



CORPORATE PRESENTATION

Lima, March 2016

Disclaimer

The information contained in this presentation concerning projections may be deemed to include statements which constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve a certain degree of risk and uncertainty with respect to business, financial, trend, strategy and other projections, and are based on assumptions, data or methods which although considered reasonable by Milpo at the time may turn out to be incorrect or imprecise, or may not be possible to realize, or may differ materially from actual results, due to a variety of factors. Milpo can not guarantee that expectations disclosed in this presentation will prove to be correct and does not undertake, and specifically disclaims any obligation to update any forward-looking statements, which speak only for the date they are made.

The market and competitive position data used throughout this presentation were obtained from internal surveys, market research, publicly available information and industry publications. Although Milpo has no reason to believe that any of this information or these reports are inaccurate in any material respect, Milpo has not independently verified the competitive position, market share, market size, or other data provided by third parties or by industry or other publications and therefore do not make any representation as to the accuracy of such information.

This presentation and its contents are proprietary information and may not be reproduced or otherwise disseminated in whole or in part without Milpo's prior written consent.

Agenda

1

Business Strategy

Victor Gobitz - CEO

2

Operational and Financial Results

Claudia Torres - CFO

3

Closing Remarks

Victor Gobitz - CEO

Milpo's 5-pillar corporate strategy continues to be executed focused on value generation, costs reduction and disciplined capital allocation

Pillar I

Pasco Complex (El Porvenir and Atacocha):

- ✓ Tailings integration completed (2nd stage).
- ✓ One new energy line for both plants in progress (3rd stage).

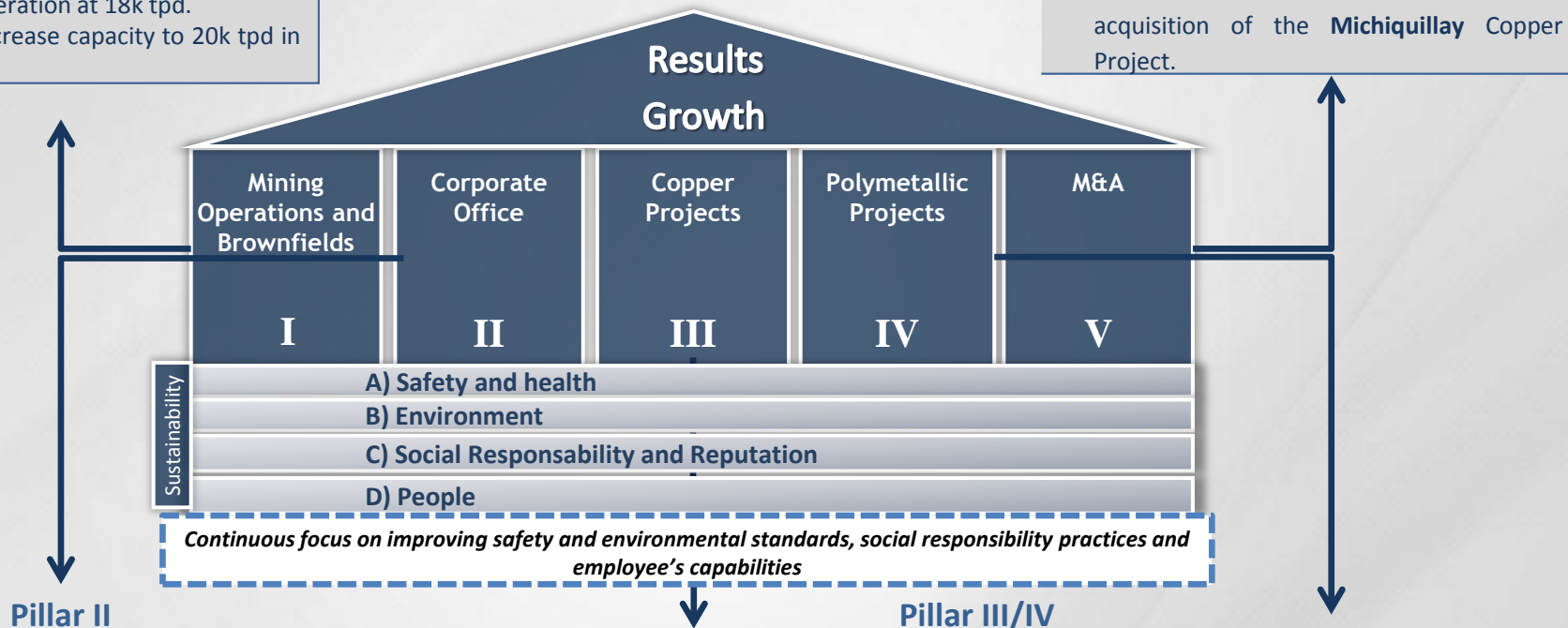
Cerro Lindo:

- ✓ Stabilized operation at 18k tpd.
- ✓ Project to increase capacity to 20k tpd in progress.

Positive FCF: US\$ 28MM
Fine Metal Production: 355k FMT
Negative Net debt to EBITDA: -0.50x

Pillar V

- ✓ Private Initiative submitted for the acquisition of the **Michiquillay** Copper Project.



- ✓ Focus on employees development system.

- ✓ Exercise of **Magistral's** option submitting a Bankable Feasibility Study.
- ✓ EIA submitted for approval (30ktpd).
- ✓ Public hearing held in Conchucos community.

- ✓ EIA for **Pukaqaqa** already approved. Design of a modular approach in progress (10 – 30 ktpd).

- ✓ Definition continues for **Ivan & Chapi**.

- ✓ Engineering study for **Aripuana** for a 5k tpd capacity in progress.
- ✓ EIA presented to Matto Grosso's goverment.
- ✓ Prefeasibility for **Shalipayco** already concluded for a 3k tpd operation. .
- ✓ Road construction to improve access to **Bongara** in progress.
- ✓ Definition continues for **Hilarion**.

In spite of commodities cycle, Milpo has characterized by improving its operational performance and maintaining a robust financial position, generating positive cash flows...

YEAR		2012	2013	2014	2015	<div>Focus on brownfield projects</div>
LOM* (years)	Reserves	5	5	7	8	
	Reserves+Resources	9	10	12	14	
Annual Treated ore (Mt)		7.2	8.8	9.6	10.3	
Fine metal Production	Zinc (000 tmf)	223	261	270	269	<div>Constant increase in fine metal content in concentrates production</div>
	Copper (000 tmf)	32	37	42	40	
	Lead (000 tmf)	24	36	42	45	
	Silver (MM oz)	4.7	6.0	6.8	7.6	
Cash cost (US\$/t rom)		36.1	35.0	35.5	33.3	<div>Costs reduction initiatives</div>
YEAR		2012	2013	2014	2015	
Revenues (US\$MM)		696	720	758	626	<div>Positive free cash flow generation through correct capital allocation</div>
EBITDA margin (%)		29%	36%	35%	29%	
FCF (US\$MM)		(99)	117	126	28	<div>High liquidity and low indebtedness. Conservative financial policy</div>
Net Debt/EBITDA (x times)		0.67	0.15	-0.28	-0.50	

*Based on 2015 production and does not include Inferred Resources

...which have also permitted important milestones in its greenfield projects.
(more maturity / stronger pipeline)

2015

MAGISTRAL

- Modular approach (phase 1: 10Ktpd operation). ✓
- Feasibility study submitted to PROINVERSION. ✓
- EIA submitted to the Ministry of Energy and Mines (30 ktpd). ✓
- Successful public audience. ✓

PUKAQAQA

- Modular approach (phase 1: 10Ktpd operation). ✓
- EIA approved (30ktpd). ✓

HILARION

- Searching potential synergies with close assets. ✓

ARIPUANA

- Engineering study (5ktpd) in progress. ✓
- EIA submitted to the government. ✓
- Successful Public audience (August 2015) ✓

SHALIPAYCO

- Prefeasibility already concluded (3k tpd). ✓
- Study of different alternatives to initiate production sooner (synergies with Pasco Complex).

