



CORPORATE PRESENTATION 2Q13 RESULTS

August 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



50.06%



In Peru ⁽¹⁾:

- **3rd largest zinc producer .**
- **5th largest copper producer.**
- **3rd largest lead producer.**

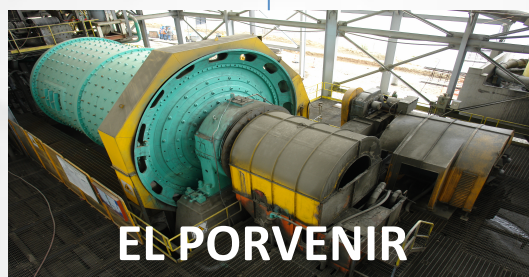


CERRO LINDO

Treatment Capacity: 15,000 tpd

Life of mine: ⁽²⁾

- 9 years (reserves)
- 17 years (reserves and resources)

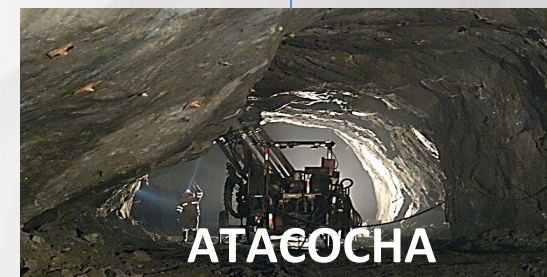


EL PORVENIR

Treatment Capacity: 5,600 tpd

Life of mine: ⁽²⁾

- 5 years (reserves)
- 12 years (reserves and resources)



ATACOCHA

Treatment Capacity: 4,400 tpd

Life of mine: ⁽²⁾

- 1 years (reserves)
- 4 years (reserves and resources)

(1) Source: Peruvian Ministry of Energy and Mines (Production of Jan-May 2013)

(2) LOM calculation based on Inventories from Dec. 2012 and on 2012 production. Does not include inferred resources.

Reserves and Resources Historical Trends (Polymetallic)

Consolidated Life of Mine (years) ⁽¹⁾

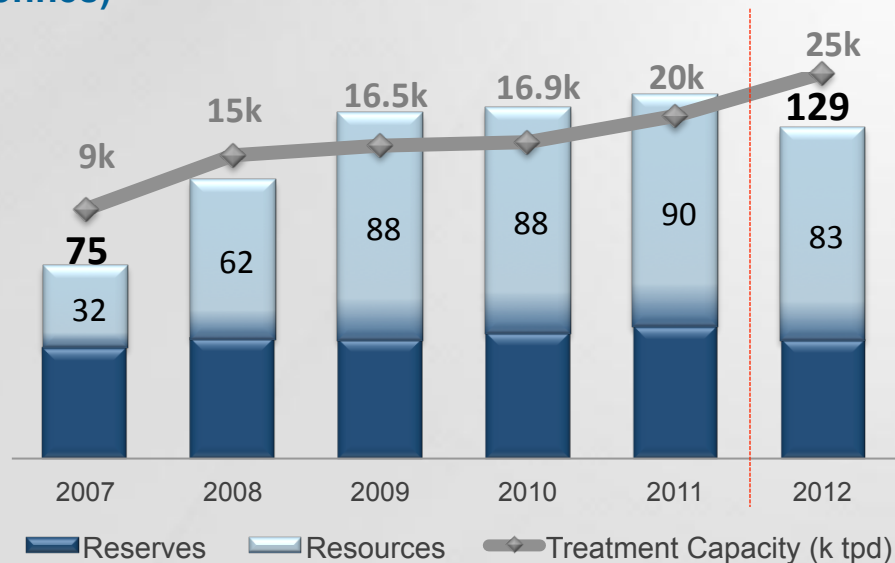


(1) Estimates of LOM based on 2012 production and calculated without including inferred resources.

Reserves Replacement (million of tonnes)



Reserves and Resources Growth (million of tonnes)



- LOM estimates are based on Reserves and Resources Inventories as of December 2012.
- The mineral resource and reserve estimates are made in accordance with the standards specified in the JORC code.
- Inventories are currently under external auditing by international companies.
- Milpo has shown a positive track record in replacement of reserves during the past five years.

