

Volcan Compañía Minera

4Q 2024 Results

February 17th, 2024



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Highlights

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Operating Results

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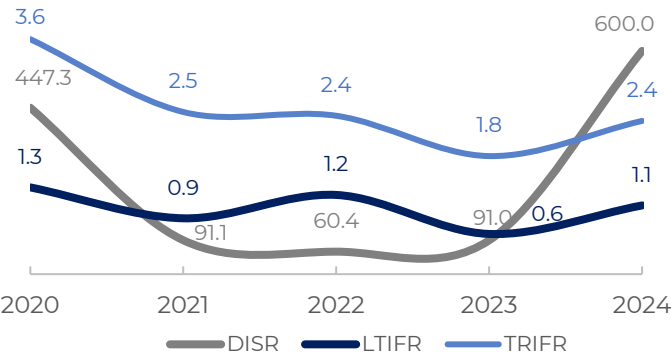
Financial Results

4Q 2024 Highlights

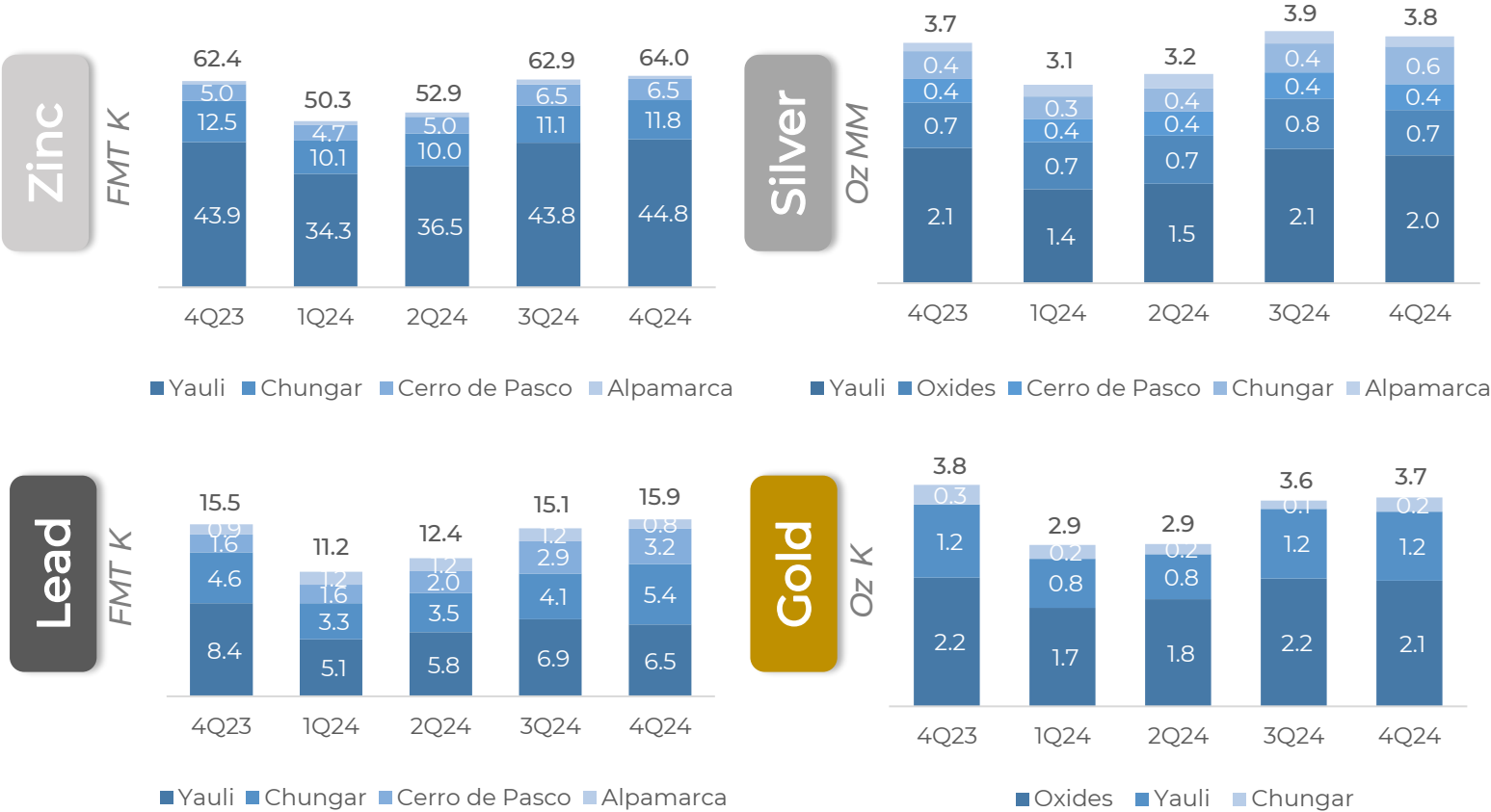
Safety

Strengthening the safety strategy

- Following the events in Q3-Q4, Containment Plans were established in operations; these continue to be implemented, achieving an impact on reactive safety indicators.
- Verification of compliance with critical controls associated with high-potential events occurring in our main contractors.
- Internal corporate audits to ensure compliance with legal requirements in infrastructure, geomechanics, ventilation, and concentrating plants.
- Strengthening of the safety culture through Awareness Campaigns at the different hierarchical levels of the organization, empowering workers in the application of PARE and Zero Tolerance to substandard conditions and acts.
- Start of Operations of the Romina Project aligned with our SSOMAC Policy and Management System.



Production

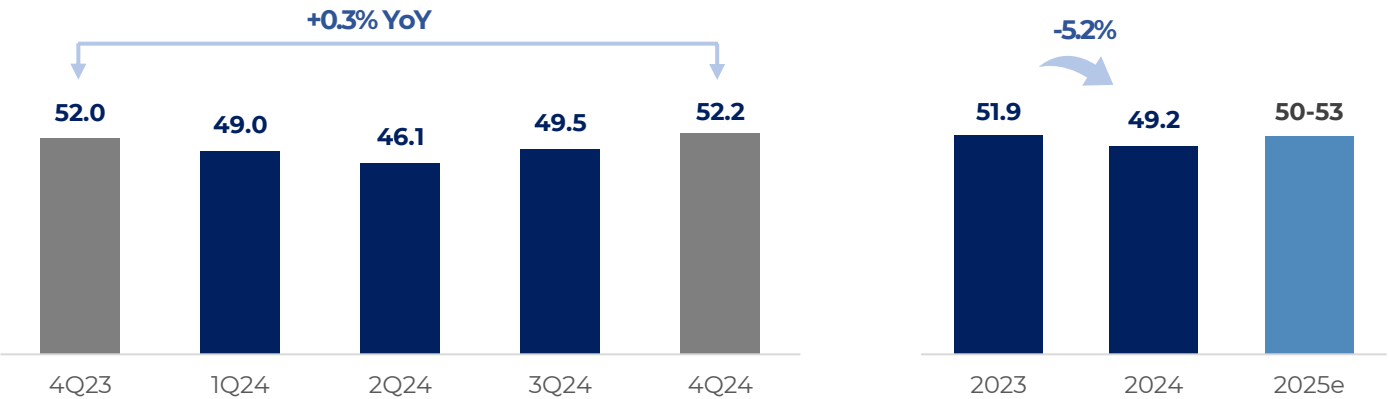


Mine	Treatment	Zn	Pb	Cu	Ag	Au
	(MT K)	(FMT K)	(FMT K)	(FMT K)	(Oz MM)	(Oz K)
2024	9,194.4	230.1	54.6	4.3	13.9	13.1
2025e	9,700-9,800	245-255	53-58	3-4	14-15	11-12

Note: LTIFR: Lost Time Injury Frequency Rate, DISR: Disabling Injury Severity Rate, TRIFR: Total Recordable Injury Frequency Rate