BONGARA

- Road construction in progress.



For 2016, the focus is to prioritize and minimize investments in the greenfield portfolio, developing key engineering aspects. (inc. licences)

Agenda

1

Business Strategy

Victor Gobitz - CEO

2

Operational and Financial Results

Claudia Torres- CFO

3

Closing Remarks

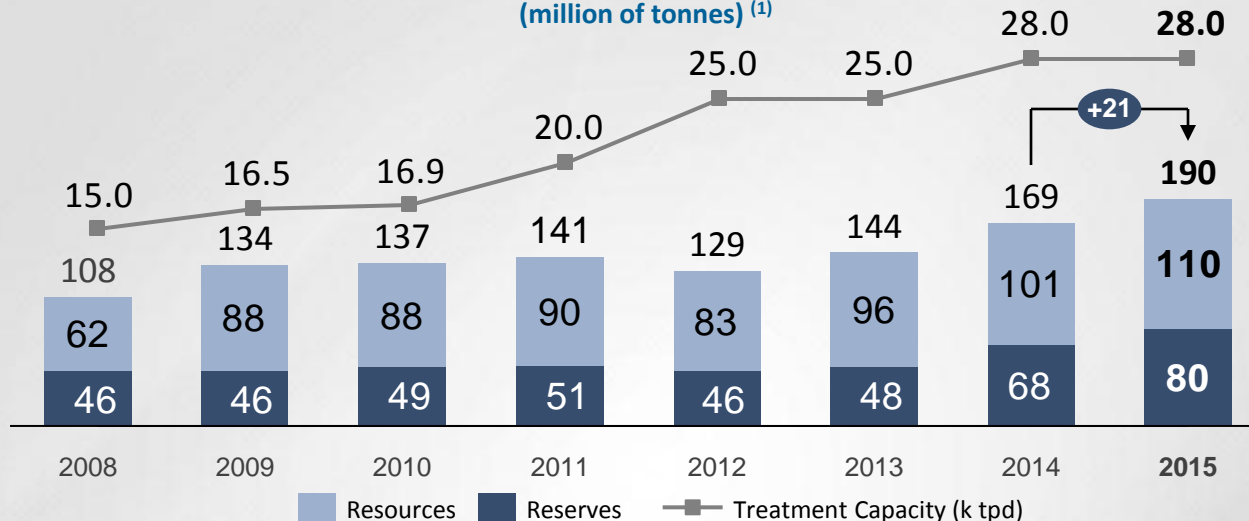
Victor Gobitz - CEO

Milpo continues confirming its track record as a mining company with an extended life of mine: up to 14 years



Consolidated Reserves and Resources Growth

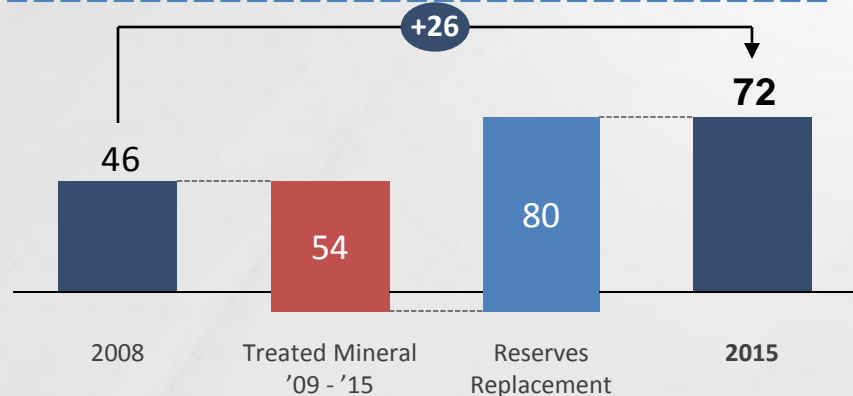
(million of tonnes) ⁽¹⁾



Reserves Replacement

(million of tonnes)

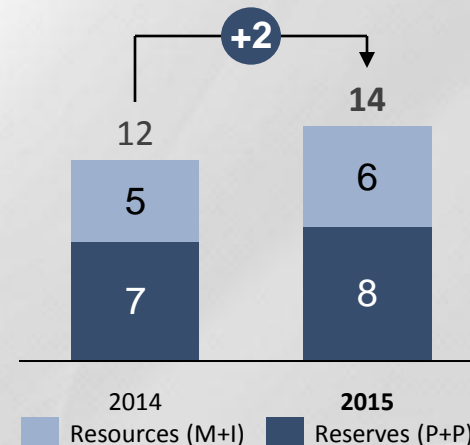
Increase in 2015 reserves due to: (i) activities that allowed access to higher quality ore bodies and (ii) the integration between EP-ATA that allowed access to new ore bodies between both mines.



Higher reserves allowed increase in LOM

Consolidated Life of Mine (LOM)

(based on 2015 production without inferred resources)



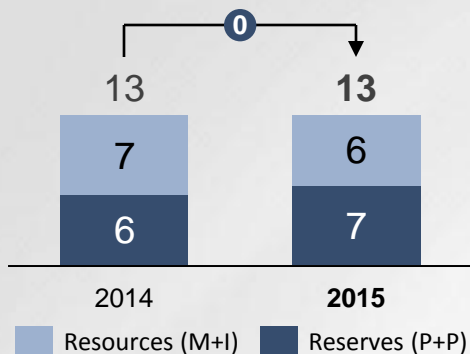
(1) The mineral resource and reserve estimates are made in accordance with the standards specified in the JORC code.

Life of Mine by Mining Unit



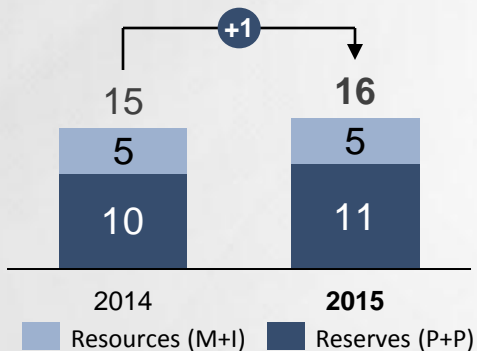
Incremental Life of Mine (LOM) (based on 2015 production without inferred resources)

Cerro Lindo



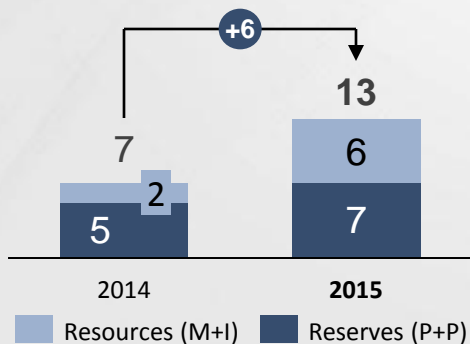
- Intensive diamond drill campaign (47,319 m) during 2015 allowed the increase in the reserves.

