Without including inferred resources

Atacocha

- 49,880m. of DDH were drilled during 2013.
- R&R inventory increased by 4.5 Mt in 2013.
- Considering the inventory's increase and the treated ore in 2013, 6.0 Mt were added to the R&R inventories.
- LOM increased by 1 year considering reserves and measured + indicated resources.

+4.5Mt



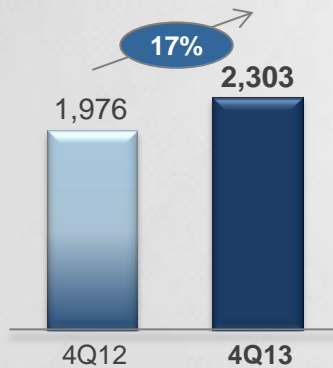
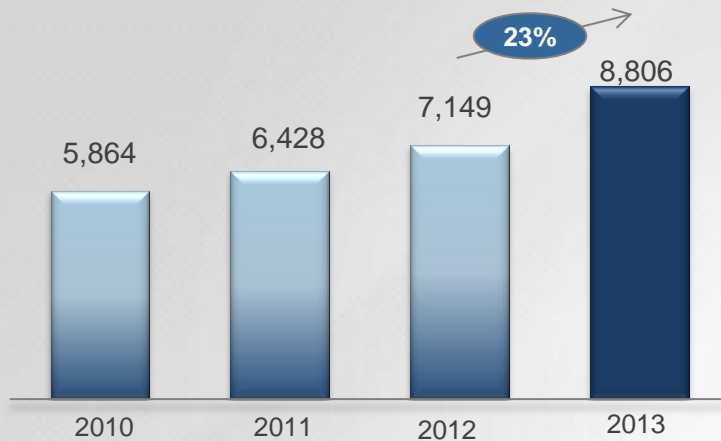
+1 year



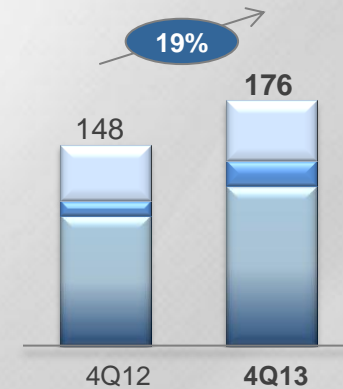
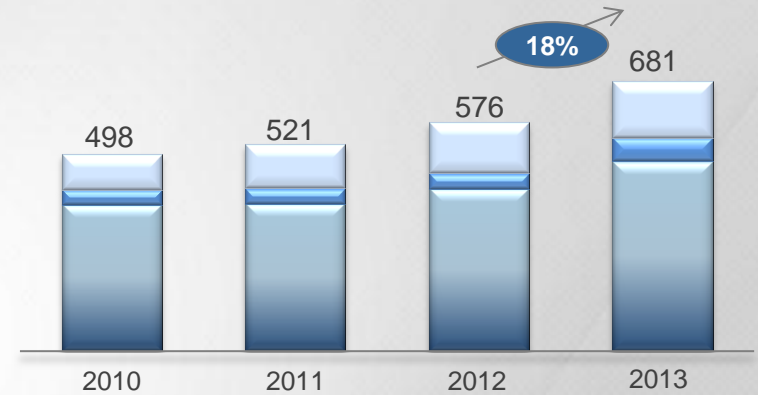
* Without including inferred resources

Treatment capacity at both Cerro Lindo and El Porvenir supported increased production volumes

**Ore Treated
(thousand of tonnes)**



**Concentrates production
(thousand of tonnes)**

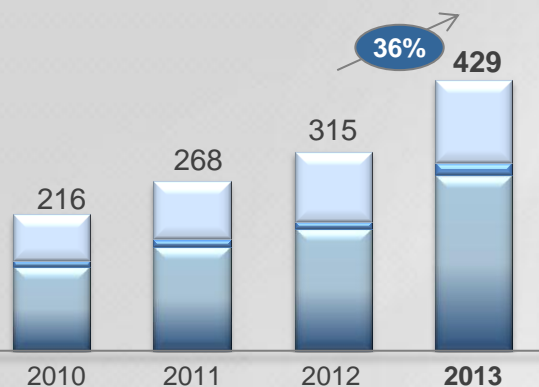


Zinc Lead Copper

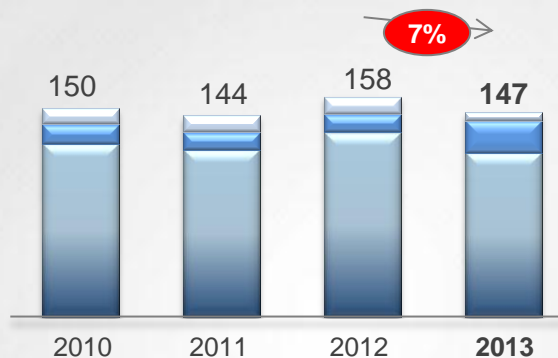
Operational performance by mining unit

Concentrates production (thousand of tonnes)