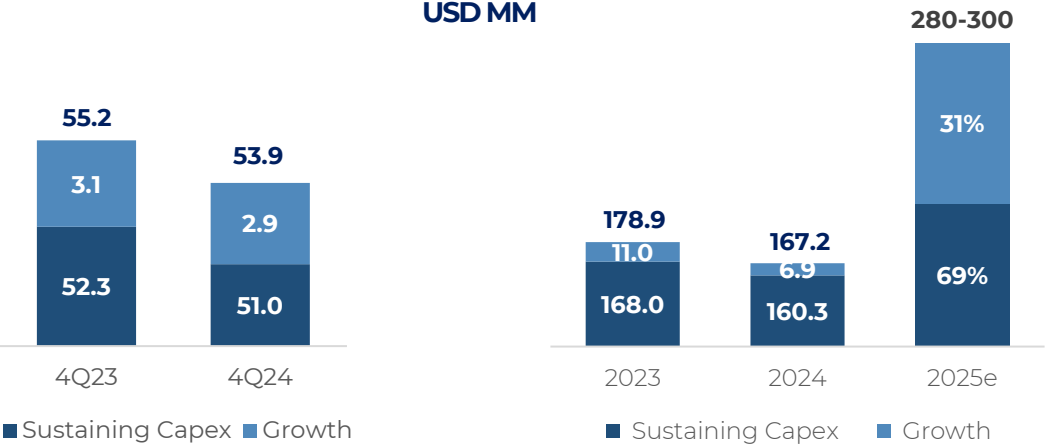
4Q 2024 Highlights

Unit Cost
USD / t

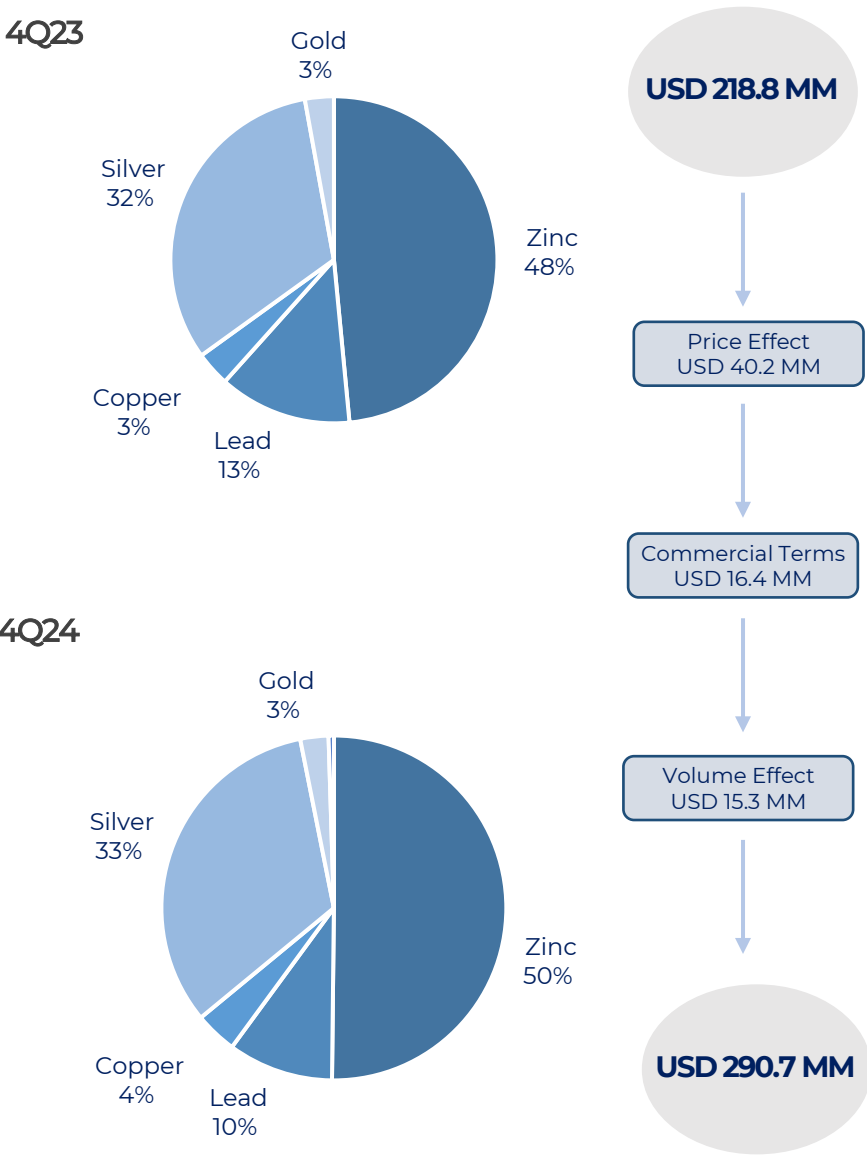


Note: Unit cost includes infill drilling

CAPEX
USD MM

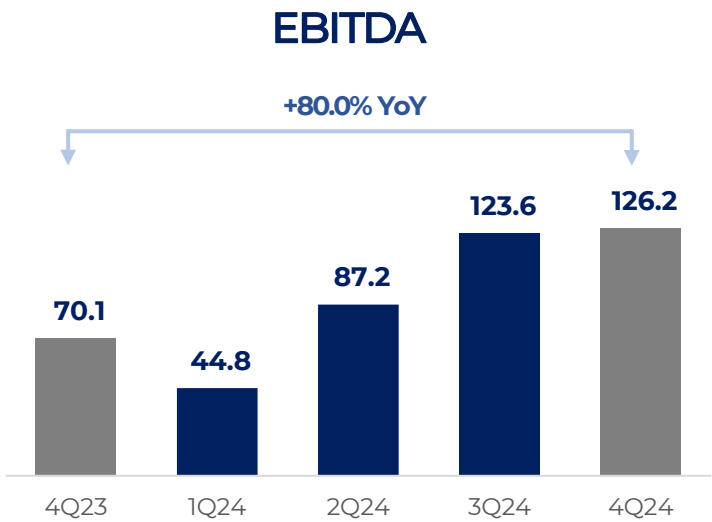


Net Sales by Metal



Note: Sales before adjustments

4Q 2024 Highlights



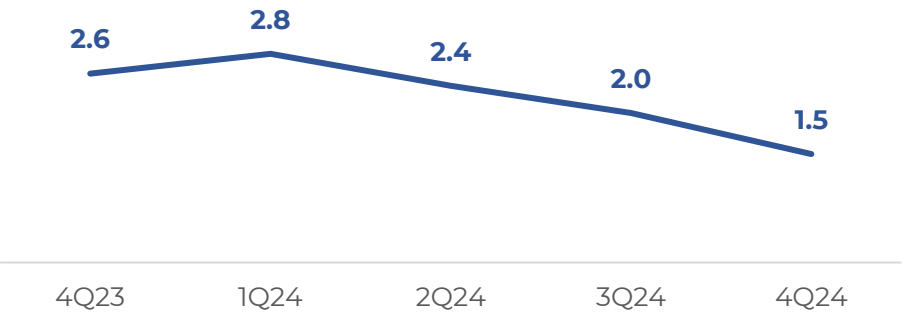
Cash Position

4Q23: USD 61.6 MM
4Q24: USD 155.8 MM

Net Debt

4Q23: USD 712.9 MM
4Q24: USD 564.1 MM

Net Debt / EBITDA Ratio



4Q24 Operating Income (*)

USD 75.1 MM 279.8% YoY

(vs. USD 19.8 MM 4Q23)

FY 2024 Operating Income (*)

USD 186.8 MM 167.7% YoY

(vs. USD 69.8 MM FY 2023)

Portfolio optimization and disposals

- ✓ Achieved:
 - ✓ Rucuy HPP - EGERBA
 - ✓ Huanchor HPP
- ✓ Medium/Long term plan:
 - ✓ Cementos Polpaico
 - ✓ Real Estate packages
 - ✓ Roquel

(*) Before exceptionals

4Q 2024 Balance sheet and refinancing highlights

December 2023:
Prepaid USD 25.0 MM

May 31st 2024:
Asset sale closing
(Rucuy HPP - EGERBA)
USD 31.7 MM

June 2024:
First payment of
Syndicated Loan
USD 34.3 MM

July 2024:
Prepaid USD 30.0 MM

July 24th 2024:
Amended and
Restated Credit
Agreement

September 9th 2024:
Exchange Offer
ended, 81.37% of 2026
Notes exchanged for
2030 Notes.