El Porvenir



- Diamond drilling program (50,301m) in 2015 and access to ore bodies CN3 and C3 in the intermediate sector made it possible to increase the reserves.

Atacocha



- Intensive diamond drilling program (45,770 m) in 2015 and exploration in the NW zone in the deeper zone of Atacocha allowed the increase in the reserves and resources.

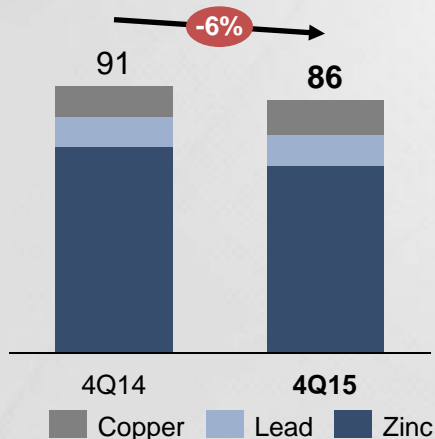
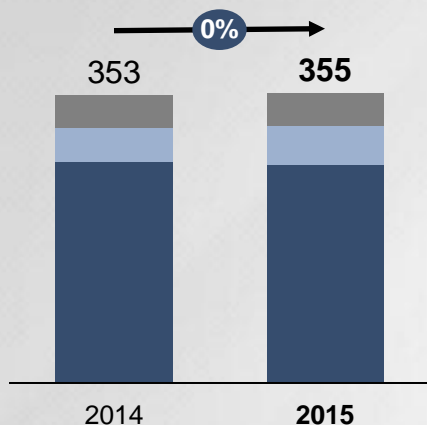
Higher lead and silver fine metal content production partially compensated negative price effect



Fine content in concentrates production

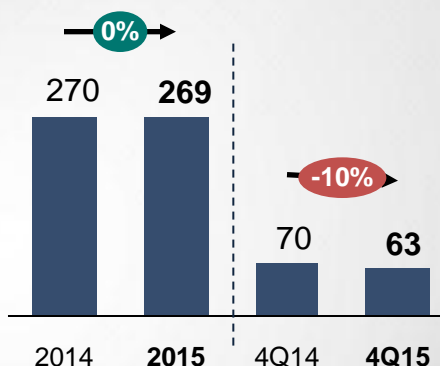
(thousand of tonnes)

Consolidated

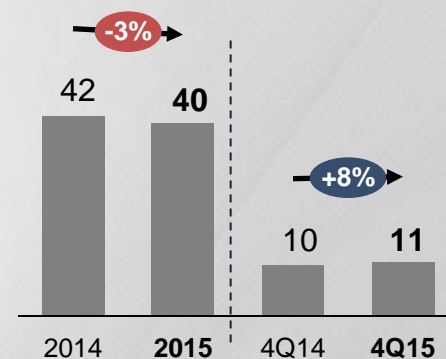


By metal

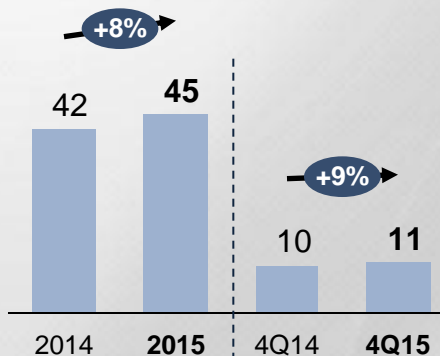
Zinc (thousand of tonnes)



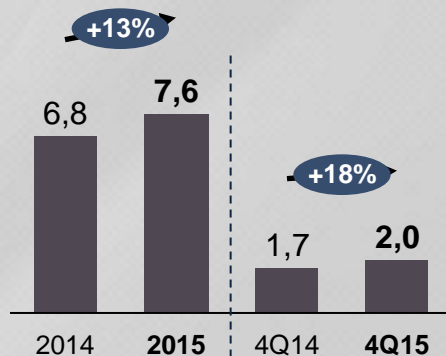
Copper (thousand of tonnes)

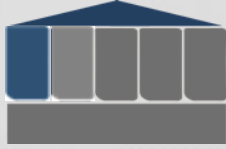


Lead (thousand of tonnes)



Silver (million of ounces)

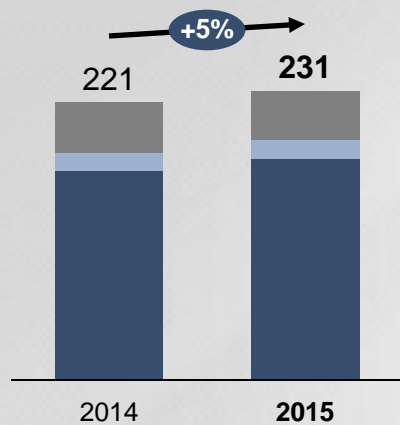




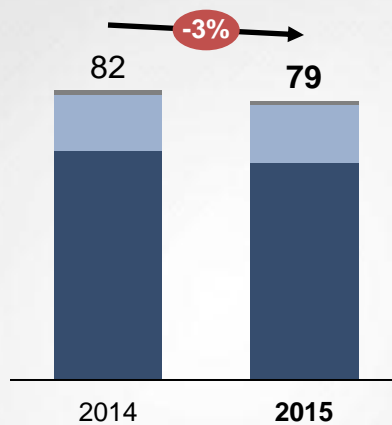
Fine content in concentrates production

(thousand of tonnes)

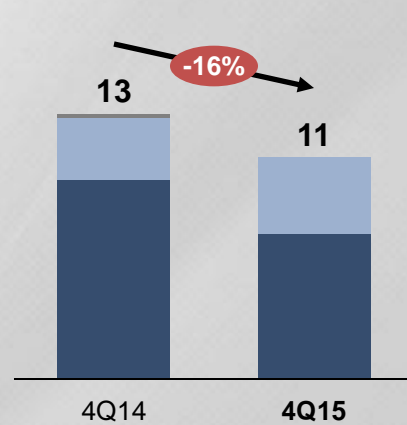
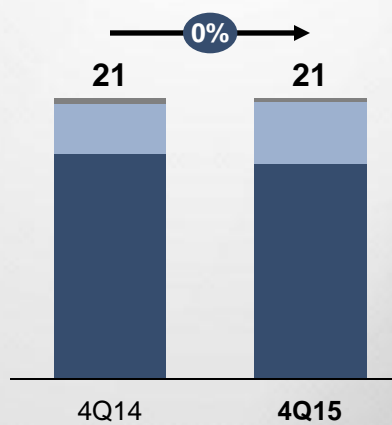
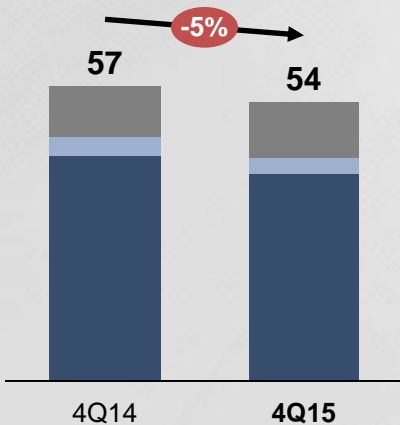
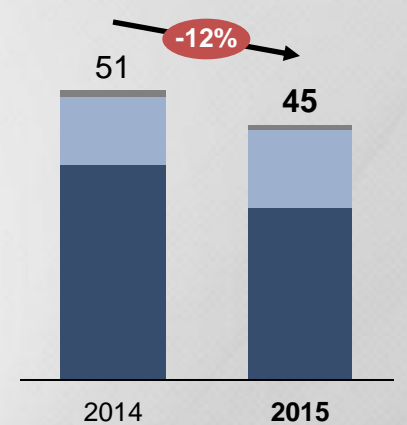
CERRO LINDO