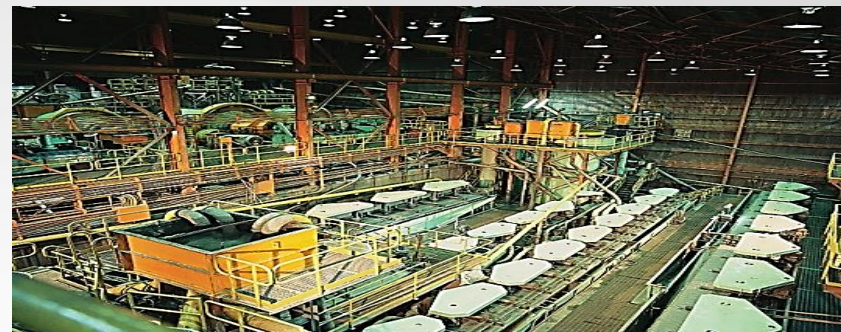
Milpo has sustainable operations focused on their growth.

Cerro Lindo



- ✓ 66% of Milpo's revenues in 2Q13.
- ✓ During 2013 will continue to consolidate its production level at 15,000 tpd.
- ✓ Among the most modern and largest underground mining operations in Peru.

El Porvenir



- ✓ 20% of Milpo's revenues in 2Q13.
- ✓ Currently exploring the upper part of the mine.
- ✓ Deepest mine in South America (1.2km) and currently evaluating the deepening to 1.6 km.

Atacocha



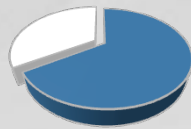
- ✓ 11% of Milpo's revenues in 2Q13.
- ✓ Underground polymetallic mine currently focused on intensifying drilling efforts to extend the mine's life and continuing the exploration of deeper areas.

Greenfields



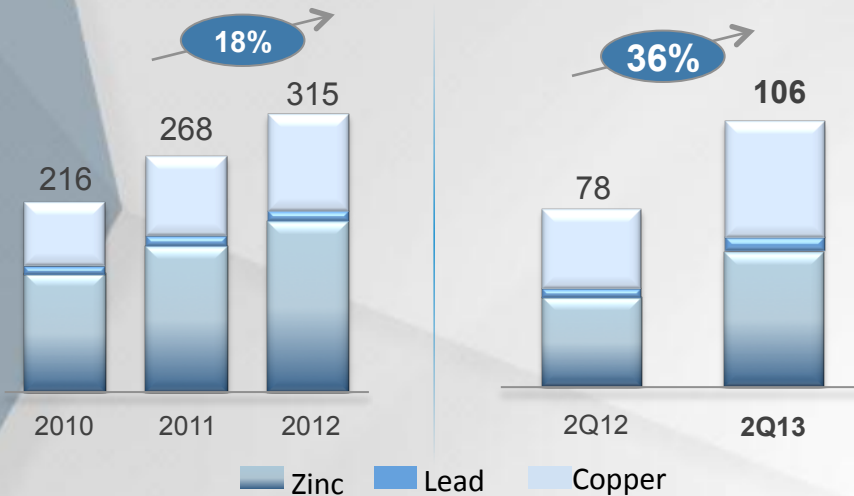
- ✓ During 2Q13, Milpo continued its exploration and project development studies at Magistral, Hilarión and Pukaqaqa.