October 11th 2024:
Asset sale closing
(Huanchor HPP)
USD 49.5 MM

October 18th 2024:
Amortization of
Syndicated Loan
USD 25.0 MM

Debt Amortizations
Syndicated Loan: USD 59.3 MM
Prepays: USD 23.7 MM

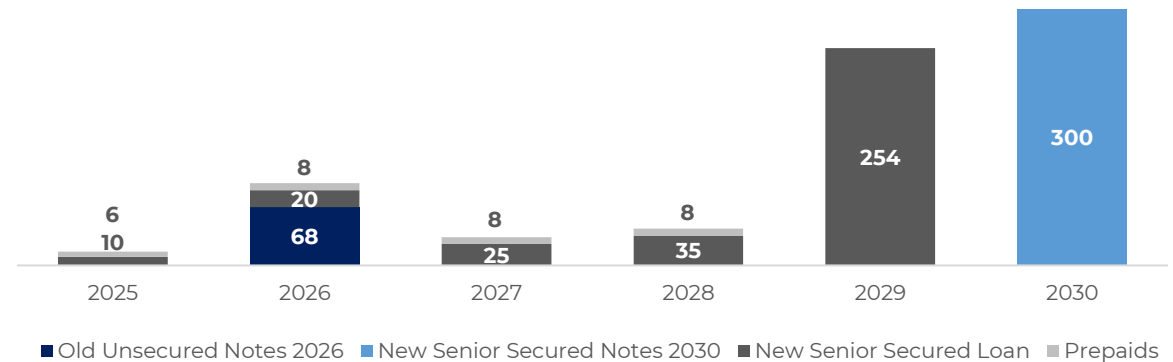
**Hedge program being executed
to reduce volatility in our 2025
cash flow.**

Summary New Debt as of Dec/24

	New Secured Loan due 2029	New Secured Notes due 2030	Prepays
Outstanding Amount:	USD 344.3 MM	USD 299.9 MM	USD 6.4 MM USD 25.0 MM
Interest Rate:	SOFR + 5.00%	8.750%	3M SOFR + 5.50% 3M SOFR + 4.50%
Security Package:	Majority of Company's assets and its subsidiaries		N/A
Maturity:	July 2029	January 2030	January 2025 December 2028

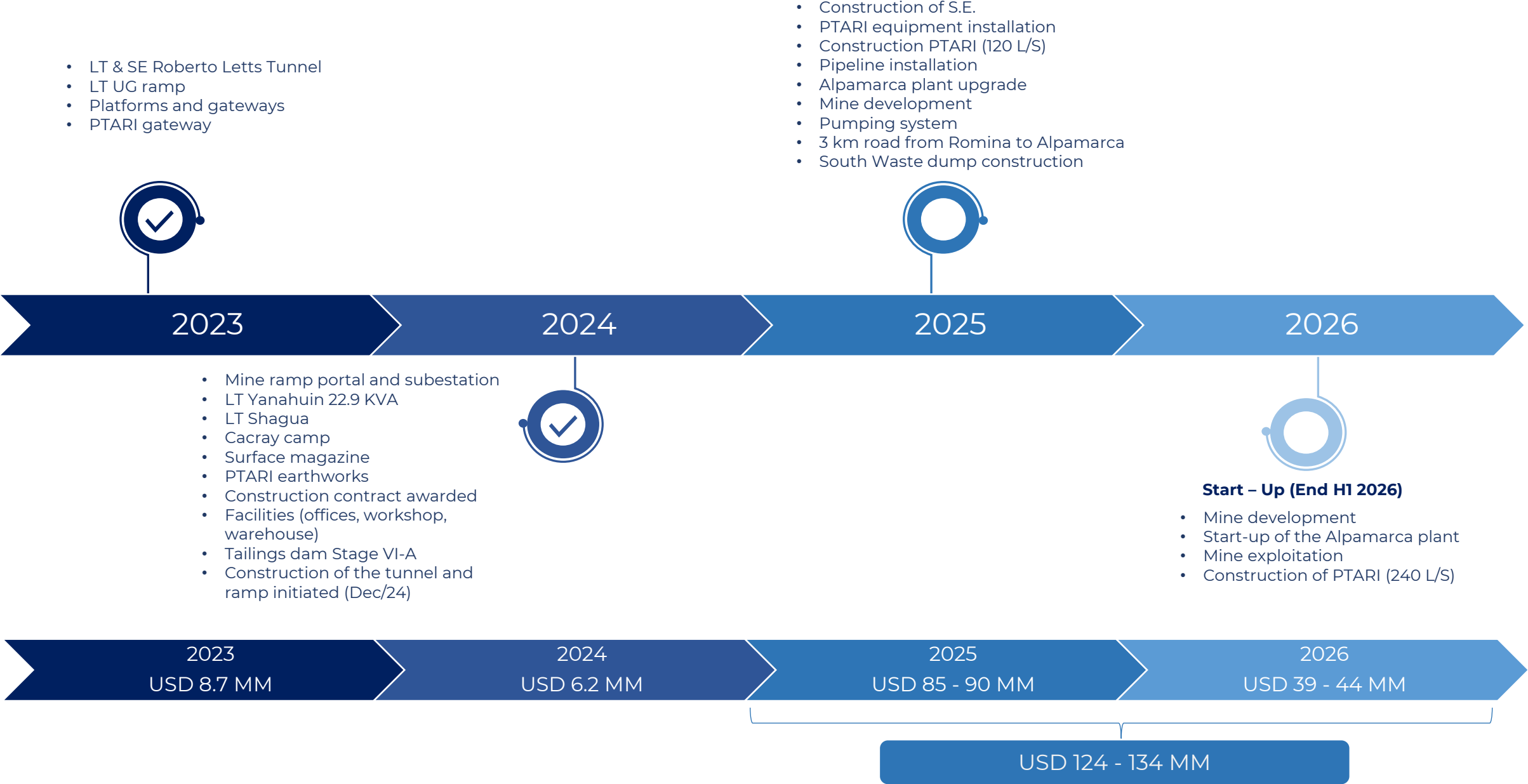
¹Applicable Margin - Years 4 and 5: 500 bps plus step up of 50 bps for each year so long as the outstanding principal balance is above USD 200MM.

New Debt Maturity Profile (USD MM)



Total debt: USD 744 MM

Romina Project status



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Consolidated Operating Results

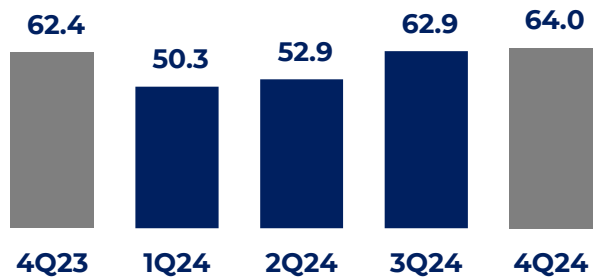
Consolidated Production	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Mineral extraction (thousands MT)¹	2,293	2,269	2,564	2,497	2,413	3.5	9,623	9,383	2.6
Polymetallic ore	2,058	2,015	2,317	2,252	2,181	3.3	8,642	8,425	2.6
Oxides ore	236	254	247	245	232	5.5	981	958	2.4
Mineral treatment (thousands MT)	2,122	2,199	2,472	2,402	2,325	3.3	9,194	9,429	-2.5
Concentrator Plants	1,887	1,945	2,225	2,156	2,093	3.0	8,213	8,471	-3.0
Silver Oxides Plant	236	254	247	245	232	5.5	981	958	2.4
Fine Content									
Zinc (thousands FMT)	50.3	52.9	62.9	64.0	62.4	2.6	230.1	242.0	-4.9
Lead (thousands FMT)	11.2	12.4	15.1	15.9	15.5	2.7	54.6	60.8	-10.2
Copper (thousands FMT)	0.8	0.8	1.2	1.6	1.2	30.0	4.3	5.3	-17.4
Silver (millions Oz)	3.1	3.2	3.9	3.8	3.7	2.7	13.9	15.2	-8.3
Gold (thousands Oz)	2.9	2.9	3.6	3.7	3.8	-2.1	13.1	18.4	-28.7