EL PORVENIR



ATACOCHA



Copper Lead Zinc

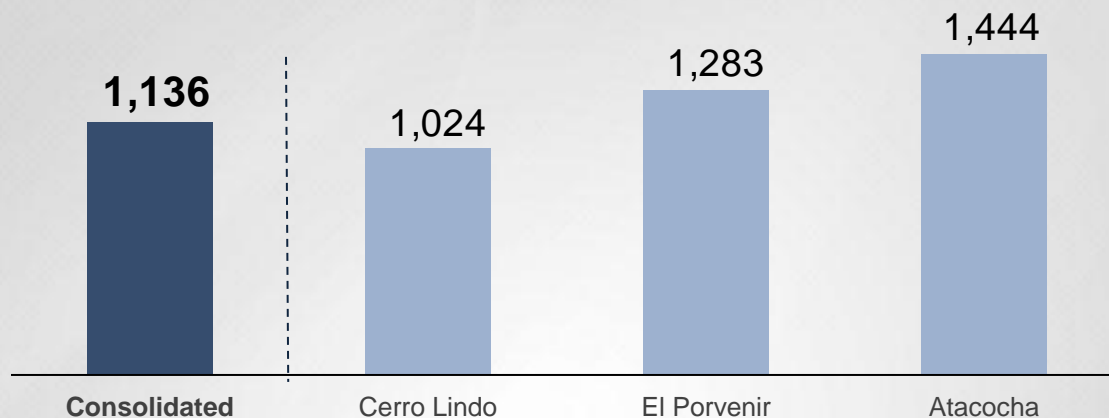
Copper Lead Zinc

Copper Lead Zinc

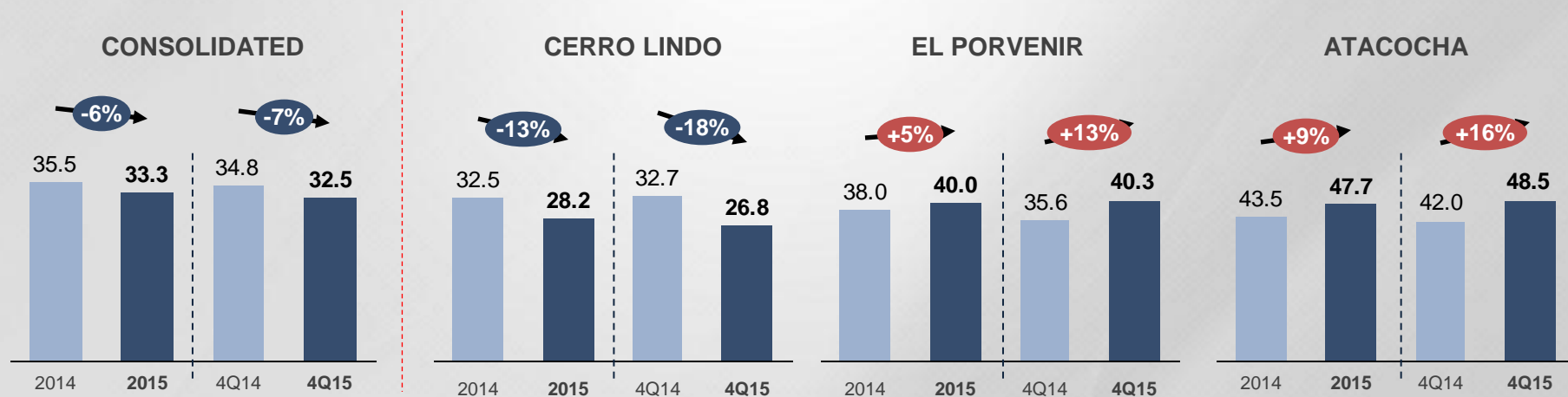
Lower consolidated cash costs also helped mitigate negative price effect



Cash Cost US\$/t Zinc equivalent 2015

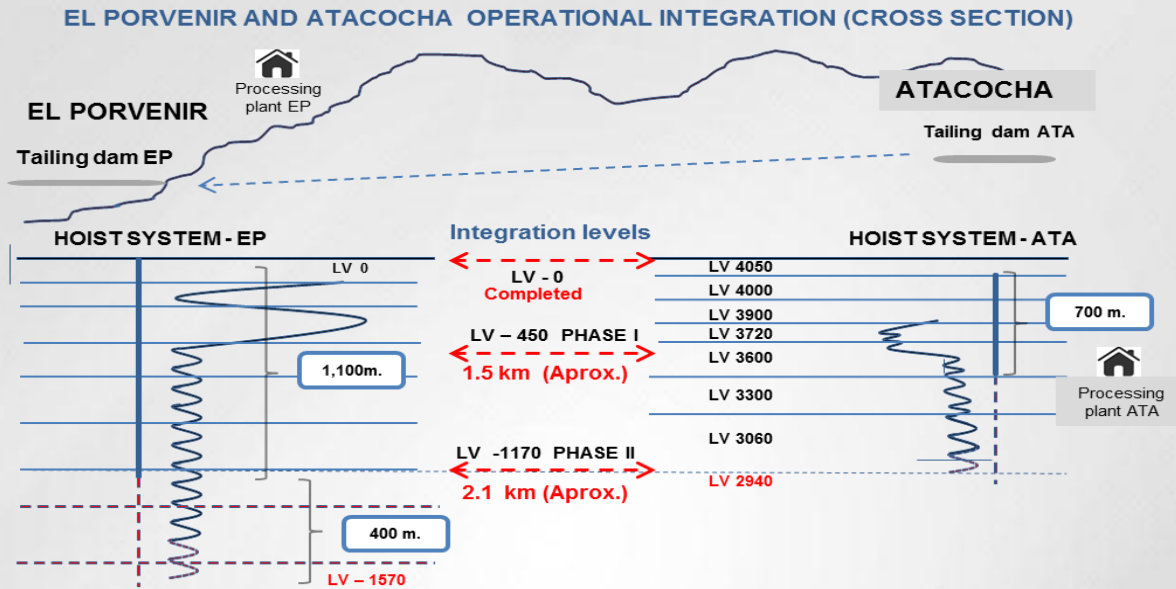


Cash Cost US\$/t rom



Milpo maintains its position as a low-cost mining producer

The Pasco integration will allow further costs and capex savings



1st stage

Administrative integration

- One administrative team for both plants.