Cerro Lindo

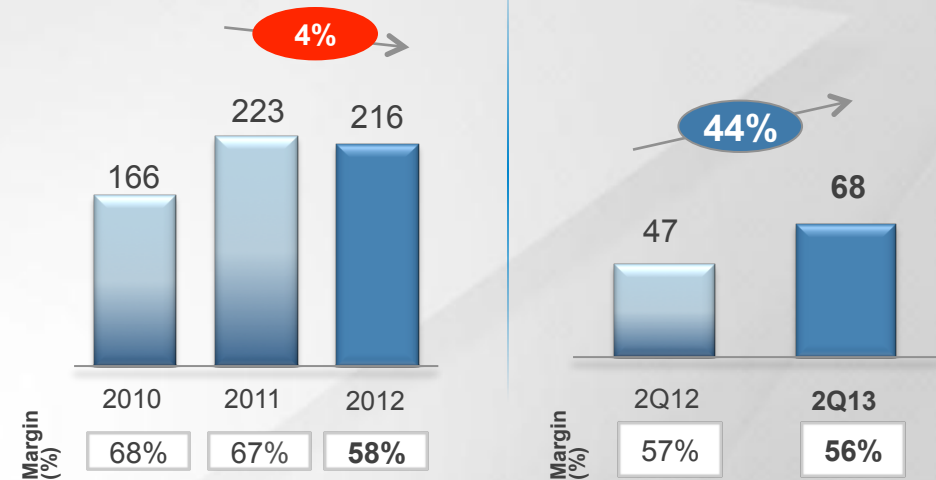


66% of Milpo's revenues

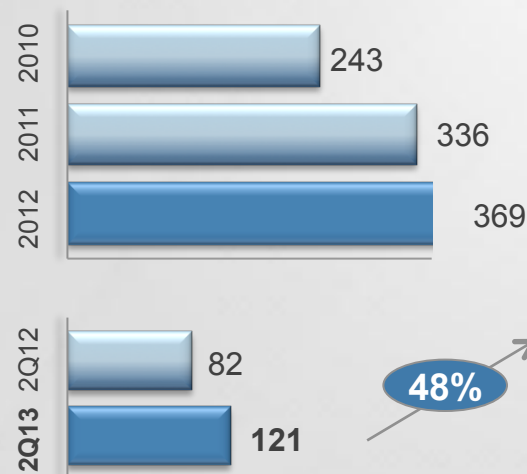
Production (thousand tonnes)



EBITDA (US\$ million)



Revenues (US\$ million)



2Q13 vs. 2Q12 Highlights

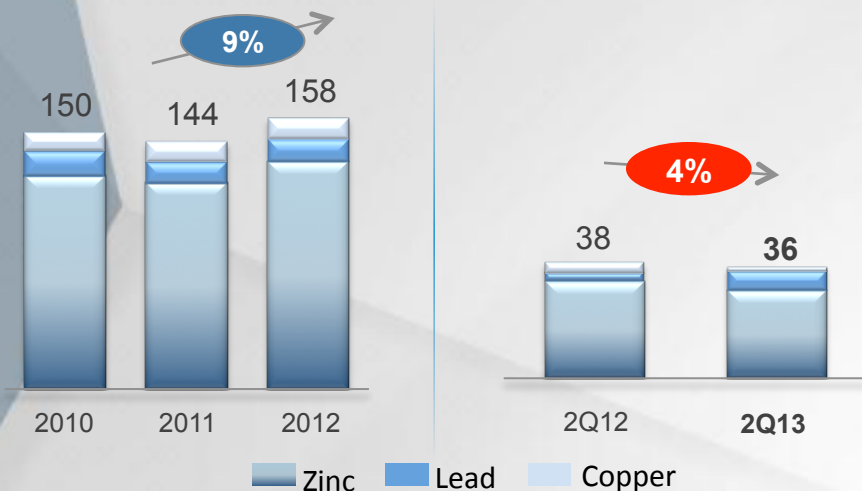
- 1.3 million tonnes of treated ore in 2Q13 from 0.9 million tonnes in 2Q12, a 47% increase.
- Higher production of the three concentrates, 36% above that of 2Q12.
- Revenues increased by 48% due to higher production levels and in spite of lower metal prices.
- EBITDA increased by 44% due to the higher revenues.