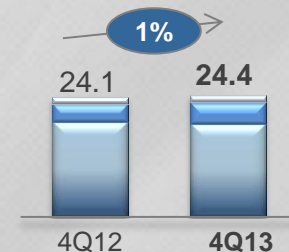
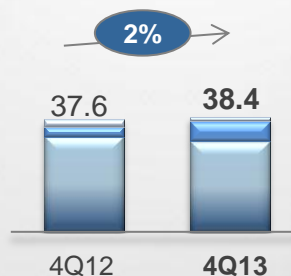
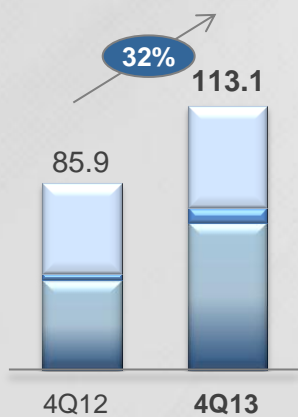
CERRO LINDO



EL PORVENIR



ATACOCHA



Zinc Lead Copper

Zinc Lead Copper

Zinc Lead Copper

Milpo continued exploration campaigns at its main greenfield projects and prospects



MAGISTRAL PROJECT (Cu – Mo)

- ❑ 94,666m. DDH (1969 – 2013)
- ❑ 14,152m. DDH (2013)
- ❑ 250Mt @ 0.55%Cu, 0.045%Mo (cut off 0.3%Cu)

2014 OBJECTIVE

- FEL1
- FEL2

HILARION PROJECT (Zn, Pb, Ag)

- ❑ 251,947m. DDH (2005-2013)
- ❑ 18,025m. DDH (2013)
- ❑ 60Mt @ 4.38%Zn, 0.66%Pb, 0.98optAg (cut off 3%Zn)

2014 OBJECTIVE

- FEL1
- FEL2

PUKAQQA PROJECT (Cu)

- ❑ 148,132m. DDH (1997-2012)
- ❑ 84,466m. DDH (2012)
- ❑ 130Mt @ 0.62%Cu, 0.10g/t Au (cut off 0.4%Cu)

2014 OBJECTIVE

- Scoping study

PROSPECT EXPLORATION PROGRAM

- ❑ Romina Prospect: Polymetallic (Zn,Pb,Cu,Ag)
- ❑ Mónica Lourdes Prospect: potential for a large copper porphyry. Needs drilling
- ❑ San José & Justicia: Copper porphyry + potential for Cu oxides
- ❑ Sierra Medina & Sierra Valenzuela: manto type Cu mineralization

2014 OBJECTIVE

- Drilling and preliminary resources delineation
- Exploration model validation at ML and Justicia

(*) Prefeasibility is equivalent to FEL 2 and Scoping study is equivalent to FEL 1 under the Votorantim's project methodology

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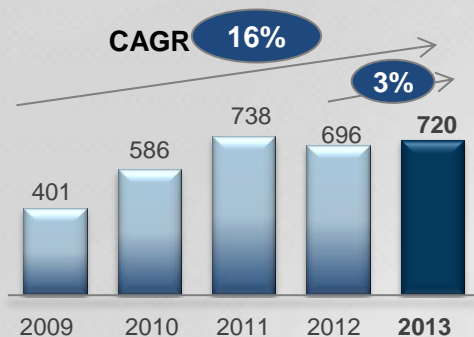
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Closing Remarks

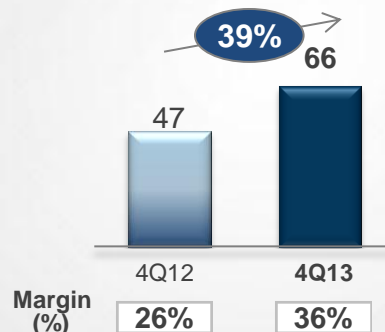
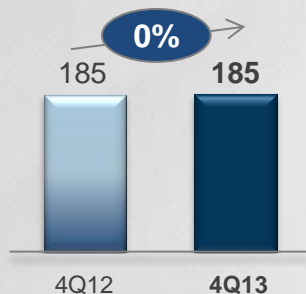
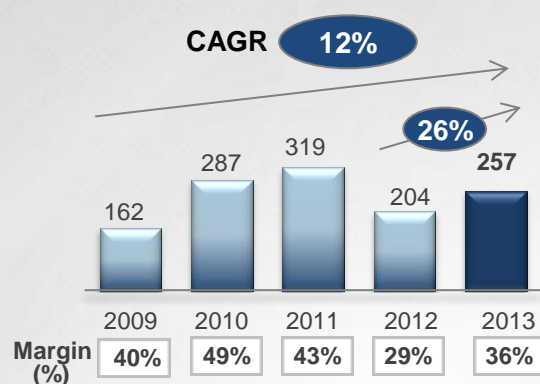
Mr. Victor Gobitz - CEO