Completed

2nd stage

Tailing dam integration

- One tailing deposit for both processing plants (An innovative technical development in Perú)

Completed

3rd stage

Energy transmission line integration

- One new energy line for both processing plants.

4th stage

Mine's integration

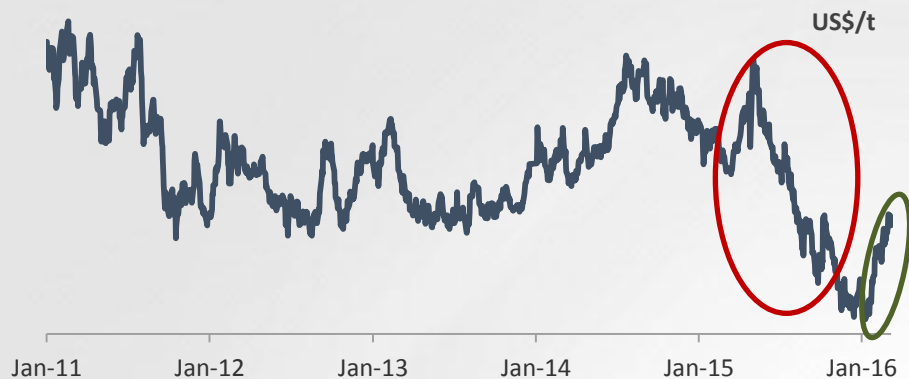
- One hoist system for both mines.
- Possibility to access reserves and resources in Atacocha's deepest zones, through El Porvenir's infrastructure.
- Possibility to add ore resources in the integration area (between both mines).

By the end of 2015, prices continued their pronounced drop, to levels not seen since the global financial crisis



Price Evolution

ZINC



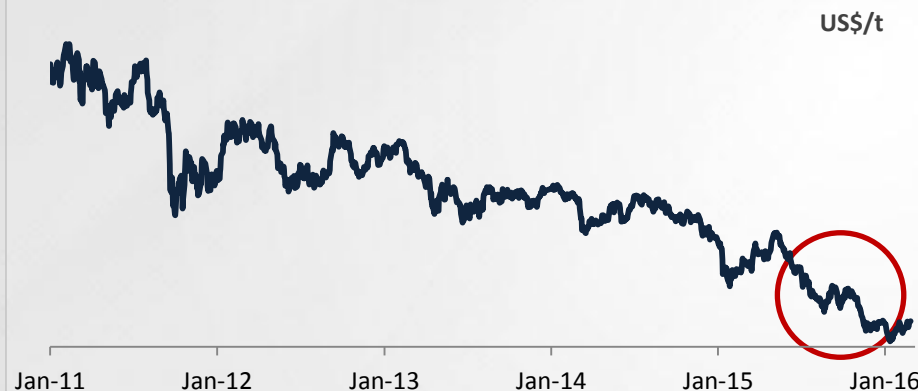
Trading

	US\$/t			US\$/t		
	2014	2015	Var %	4Q14	4Q15	Var %
Zinc	2,162	1,933	-11%	2,235	1,611	-28%

Historical Price
Data – Since 2011

Max : 2,546 - 02/2011
Min : 1,454 - 01/2016
Today : 1,798 - 03/2016

COPPER



	US\$/t			US\$/t		
	2014	2015	Var %	4Q14	4Q15	Var %
Copper	6,860	5,502	-20%	6,621	4,887	-26%

Historical Price
Data – Since 2011

Max : 10,148 - 02/2011
Min : 4,311 - 01/2016
Today : 4,921 - 03/2016

SILVER



	US\$/oz			US\$/oz		
	2014	2015	Var %	4Q14	4Q15	Var %
Silver	19.1	15.7	-18%	16.5	14.8	-10%

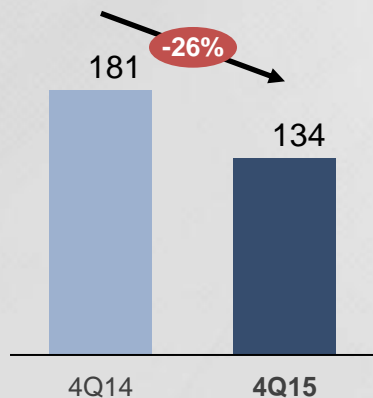
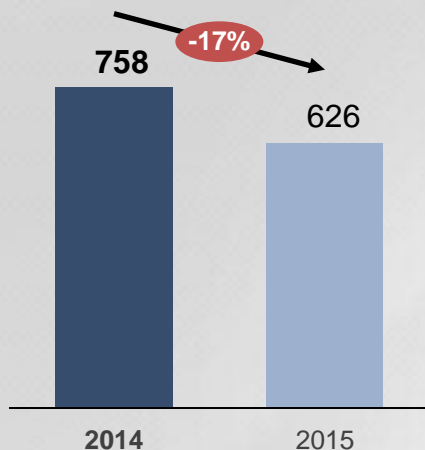
Historical Price
Data – Since 2011

Max : 48.7 - 04/2011
Min : 13.6 - 01/2016
Today : 15.3 - 03/2016

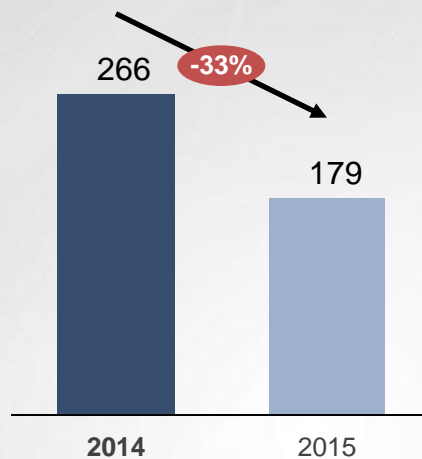
In spite of higher volumes and lower operating costs and expenses, lower metal prices had a negative impact on Milpo's results



REVENUES (US\$ million)



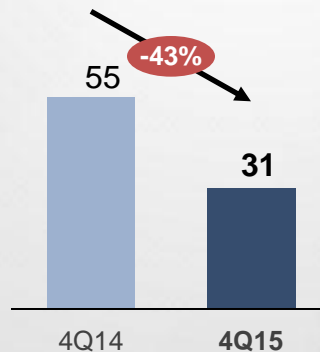
EBITDA (US\$ million)



Margin (%)

35%

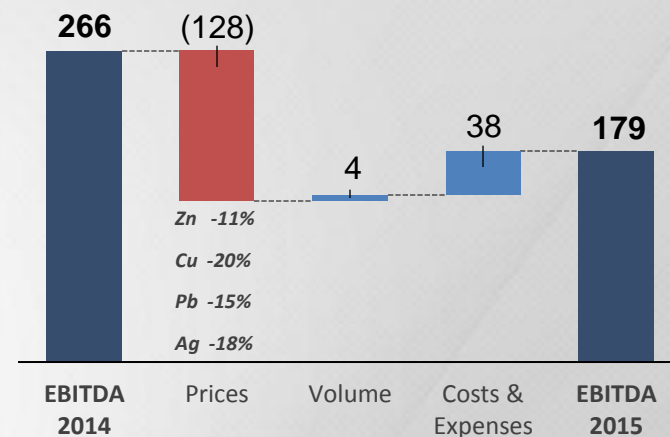
29%



Margin (%)