El Porvenir

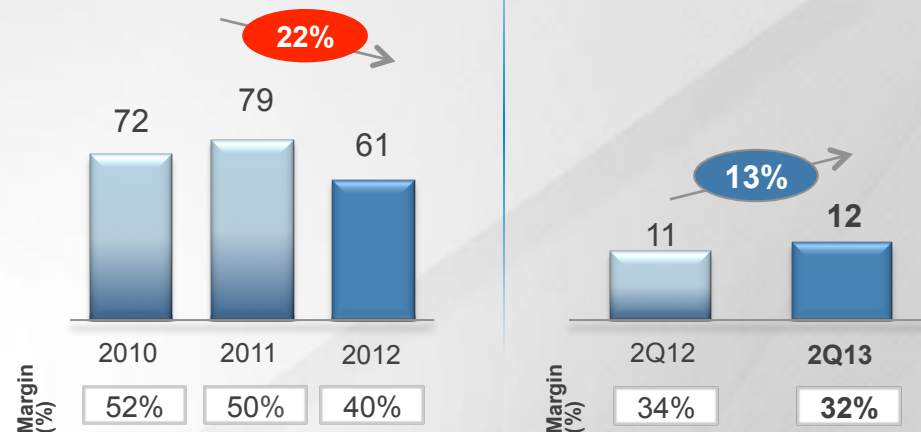


20% of Milpo's revenues

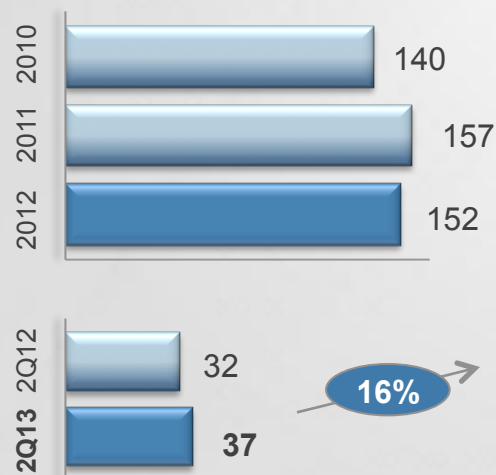
Production (thousand tonnes)



EBITDA (US\$ million)



Revenues (US\$ million)



2Q13 vs. 2Q12 Highlights

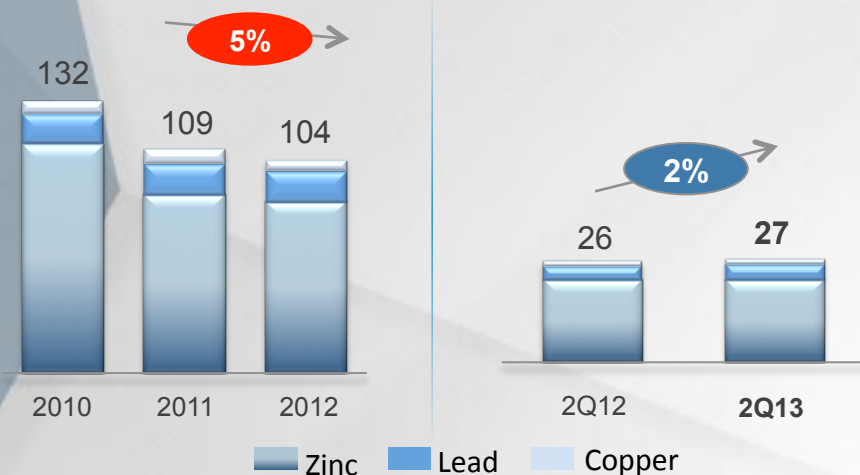
- 480 thousand tonnes of treated ore in 2Q13 from 455 thousand tonnes in 2Q12, a 5% increase due to completion of the 5.6k tpd project.
- Revenues increased by 16% to US\$ 37 million in 2Q13 from US\$ 32 million in 2Q12 due to the increase in lead concentrate production and in spite of lower metal prices.
- EBITDA increased by 13% to US\$ 12 million in 2Q13 from US\$ 11 million in 2Q12 due to the higher revenues.