4Q24 vs 4Q23:

- **Yauli:** Increased ore extraction and treatment mainly due to higher daily processing capacity and optimized milling process at Andaychagua and Victoria plant.
- **Chungar:** Increased ore extraction and treatment due to improved and consolidation of ore zone preparation.
- **Alpamarca:** Increased ore treatment due to additional resources discovery, enabling mine plan extension
- **Cerro:** Higher ore processing due to plant capacity increase within permitted limits
- **Oxides:** Ore treatment increased to utilize the 10% additional capacity permitted by new regulations (June 2024)

Quarterly Evolution of Zinc Production (thousand FMT)

Consolidated



Ticlio

Δ MT Milled: -10 kt
Δ Grade: +2%



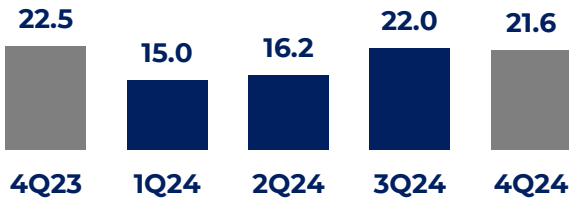
Cerro

Δ MT Milled: +24 kt
Δ Grade: +8%



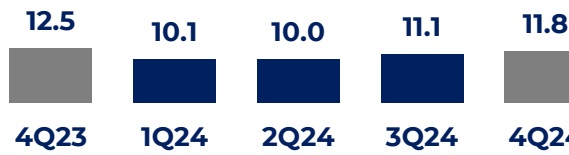
San Cristobal/Carahuacra

Δ MT Milled: -0 kt
Δ Grade: -4%



Chungar

Δ MT Milled: +8 kt
Δ Grade: -7%



Andaychagua

Δ MT Milled: +25 kt
Δ Grade: +4%



Alpamarca

Δ MT Milled: +17 kt
Δ Grade: +2%

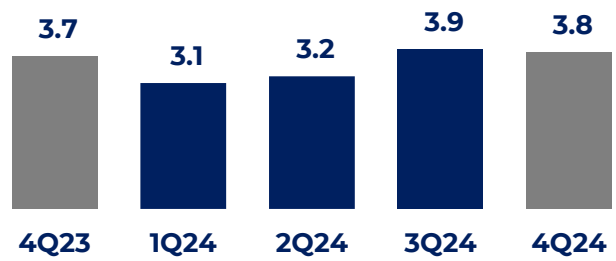


4Q24 vs 4Q23:

- **San Cristobal - Carahuacra:** Lower production in high grades area due to mining equipment availability.
- **Andaychagua:** Higher due to production and throughput increase.
- **Ticlio:** Victoria plant impacted by plant maintenance.
- **Chungar:** Lower grades partially offset with higher production.
- **Alpamarca:** Lower grades offset with higher production.
- **Cerro:** Higher production due to higher grades and increase of concentrator throughput to 9650 tpd.

Quarterly Evolution of Silver Production (MM Oz)

Consolidated



Ticlio

Δ MT Milled: -10 kt
Δ Grade: -3%



Cerro

Δ MT Milled: +24 kt
Δ Grade: -8%



San Cristobal/Carahuacra

Δ MT Milled: -0 kt
Δ Grade: -5%



Chungar

Δ MT Milled: +8 kt
Δ Grade: +31%



Oxides

Δ MT Milled: +13 kt
Δ Grade: -2%



Andaychagua

Δ MT Milled: +25 kt
Δ Grade: -9%



Alpamarca

Δ MT Milled: +17 kt
Δ Grade: +7%

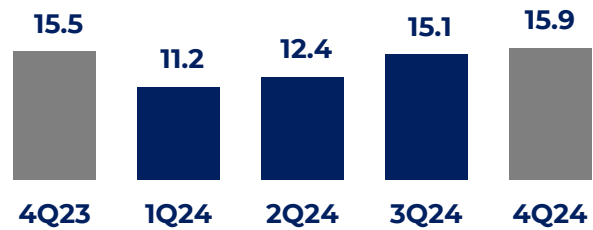


4Q24 vs 4Q23:

- **San Cristobal - Carahuacra:** Lower contribution from high grade zones.
- **Andaychagua:** In line with previous quarter production.
- **Ticlio:** Slightly lower due to lower tonnage and lower grade.
- **Chungar:** Higher contribution from high grade zones.
- **Alpamarca:** Higher due to higher-grade ore from North and Central pit.
- **Cerro:** In line with previous quarter production.
- **Oxides:** In line with previous quarter production.

Quarterly Evolution of Lead Production (thousand FMT)

Consolidated



Ticlio

Δ MT Milled: -10 kt
Δ Grade: -17%



Cerro

Δ MT Milled: +24 kt
Δ Grade: +20%



San Cristobal/Carahuacra

Δ MT Milled: -0 kt
Δ Grade: -21%



Chungar

Δ MT Milled: +8 kt
Δ Grade: +15%



Andaychagua

Δ MT Milled: +25 kt
Δ Grade: -25%



Alpamarca

Δ MT Milled: +17 kt
Δ Grade: -20%

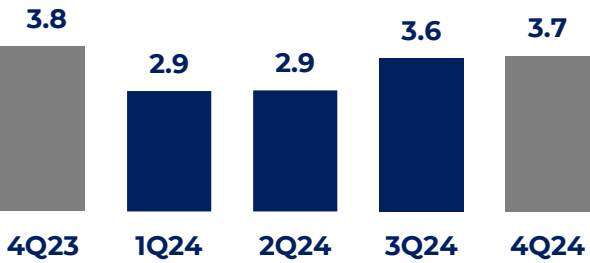


4Q24 vs 4Q23:

- **San Cristobal - Carahuacra:** Lower contribution from high grade zones and less lead head grade in ore resources
- **Andaychagua:** The higher throughput partially offset the lower grade resulting from the depletion of the Salvadora orebody.
- **Ticlio:** Lower contribution from high grade zones.
- **Chungar:** Higher contribution from high grade areas and increased head grade
- **Alpamarca:** Lower due to the treatment of lower-grade from open pit and stockpile ore.
- **Cerro:** Higher production due to the increase of concentrator throughput and increased head grades

Quarterly Evolution of Gold Production (M Oz)

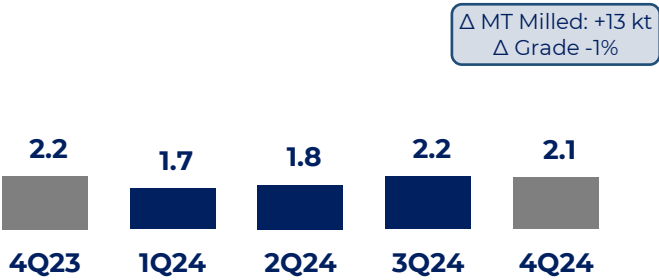
Consolidated



Ticlio



Oxides



Chungar



Andaychagua



San Cristobal/Carahuacra

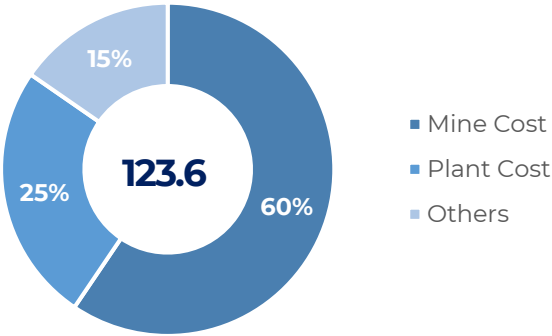


4Q24 vs 4Q23:

- **Oxides:** Slightly lower head grades and lower production in the in-situ oxides sector.