30%

23%



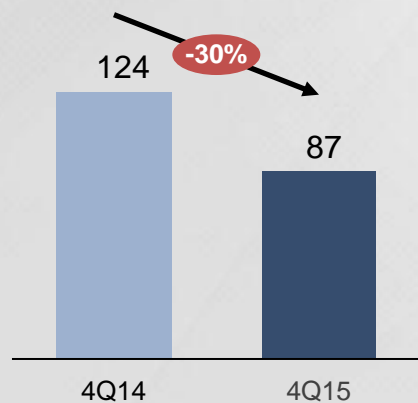
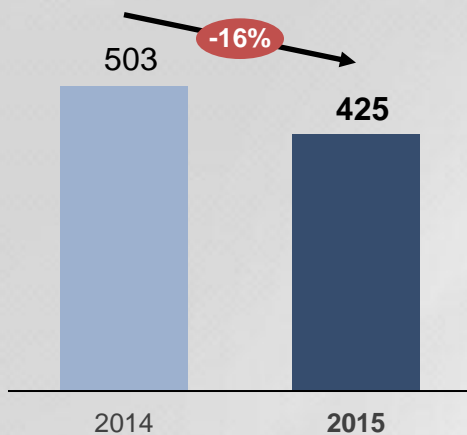
Highlights 2015 vs. 2014

- Revenues of US\$ 626 million, 17% decrease due to lower metal prices and in spite of higher fine content in concentrates production.
- EBITDA of US\$ 179 million, 33% decrease due to lower revenues and in spite of lower costs and expenses.
- 4Q15 results include a negative price effect of US\$ 39 million.

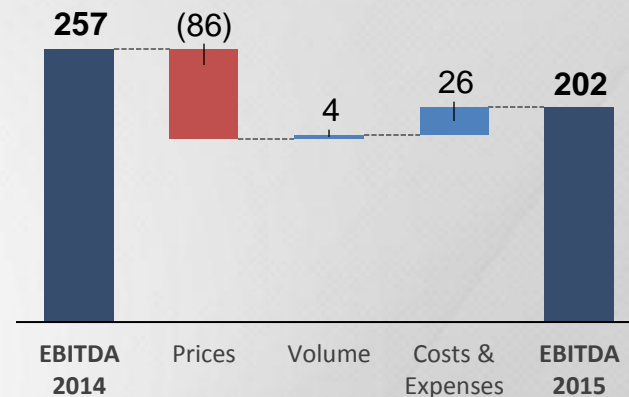
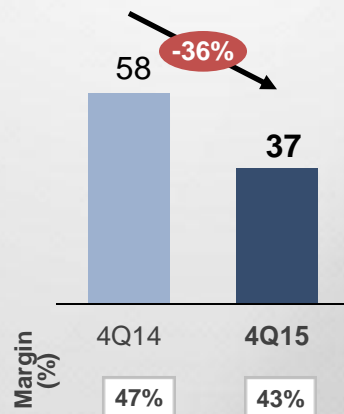
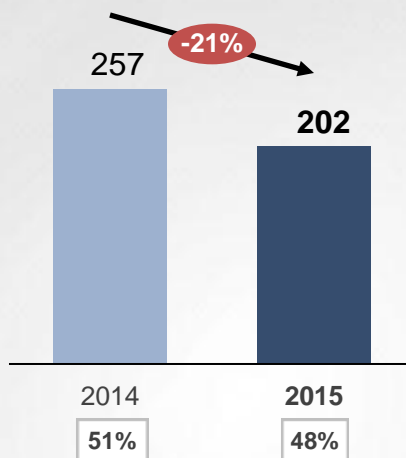
Cerro Lindo's financial performance (68% of Milpo's 2015 revenues)



REVENUES (US\$ million)



EBITDA (US\$ million)



Highlights 2015 vs. 2014

- Higher fine content in concentrates production due to the stabilization of treatment capacity at 18,000 tpd and better grades:

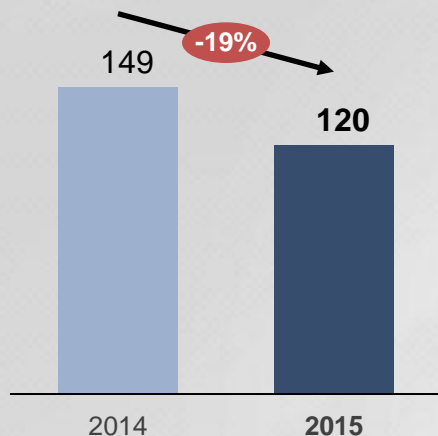
	2015
ZINC	↑ 6%
LEAD	↑ 6%
COPPER	↓ -1%
SILVER	↑ 20%

- Revenues of US\$ 425 million, 16% decrease due to lower metals prices and in spite of higher production.
- EBITDA of US\$ 202 million, 21% decrease due to lower revenues and in spite of lower cash costs (US\$/t 28.2 vs US\$/t 32.5).

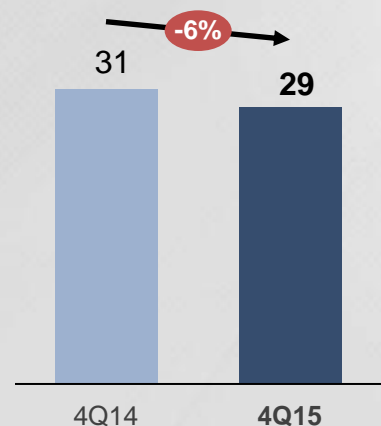
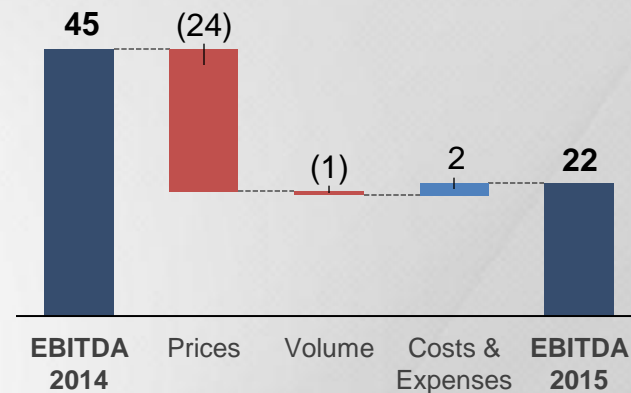
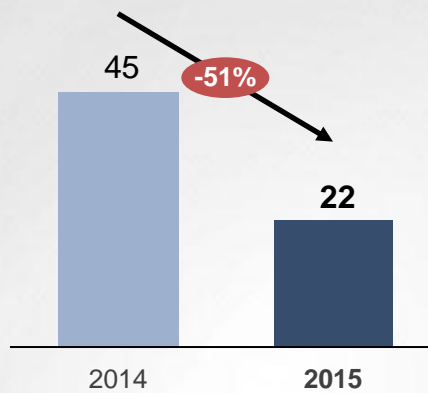
El Porvenir's financial performance (19% of Milpo's 2015 revenues)