Atacocha

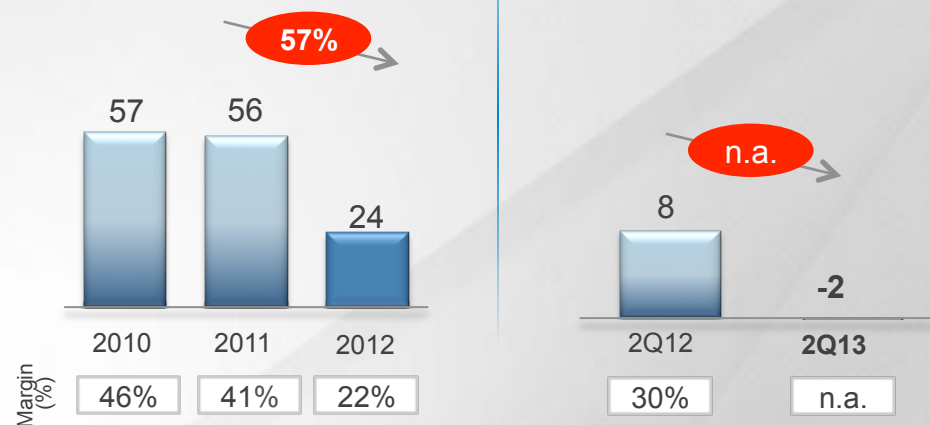


11% of Milpo's revenues

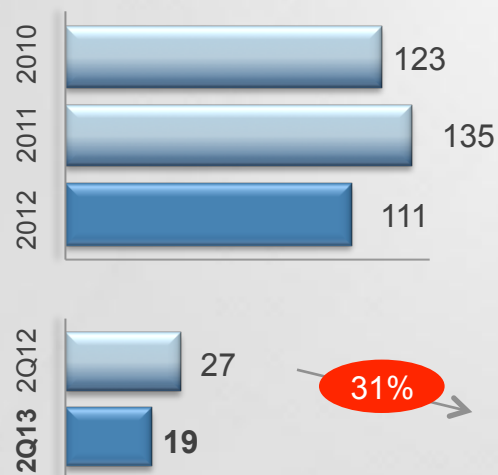
Production (thousand tonnes)



EBITDA (US\$ million)



Revenues (US\$ million)



2Q13 vs. 2Q12 Highlights

- 369 thousand tonnes of treated ore in 2Q13, in line with levels of 2Q12.
- The three concentrates production was slightly higher in the 2Q12, due to higher ore grades.
- Revenues decreased by 31% to US\$ 19 million in 2Q13 from US\$ 27 million in 2Q12 due to lower metal prices.
- The EBITDA decreased to US\$ -2 million in 2Q13 from US\$ 8 million in 2Q12, impacted mainly by lower revenues and in spite of an improvement of 10% in cash cost.

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Mr. Persio Morassutti - CFO

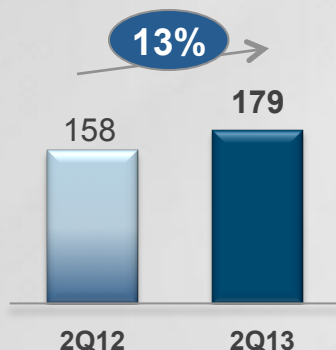
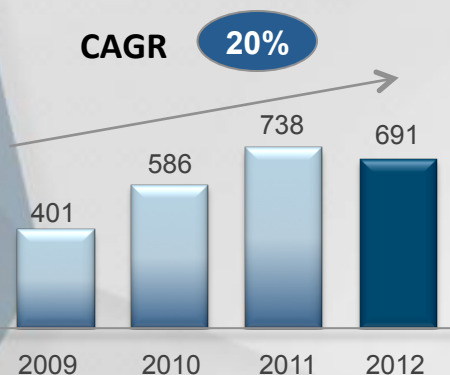
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Closing Remarks

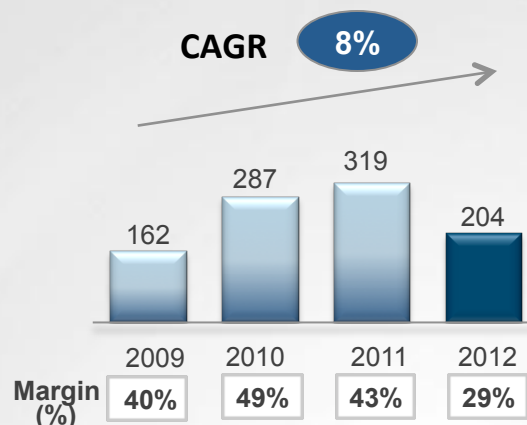
Mr. Persio Morassutti - CFO

During 2Q13 Milpo maintained its strong financial position...