As seen in 2013 first three quarters, Milpo's consolidated financial position improved in comparison to that of 2012

Revenues (US\$ million)



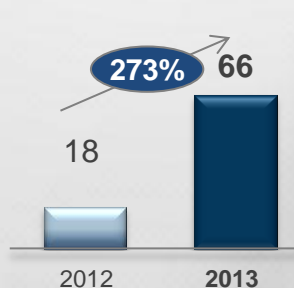
EBITDA (US\$ million)



Cost of sales (US\$ million)



Net profit (US\$ million)



Highlights 2013 vs. 2012

- Revenues were US\$ 720 million in 2013, a 3% increase in comparison to those of 2012, due to higher metal production and in spite of the decrease in metal prices.
- Cost of sales decreased by 5% in 2013 to US\$ 333 million due to lower operating costs.
- EBITDA increased by 26% to US\$ 257 million in 2013 due to higher revenues and lower cost of sales.
- Consolidated Net Profit increased by 273% in 2013 to US\$ 66 million due to the higher EBITDA.
- For the 4Q13, Milpo also improved its operational results in comparison to those of the same period 2012, achieving an EBITDA margin of 36% and increased profitability.

The consolidated audited financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS)

Cerro Lindo's financial performance (66% of Milpo's 2013 revenues)

Revenues
(US\$ millions)



Revenues increased by US\$ 19 million in 4Q13 due to higher production.

EBITDA
(US\$ millions)



EBITDA increased by US\$ 5 million in 4Q13 due to higher revenues.

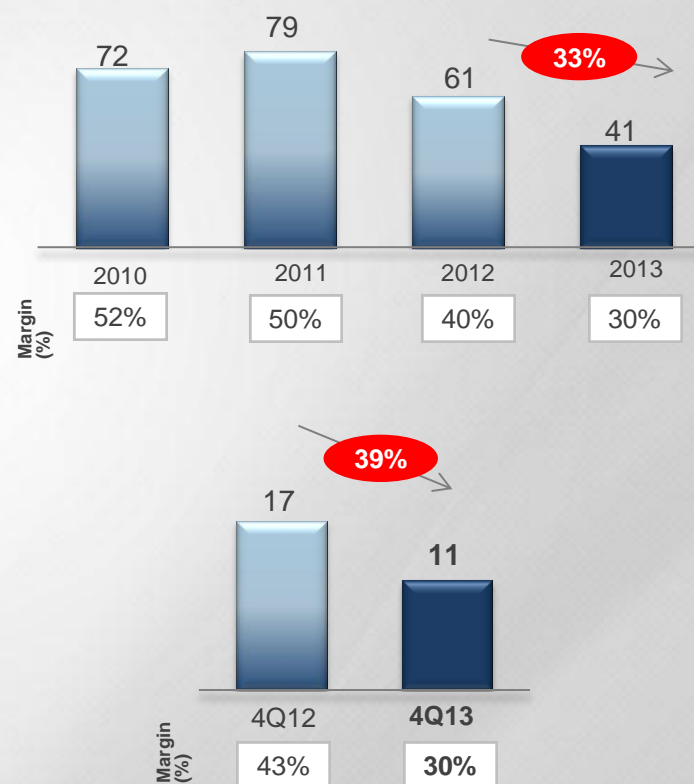
El Porvenir's financial performance (19% of Milpo's 2013 revenues)

Revenues
(US\$ millions)



Revenues decreased by 13% in 4Q13 from 4Q12 mainly because of lower metal prices.

EBITDA
(US\$ millions)



EBITDA decreased by 39% due to lower revenues.