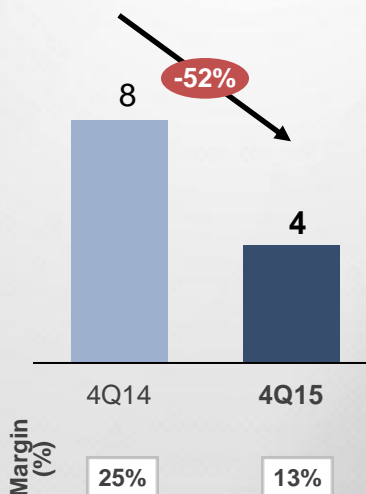
REVENUES (US\$ million)



EBITDA (US\$ million)



Margin (%)



Margin (%)

Highlights 2015 vs. 2014

- Lower fine content in concentrates production partially compensated by the increase in silver contents:

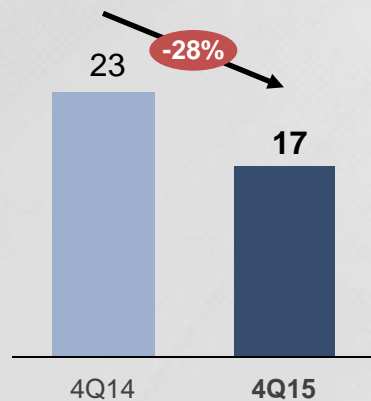
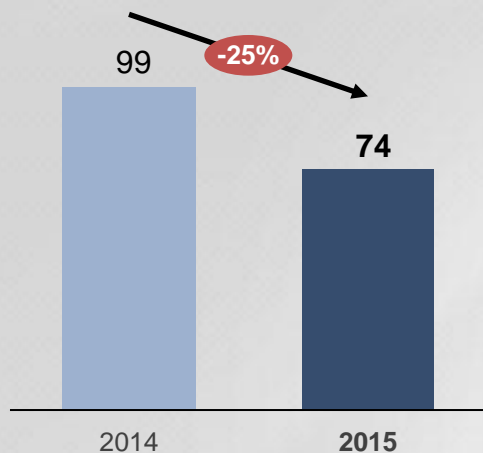
	2015
ZINC	↓ -5%
LEAD	↑ 5%
COPPER	↓ -10%
SILVER	↑ 16%

- Revenues of US\$ 120 million, 19% decrease due to lower metal prices.
- EBITDA of US\$ 22 million, 51% decrease due to lower revenues and in spite of lower expenses.

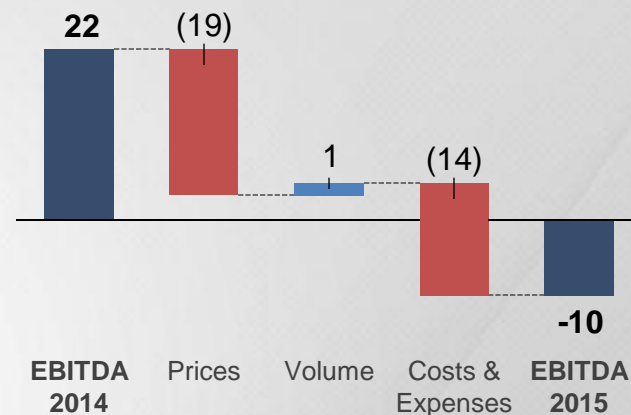
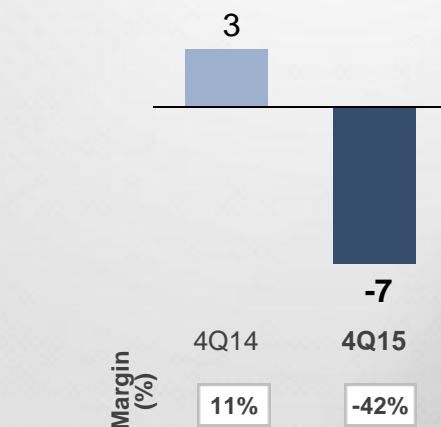
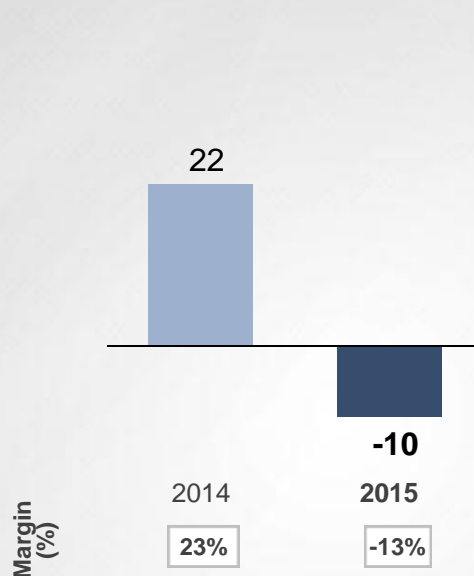
Atacocha's financial performance (12% of Milpo's 2015 revenues)



REVENUES (US\$ million)



EBITDA (US\$ million)



Highlights 2015 vs. 2014

- Lower zinc and copper fine content in concentrates production compensated by higher lead fine content:

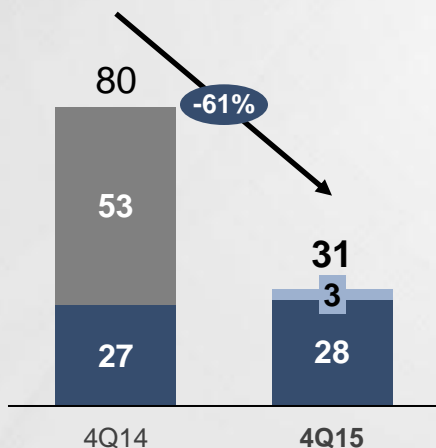
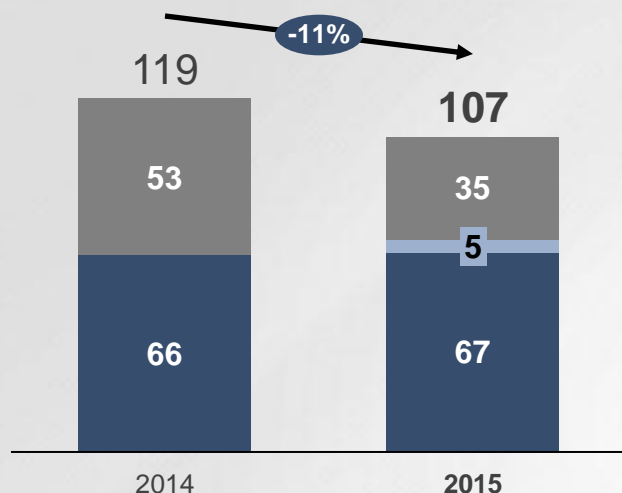
	2015
ZINC	↓ -20%
LEAD	↑ 16%
COPPER	↓ -49%
SILVER	↓ -3%

- Revenues of US\$ 74 million, 25% decrease due to lower metal prices and in spite of higher lead fine content in concentrates production.
- Negative EBITDA due to lower revenues and higher costs
- During 3Q15, operations in the underground mine were reprogrammed affecting treated ore and cash costs, situation partially reverted by the end of 2015.