Revenues (US\$ million)



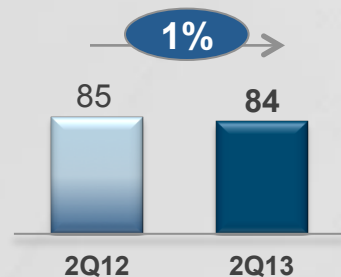
EBITDA (US\$ million)



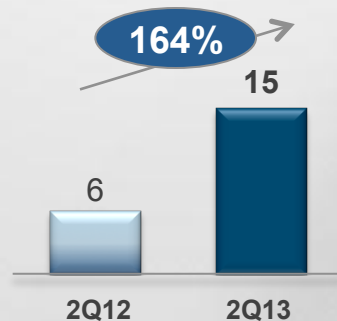
Highlights 2Q13 vs. 2Q12

- Revenues increased by 13% to US\$ 179 million in 2Q13 from US\$ 158 million in 2Q12, due to the increase in metal production and in spite of the decrease in metal prices.
- EBITDA increased by 47% to US\$ 65 million in 2Q13 from US\$ 44 million in 2Q12, due to the higher production levels mainly at Cerro Lindo unit and to the optimization of the current operating units portfolio.
- Cost of sales decreased by 1% to US\$ 84 million in 2Q13.
- Consolidated Net profit increased by 164% to US\$ 15 million in 2Q13 from US\$ 6 million in 2Q12, due to higher EBITDA.

Cost of sales (US\$ million)

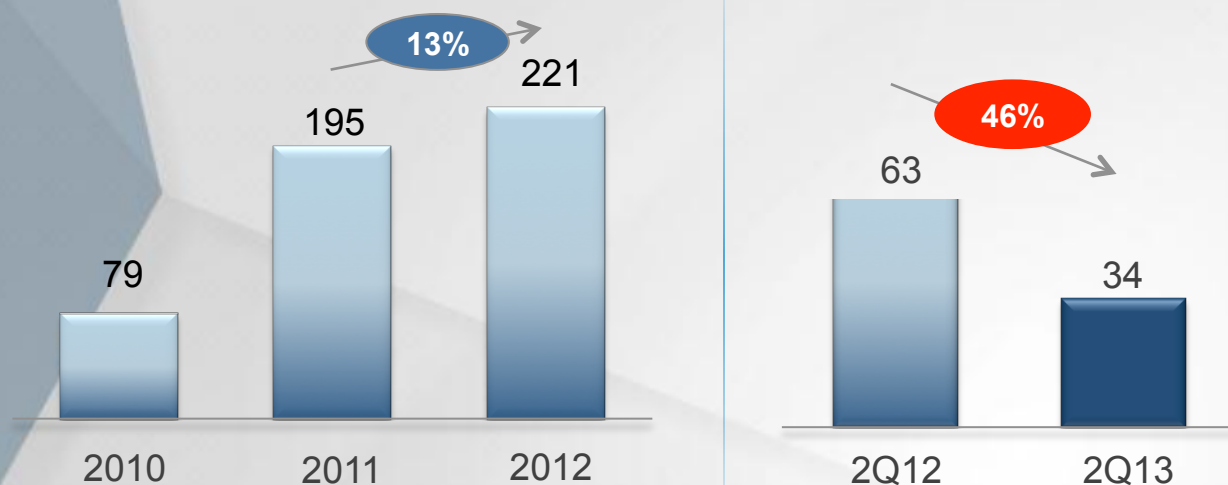


Net profit (US\$ million)



... and investments in 2013 will be focused on sustaining projects at our operating units and critical activities related to greenfield projects.

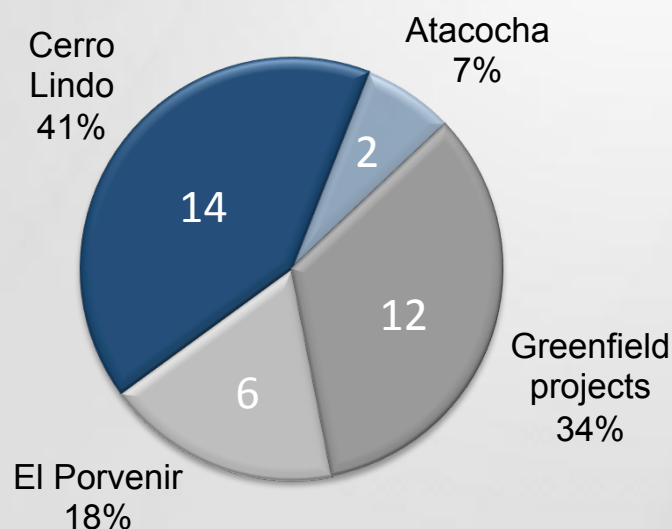
Capex (US\$ million)