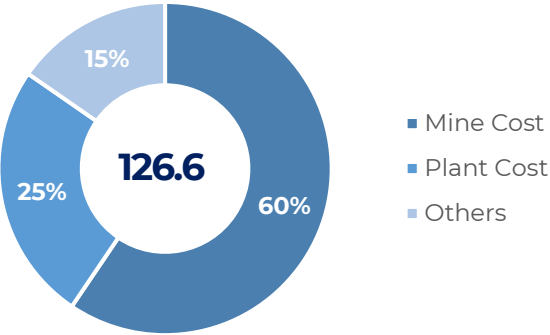
Consolidated Production Costs and Unit Costs

Production Cost (USD MM)
4Q23

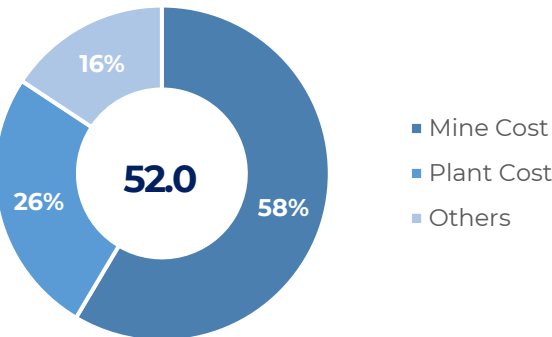


USD 3.0 MM
(+2.4%)

Production Cost (USD MM)
4Q24

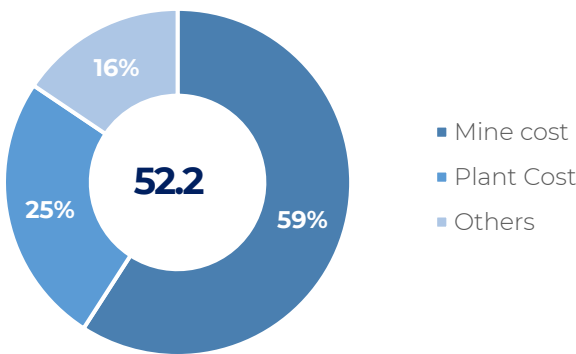


Production Unit Cost (USD/TM)
4Q23



USD 0.2 /TM
(+0.3%)

Production Unit Cost (USD/TM)
4Q24



4Q24 vs 4Q23:

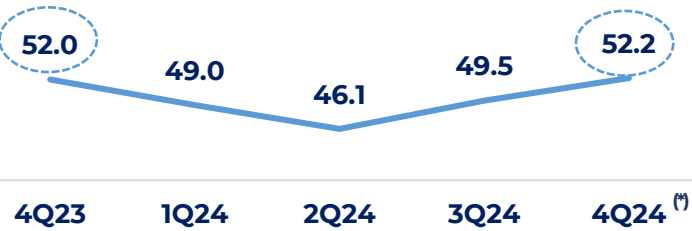
Higher absolute and unit cost, driven by:

- Additional mine preparation in Chungar and Ticlio (for 2025 production) and additional production from Alpamarca (since July)
- Increased reagent consumption in Oxides Plant.
- Higher pumping costs in Chungar and Ticlio.

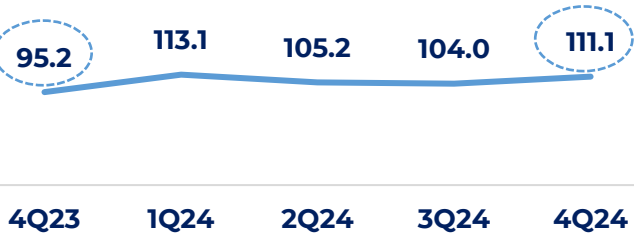
Offset partially by savings in rates, reagent optimization, and other efficiencies across Yauli, Cerro, and Alpamarca (Volcan Avanza 3.0)

Production Unit Cost per Unit

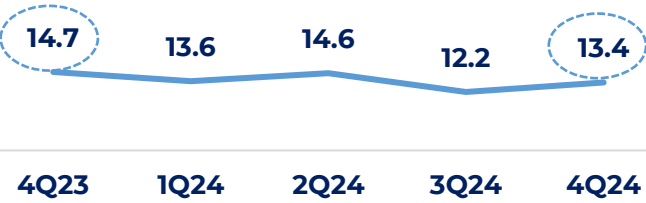
Consolidated



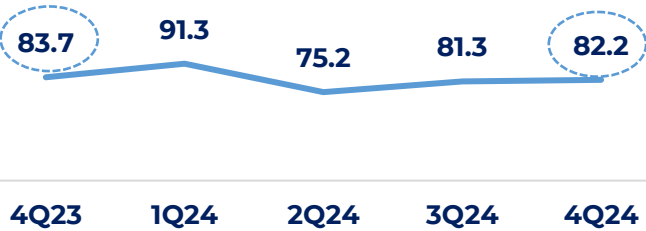
Ticlio



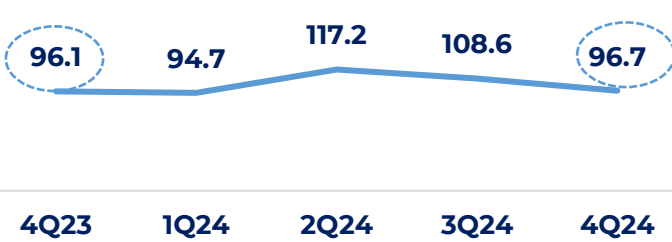
Cerro



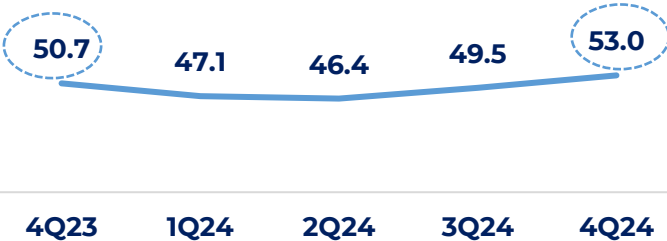
San Cristobal/Carahuacra



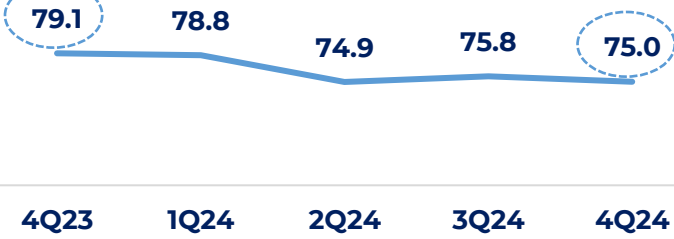
Chungar



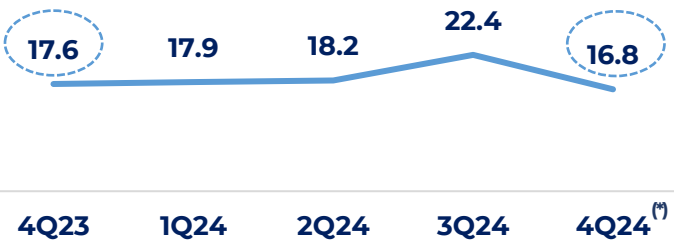
Oxides



Andaychagua



Alpamarca



4Q24 vs 4Q23:

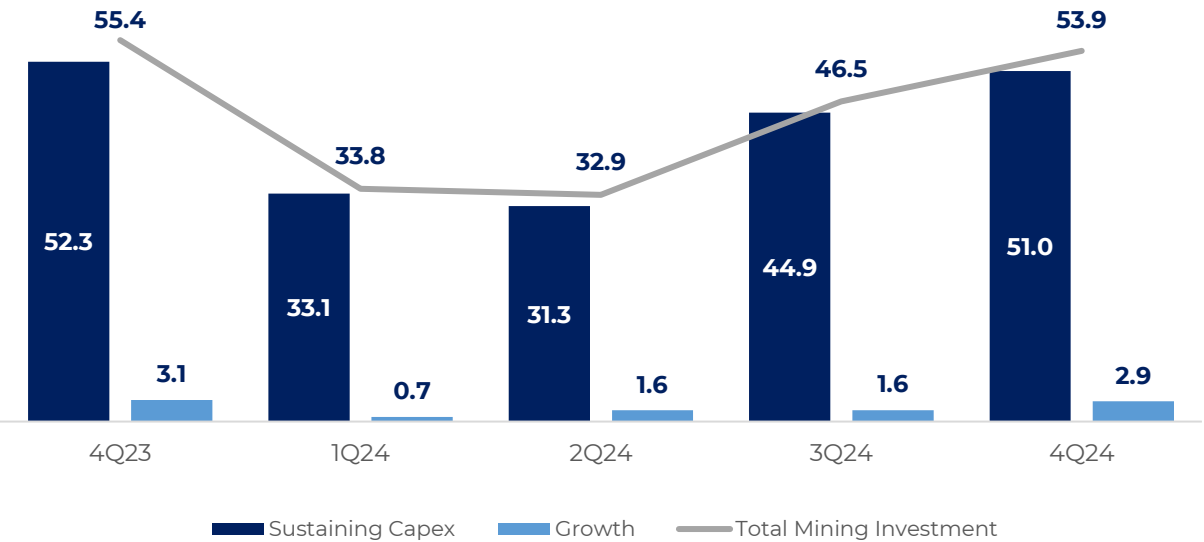
- **San Cristóbal Carahuacra:** Optimization of support costs and increased efficiency in the use of reagents at the plant
- **Andaychagua:** Higher tonnage at a lower cost, resulting from a change in mining method and improvements in the milling process.
- **Cerro:** Higher tonnage processed combined with better rates and lower supply consumption.
- **Alpamarca:** Higher waste extraction to prepare areas that will be mined in 1Q25 offset with a reduction in other expenses

Increases in costs:

- **Ticlio:** Additional mine preparation to guarantee 2025 production and higher pumping costs
- **Chungar:** Increased preparation and higher underground water flow.
- **Oxides:** Higher reagents consumption at the plant due to mineral characteristics.

(*) 4Q2024 does not include expenses from previous years

Evolution of Mining Investments



4Q24 vs 4Q23:

Variation in Operating Units (-2.6%):

- **Local Exploration:** Reduced due to prioritization of key areas and optimization of the drilling grid and hole lengths.
- **Developments:** Reduced due to optimized mine designs.
- **Mine and infrastructure:** Lower investment in equipment purchases was due to longer delivery times. Fewer projects were executed as essential infrastructure was built in 2023 in Yauli and Chungar.
- **Support and Others:** Higher investment in, mainly in overhauls and component purchases in Chungar, Cerro, and Yauli.

Consolidated Investment (MM USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Mining	33.8	32.9	46.5	53.9	55.2	-2.4	167.2	178.9	-6.6
Mining Units	33.1	31.3	44.9	51.0	52.3	-2.6	160.3	168.0	-4.6
Local Exploration	2.0	2.1	2.4	2.2	3.5	-35.6	8.8	13.1	-32.7
Development	17.6	15.4	17.7	18.6	19.1	-2.7	69.1	76.3	-9.4
Plants and Tailings Facilities	7.0	6.3	12.3	13.7	14.3	-4.1	39.3	32.0	22.8
Mine and Infrastructure	5.5	5.4	7.8	6.6	9.7	-32.1	25.3	34.5	-26.7
Electrical Infrastructure in Units	0.1	0.6	1.5	3.3	3.8	-12.9	5.5	8.7	-36.8
Support and Others	0.9	1.7	3.2	6.6	2.0	233.3	12.3	3.5	253.2
Regional Explorations	0.0	0.0	0.0	0.0	0.1	-76.2	0.1	0.1	-46.1
Growth and Others	0.7	1.6	1.6	2.9	2.9	1.4	6.9	10.9	-36.9
Energy	0.0	0.0	0.0	0.0	0.2	-100.0	0.0	0.5	-96.3
Others	0.0	0.0	0.0	0.2	0.0	0.0	0.2	0.0	0.0
Total	33.8	32.9	46.5	54.0	55.4	-2.5	167.2	179.5	-6.8

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Sales and prices evolution

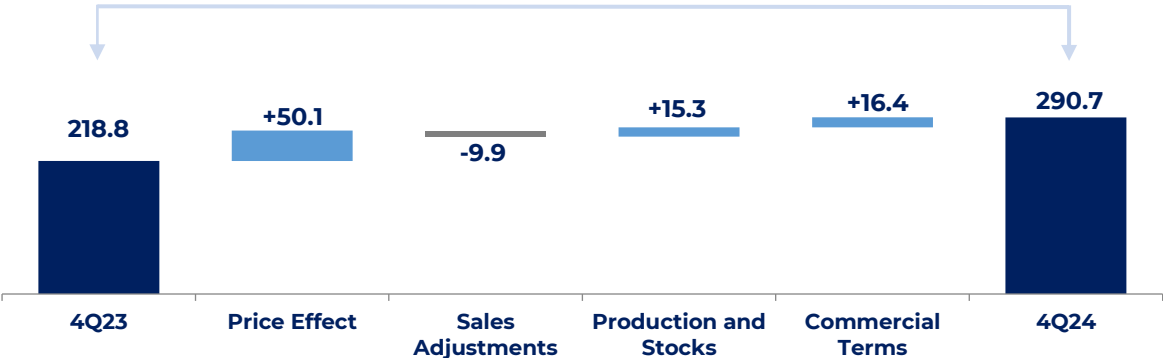
Fines Sales	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Zinc (thousands FMT)	52.5	54.4	63.5	65.7	62.6	4.9	236.2	244.2	-3.3
Lead (thousands FMT)	11.8	12.4	15.0	16.1	15.0	6.8	55.3	60.8	-9.1
Copper (thousands FMT)	0.9	0.9	1.4	1.7	1.3	32.2	4.9	5.6	-12.0
Silver (millions Oz)	3.1	3.2	4.0	3.8	3.7	2.9	14.0	15.3	-8.4
Gold (thousands Oz)	2.8	2.5	4.2	3.8	4.0	-6.5	13.2	19.3	-31.5

Sales Prices	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Zinc (USD/MT)	2,473	2,770	2,765	3,004	2,494	20.5	2,768	2,642	4.7
Lead (USD/MT)	2,099	2,159	2,068	2,013	2,155	-6.6	2,079	2,132	-2.5
Copper (USD/MT)	7,794	9,162	8,558	9,063	8,177	10.8	8,709	8,428	3.3
Silver (USD/Oz)	23.2	28.1	29.2	31.1	23.1	34.9	28.2	23.2	21.4
Gold (USD/Oz)	2,069	2,332	2,478	2,667	1,980	34.7	2,419	1,943	24.5

Sales (MM USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Sales before adjustments	180.0	213.1	272.7	299.0	217.3	37.6	964.8	890.5	8.3
Sett. of prior period adjust.	-0.9	5.4	-0.3	-4.1	-2.0	102.7	0.2	-9.5	
Adjust. for open positions	-2.6	0.0	2.4	-4.2	2.1		-4.5	-1.8	147.4
Hedging results	0.1	-0.2	0.0	0.0	1.5	-100.0	-0.1	3.9	
Sales after adjustments	176.7	218.3	274.8	290.7	218.8	32.9	960.5	883.1	8.8