US\$ 107 million were invested in 2015 with focus on a disciplined capital allocation

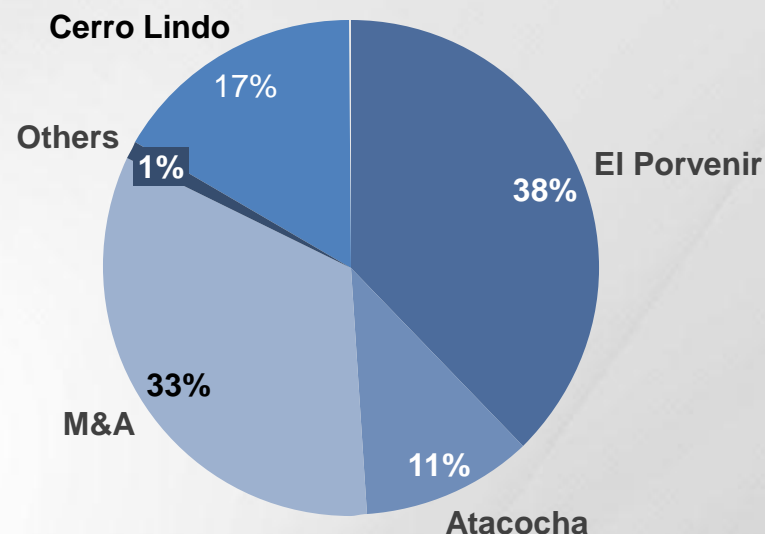


Capex (US\$ million)



■ M&A ■ Expansion ■ Sustaining and Others

2015 Capex breakdown per unit



Total US\$ 107MM

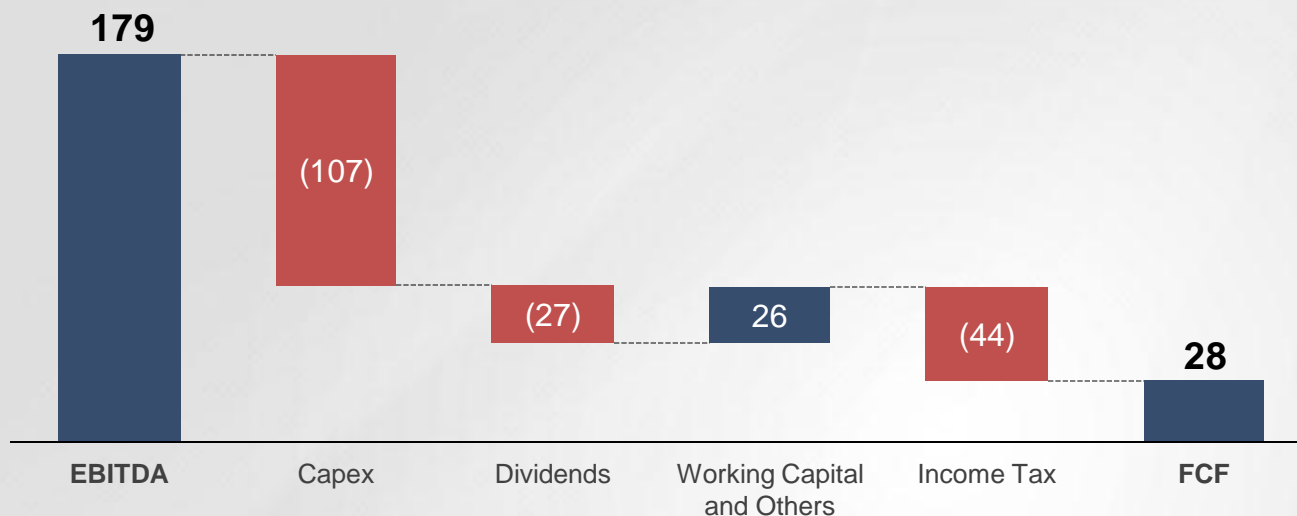
Main Investments during 2015:

- Acquisition of the right to a participation in the Shalipayco zinc project.
- Tailing dam elevation at El Porvenir, related to the integration with Atacocha.
- Electric substation and transmission line related to the operational integration of Pasco mining units.

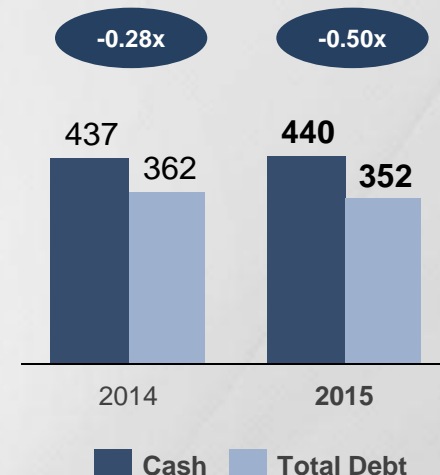
In spite of the lower EBITDA, Milpo generated a positive free cash flow in 2015, maintaining its strong liquidity and flexible financial position



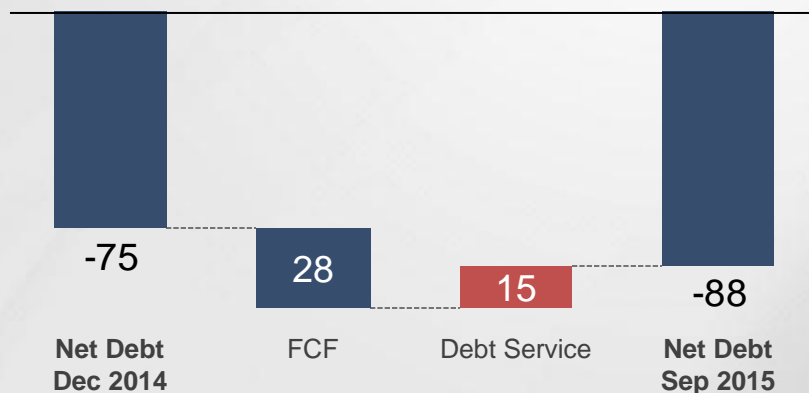
Free Cash Flow Generation (US\$ million)



Net Debt/EBITDA (x times)



Net Debt Evolution as of December 2015 (US\$ million)



Global Credit Ratings

Fitch Ratings

(BBB) Stable

STANDARD & POOR'S

(BB) Stable

Agenda

1

Business Strategy

Victor Gobitz - CEO

2

Operational and Financial Results

Claudia Torres - CFO

3

Closing Remarks

Victor Gobitz - CEO

Closing Remarks

- By executing its five-pillar strategy, Milpo continues to focus on maintaining its profitability, even in the current metal prices trend, through cost reduction initiatives, increased productivity and disciplined capital allocation.
- Milpo's strong liquidity position, low debt, positive free cash flow generation and flexibility to prioritize capex will allow the company to respond to 2016 market conditions.
- Milpo's units have long life of mines due to the constant replacement of reserves and resources inventories and in spite of the also constantly increasing treatment capacity.
- Milpo has strong long-term fundamentals in spite of current market conditions, due to its position as a low-cost mining producer, extended life of mine and strong diversified Greenfield projects.



Q&A