Highlights

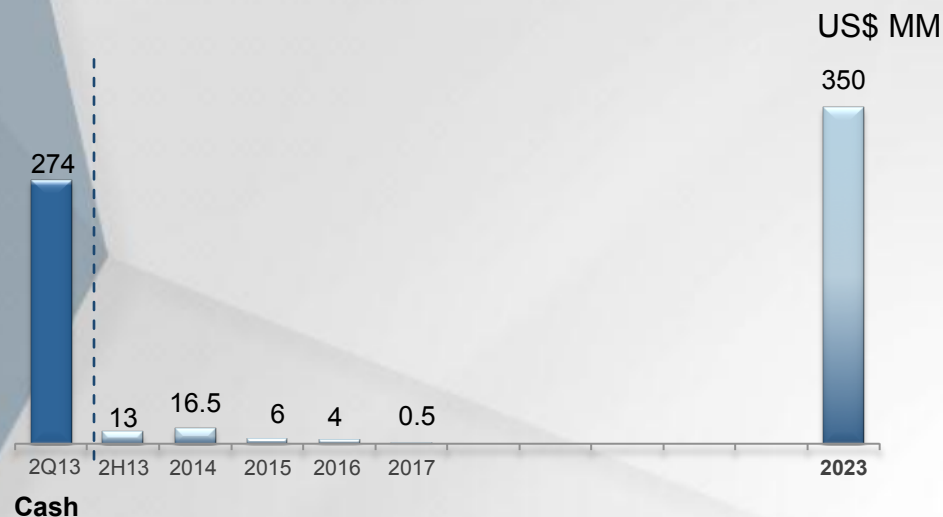
- Lower investments in 2Q13 primarily because during 2012, Cerro Lindo 15k and El Porvenir 5.6k projects were both under construction.
- Investments in 2013 will be focused on sustaining projects at our operating units and critical activities related to greenfield projects, suited to current market conditions and LME prices volatility.

2Q13 Capex breakdown per unit



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

Debt Amortization schedule



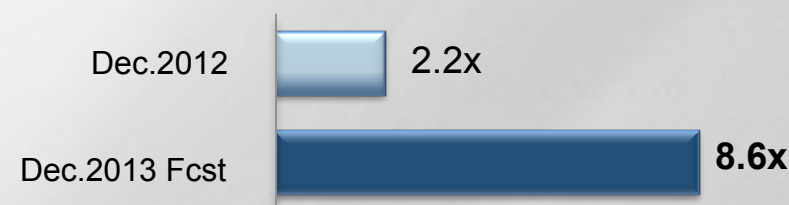
2Q13 Funding Mix



Net Debt to EBITDA ratio



Average Debt maturity (years)



Outlook 2013

Price Evolution (Quarter Average)

HIGHLIGHTS

ZINC

US\$/ton

1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	CURRENT PRICE *	2013 FCST
2,024	1,928	1,889	1,951	2,033	1,847	1,819	1,892

Zinc: Positive demand signs in China and US. Outlook for the US market is more positive given the recent trends in housing starts.

COPPER

US\$/ton ⁽¹⁾

1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	CURRENT PRICE *	2013 FCST
8,299	7,863	7,714	7,825	7,928	7,146	6,988	7,234

Copper: Tight market reflecting supplies disruption occurred during 2Q13. No significant changes in the trend are expected in the short term.

SILVER

US\$/oz ⁽¹⁾

1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	CURRENT PRICE *	2013 FCST
33	30	30	33	30	23	20	23

Silver: Prices heavily impacted by market expectations regarding Federal Reserve QE exit actions and also affected by strong liquidation of Hedge Funds position.

(1) Source: Bloomberg. Current price: LME cash prices 2013 Fcst Milpo: Average 2013:

* As of august 9th, 2013

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Closing Remarks

- Higher production levels than those of 2012 due to increased production from Cerro Lindo.
- Stable EBITDA margins in 2013 due to the increased production and the higher profitability of our operating units.
- Continuous efforts to optimize investments, operating costs and administrative expenses, suited to current market conditions.
- Strong liquidity position and conservative financial policies allowing the company to respond to current LME prices variations and markets volatility.

Q & A