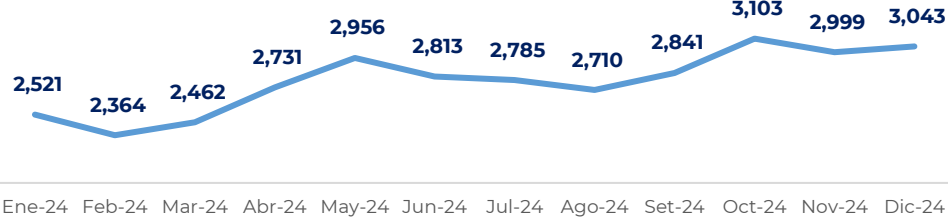
Sales Bridge 4Q24

+USD 71.9 MM YoY



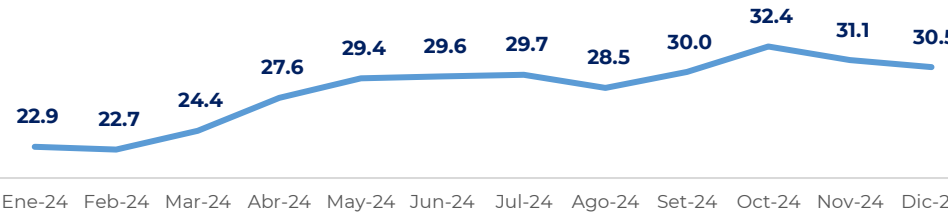
Spot Zinc Prices (USD/TM)

+20.7% Var. FY



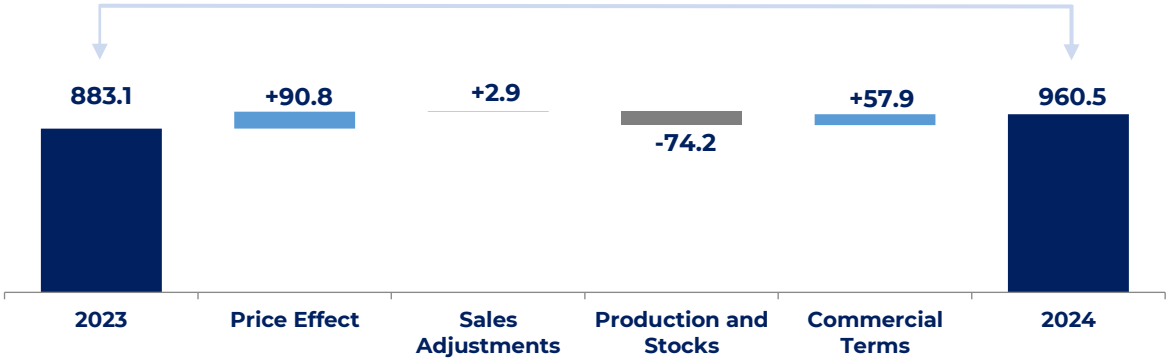
Spot Silver Prices (USD/Oz)

+32.7% Var. FY



Sales Bridge FY 2024

+USD 77.4 MM YoY



P&L and EBITDA

Income Statement (MM USD)	Jan-Mar 2024	Apr-Jun 2024	Jul-Sep 2024	Oct-Dec 2024	Oct-Dec 2023	var %	Jan-Dec 2024	Jan-Dec 2023	var %
Sales before adjustments	180.0	213.1	272.7	299.2	217.3	37.7	965.0	890.5	8.4
Sett. of prior periods adjustments	-0.9	5.4	-0.3	-4.3	-2.0	0.0	0.0	-9.5	
Adj. open positions	-2.6	0.0	2.4	-4.2	2.1		-4.5	-1.8	147.4
Hedging	0.1	-0.2	0.0	0.0	1.5	-100.0	-0.1	3.9	
Sales after adjustments	176.7	218.3	274.8	290.7	218.8	32.9	960.5	883.1	8.8
Cost of Goods Sold	-159.4	-164.5	-181.9	-193.8	-178.4	8.6	-699.6	-725.5	-3.6
Gross Profit	17.3	53.8	92.9	97.0	40.5	139.7	260.9	157.6	65.6
Gross Margin	10%	25%	34%	33%	18%	15 pp	27%	18%	9 pp
Administrative Expenses	-9.5	-8.3	-12.9	-23.7	-8.1	194.5	-54.4	-38.9	39.8
Exploration Expenses	-2.4	-2.3	-2.4	-1.3	-2.7	-51.3	-8.5	-16.3	-47.6
Sales Expenses	-7.1	-6.9	-7.2	-7.9	-9.3	-14.5	-29.1	-30.6	-4.9
Other income (Expenses)	-0.3	3.6	3.5	11.1	-0.6		17.8	-2.1	
Operating Profit	-2.0	39.9	73.8	75.1	19.8	279.8	186.8	69.8	167.7
Operating Margin	-1%	18%	27%	26%	9%	17 pp	19%	8%	12 pp
Financial income (expense)	-18.0	-17.5	-18.9	-20.5	-16.5	24.4	-74.9	-65.4	14.6
Exchange difference (net)	0.0	-0.7	1.4	-0.1	1.7		0.6	1.0	-40.1
Royalties	-2.2	-3.4	-5.2	-5.0	-2.3	118.8	-15.8	-10.6	48.6
Income Tax	3.0	-5.7	-12.0	-19.7	5.5		-34.5	4.8	
Net Profit before Exceptionals	-19.2	12.6	39.2	29.7	8.1	266.8	62.2	-0.5	
Net Margin	-11%	6%	14%	10%	4%	7 pp	6%	0%	7 pp
Exceptional adjustments	0.0	-2.2	0.0	77.1	-7.1		74.9	-9.5	
Net Profit	-19.2	10.4	39.2	106.8	1.0		137.1	-10.0	
Net Margin	-11%	5%	14%	37%	0%	36 pp	14%	-1%	15 pp
EBITDA¹	44.8	87.2	123.6	126.184	70.1	80.0	381.8	276.9	37.9
EBITDA Margin	25%	40%	45%	43%	32%	11 pp	40%	31%	8 pp

4Q24 vs 4Q23:

Cost of goods sold: Increased due to higher production costs and higher workers profit sharing.

Administrative expenses: Increased mostly explained by higher payroll, additional bonuses, severance payments, worker profit sharing.

Exploration expenses: Decreased in line with the adjusted plan for greenfield and brownfield explorations.

Sales expenses: Decreased mainly due to lower ocean freights for exports.

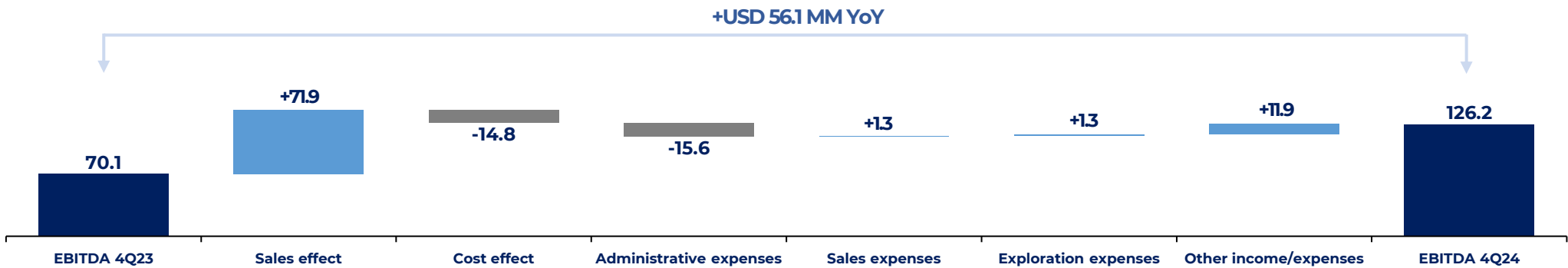
Other Income/Expenses (net): Primarily explained by the net profit resulting from the sale of Huanchor and tax refunds from SUNAT.

Financial Expenses: Increased mainly due higher interest rates.