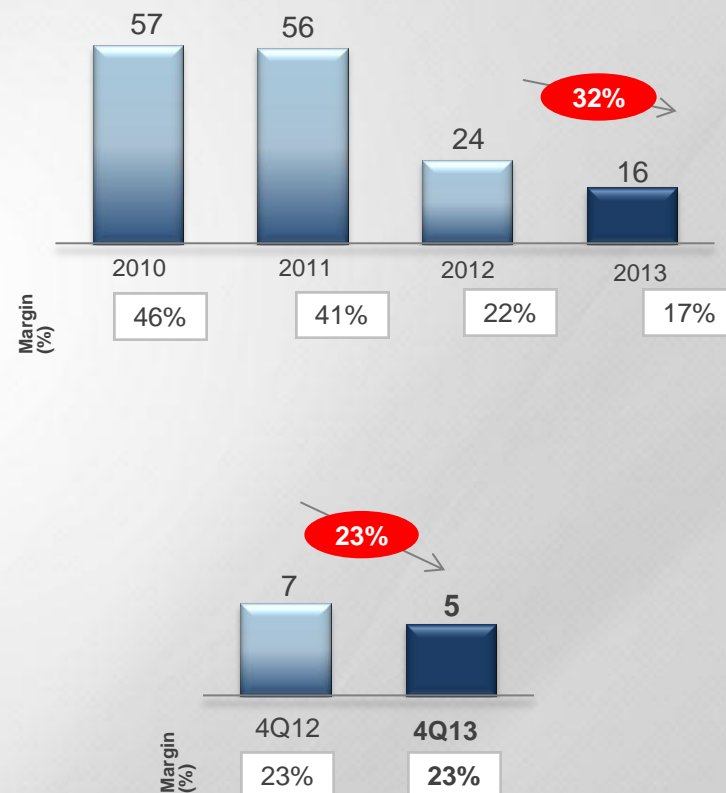
Atacocha's financial performance (13% of Milpo's 2013 revenues)

Revenues
(US\$ millions)



Revenues decreased by 22% to US\$ 22 million in 4Q13 due to lower metal prices.

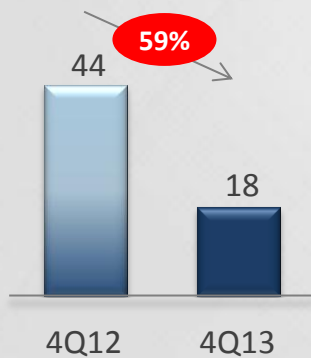
EBITDA
(US\$ millions)



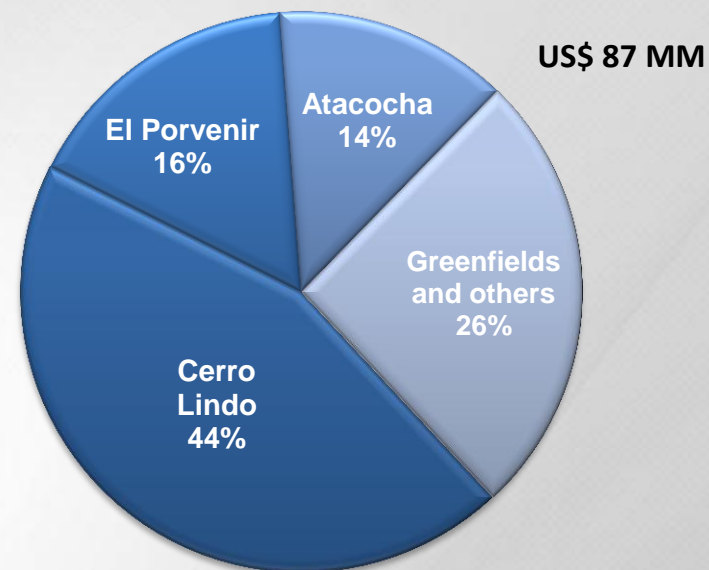
EBITDA decreased during the 4Q13 to US\$ 5 million from US\$ 7 million in 4Q12, negatively impacted by lower metal prices.

Capex was focused on sustaining the operations during 2013

Capex (US\$ million)