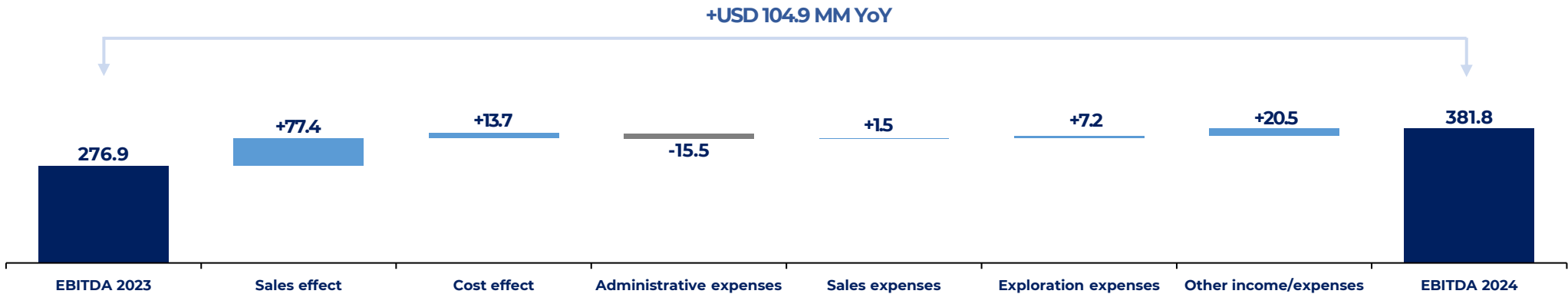
Exceptional adjustments: Primarily related to the recovery of previous impairments of fixed assets.

¹ Does not consider exceptional adjustments.

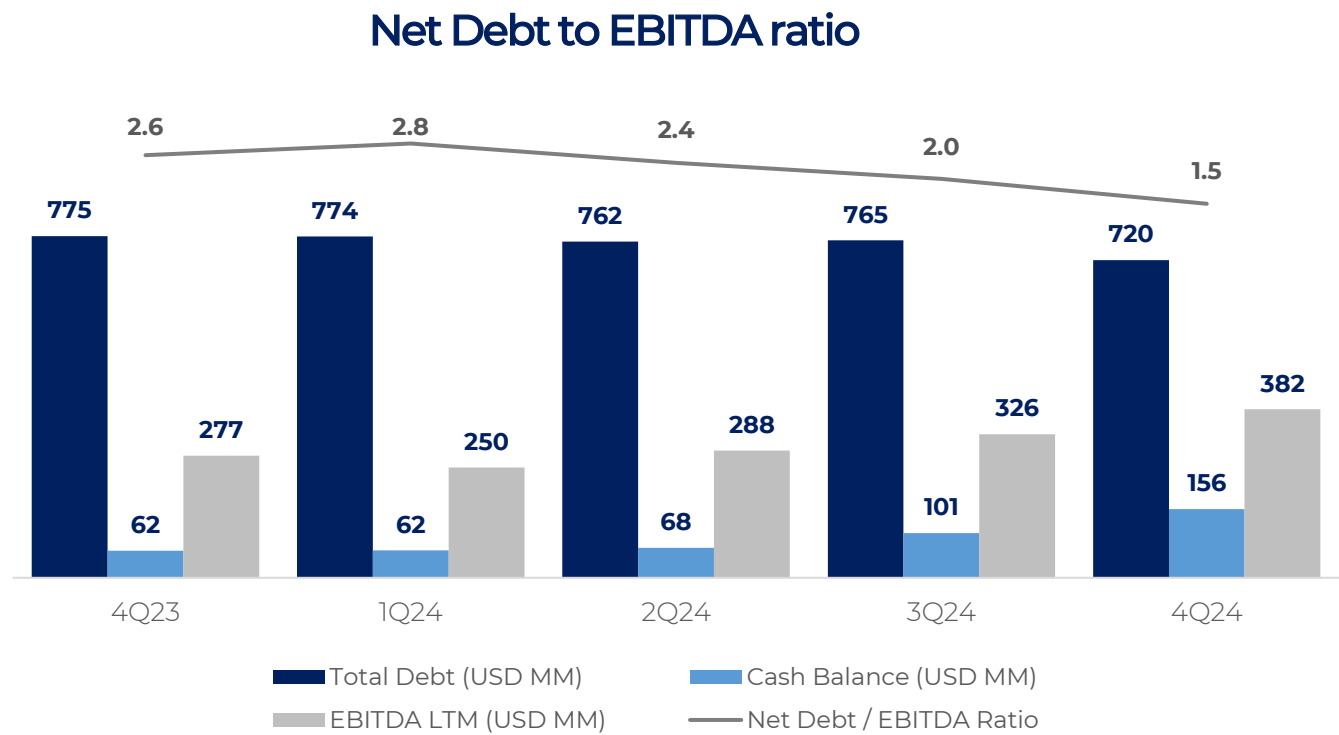
Quarterly EBITDA Bridge



FY EBITDA Bridge



Evolution of Net Debt to EBITDA Ratio

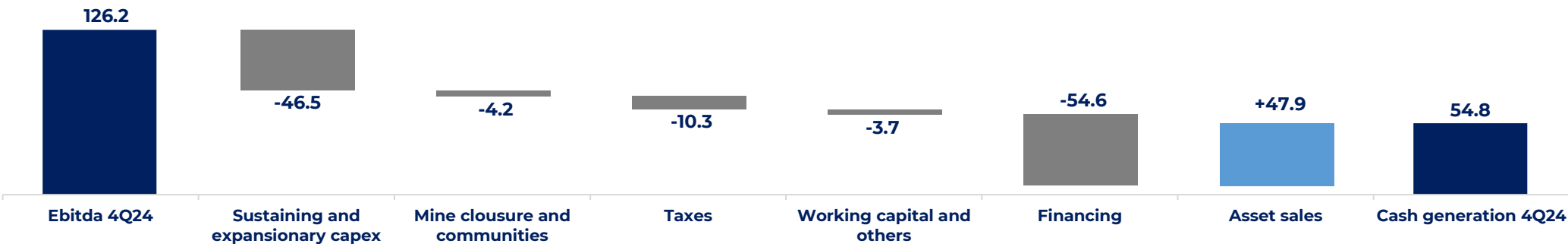


4Q24 vs 4Q23:

Improved Net Debt to EBITDA ratio reflecting a significant reduction compared to previous periods, driven by a higher LTM EBITDA and a decrease in net debt, resulting from both a reduction in gross debt and an increase in cash balance.

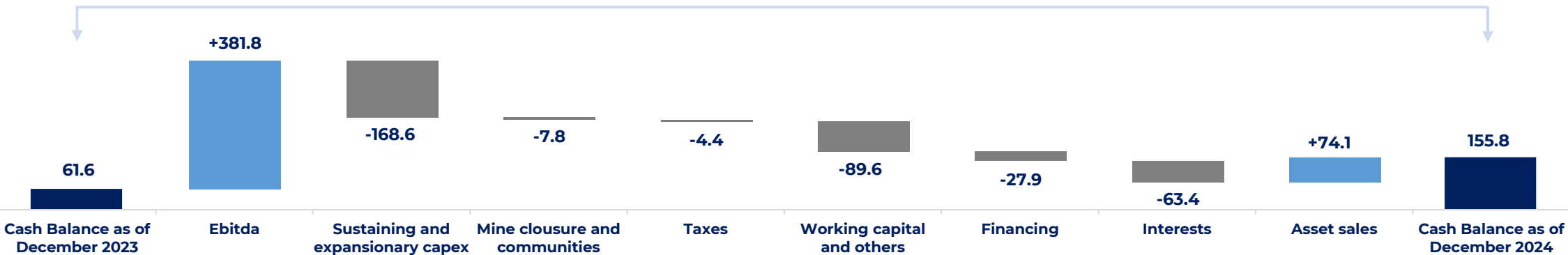
4Q24 Cash Flow and Cash Balance

4Q24 Cash Flow Generation



Cash Balance Bridge FY 2024

+USD 94.2 MM YoY



Q & A