2013 Capex breakdown per unit

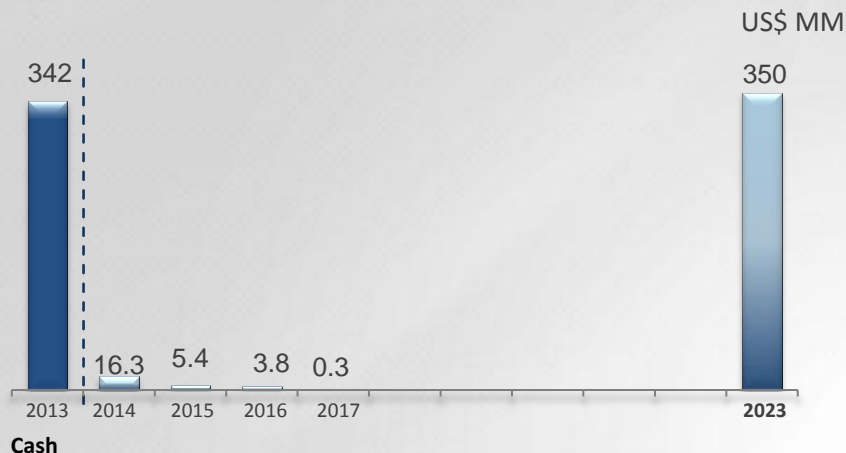


Main Projects

2013	US\$ (MM)
Cerro Lindo brownfield project 15k (culmination)	32
Greenfield projects studies	16
Mobile equipment acquisition	7
Shaft deepening (AT)	5
Electrical Room (EP)	4

Milpo closed 2013 with strong liquidity and low – long term indebtedness allowing it to face market volatility and accomplish its plans for 2014

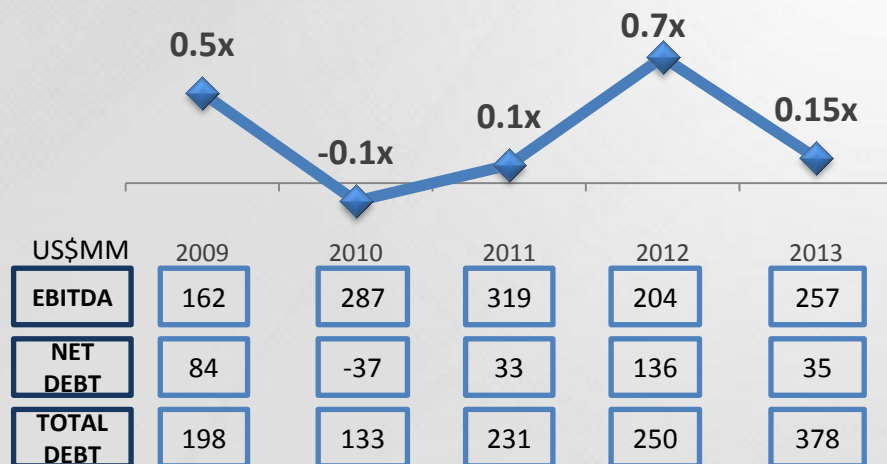
Debt Amortization Profile



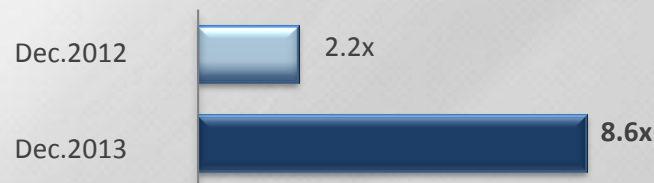
December 2013 Funding Mix



Net Debt to EBITDA ratio



Average Debt maturity (years)



CREDIT RATING AGENCY	RATING	OUTLOOK	DATE
Standard & Poor's	BBB-	Stable	Mar-13
Fitch Ratings	BBB	Stable	Feb-14

Outlook 2014

Price Evolution (Quarter Average)

HIGHLIGHTS

3Q12

4Q12

1Q13

2Q13

3Q13

4Q13

CURRENT
PRICE *

2014
FCST

ZINC

US\$/ton⁽¹⁾

1,889 1,951 2,033 1,840 1,860 1,909 2,071 1,957

Zinc: Market deficit expected for 2014 and supply side driven by zinc outperformance. Metal demand linked to the automotive and construction sector, which will continue to rebound.

COPPER

US\$/ton⁽¹⁾

7,714 7,825 7,928 7,146 7,079 7,153 6,721 7,033

Copper: China's real consumption growth expected to be strong. Accelerated power infrastructure spending in China should support copper demand.

SILVER

US\$/oz⁽¹⁾

30 33 30 23 21 21 21 20

Silver: Supply expected to decrease given the rising costs of mine production. Inventories consumption and Federal Reserve QE exit strategy should drive prices and investor's activity.

(1) Source: Bloomberg. Current price: LME cash prices Fcst Milpo: Average 2014

*As of March 11th, 2014.

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Closing Remarks

- 2013 results confirmed Milpo's track record as a low-cost mining producer.
- Strategy defined around four main pillars will continue to support enhanced productivity and business growth.
- Continuous efforts to optimize investments, operating costs and administrative expenses, will also be made during 2014.
- Intensive exploration at Chapi and Ivan mines, and review of Greenfield projects approach looking forward to reduce operational and financial risks.
- Strong liquidity position and disciplined financial management will allow the company to respond to market volatility and achieve 2014 plans.

Q & A