



21 July 2021

Production Report for the 6 months ended 30 June 2021

Ignacio Bustamante, Chief Executive Officer said:

"The second quarter results have been solid across our operations and we remain on course to deliver our production and cost targets for the year. In addition, drill results have continued to be encouraging at Inmaculada with 29 million silver equivalent ounces of high grade Inferred resources already added in the first half. We have also seen further positive results from the Snip project in Canada. Finally, today we have also announced that we will be holding a capital markets presentation in September which will cover our exciting rare earths project in Chile."

Operational highlights

- Q2 2021 attributable production:¹
 - 53,418 ounces of gold
 - 3.1 million ounces of silver
 - 89,381 gold equivalent ounces
 - 7.7 million silver equivalent ounces
- H1 2021 attributable production
 - 106,261 ounces of gold
 - 5.9 million ounces of silver
 - 175,119 gold equivalent ounces
 - 15.1 million silver equivalent ounces
- On track to deliver overall 2021 production target of 360,000-372,000 gold equivalent ounces or 31.0-32.0 million silver equivalent ounces
- 2021 all-in sustaining costs on track to meet \$1,210 and \$1,250 per gold equivalent ounce guidance (\$14.1 and \$14.5 per silver equivalent ounce)
- Full Covid-19 protocols remain in place at all operations

Exploration highlights

- Hochschild to host rare earths capital markets presentation on 8 September 2021
- Brownfield programme added significant high-grade Inferred resources in H1:
 - 29 million silver equivalent ounces added year-to-date from Angela North vein at Inmaculada
 - 7 million silver equivalent ounces added year-to-date at San Jose
- Drilling campaigns executed at Pallancata, Corina, Cochaloma, Arcata and Crespo
- Further high grade drill results achieved at Skeena Resources' Snip project in British Columbia

ESG highlights

- 2020 Sustainability Report recently published
- Lost Time Injury Frequency Rate of 1.31 (2020: 1.38)²
- Accident Severity Index of 684 (2020: 474)³
- Water Consumption of 215lt/person/day (2020: 231lt/person/day)
- Domestic waste generation of 1.01 kg/person/day (2020: 1.18kg/person/day)
- ECO score of 5.36 out of 6 (2019: 5.74)⁴

Strong financial position

- Total cash of approximately \$257 million as at 30 June 2021 (\$232 million as at 31 December 2020)
- Net cash of approximately \$51 million as at 30 June 2021 (\$22 million as at 31 December 2020)
- Current Net Cash/LTM EBITDA of approximately 0.131x as at 30 June 2021

¹All equivalent figures assume the average gold/silver ratio for 2020 of 86x.

²Calculated as total number of accidents per million labour hours. H1 2021 figure excludes the impact of the bus accident on 18th June 2021 pending resolution of internal and external investigations.

³Calculated as total number of days lost per million labour hours. H1 2021 figure excludes the impact of the bus accident on 18th June 2021 pending resolution of internal and external investigations.

⁴The ECO Score is an internally designed Key Performance Indicator measuring environmental performance in one number and encompassing numerous fronts including management of waste water, outcome of regulatory inspections and sound environmental practices relating to water consumption and the recycling of materials.

A conference call will be held at 1.30pm (London time) on Wednesday 21 July 2021 for analysts and investors.

Dial in details as follows:

International Dial in: +44 330 027 1846

UK Toll-Free Number: 0800 031 4838

US/Canada Toll Free: 800-367-2403

Pin: 1291361

Please dial into the call approximately ten minutes before the 1.30pm start time.

A recording of the conference call will be available on demand on the Company's website: www.hochschildmining.com

Overview

In Q2 2021, Hochschild Mining PLC ("Hochschild" or "the Company") (LSE: HOC) (OTCQX: HCHDF) delivered attributable production of 89,381 gold equivalent ounces or 7.7 million silver equivalent ounces with another solid performance from Inmaculada and increases at Pallancata and San Jose versus the first quarter. In the first half of 2021 as a whole, Hochschild produced 175,119 gold equivalent ounces or 15.1 million silver equivalent ounces (on an attributable basis) with production increasing quarter-on-quarter and year-on-year. The Company remains on track to meet its 2021 production target of between 360,000 and 372,000 gold equivalent ounces or between 31.0 and 32.0 million silver equivalent ounces.

The Company reiterates that its all-in sustaining cost for 2021 is on track to be in line with guidance for the year of between \$1,210 and \$1,250 per gold equivalent ounce (or \$14.1 and \$14.5 per silver equivalent ounce).

TOTAL GROUP PRODUCTION

	Q2 2021	Q1 2021	Q2 2020	H1 2021	H1 2020
Silver production (koz)	3,700	3,321	1,482	7,021	5,018
Gold production (koz)	62.76	62.31	25.17	125.07	93.59
Total silver equivalent (koz)	9,097	8,680	3,647	17,778	13,067
Total gold equivalent (koz)	105.78	100.93	42.40	206.72	151.94
Silver sold (koz)	3,823	3,182	1,794	7,005	4,897
Gold sold (koz)	63.18	61.14	35.90	124.32	93.58

Total production includes 100% of all production, including production attributable to Hochschild's joint venture partner at San Jose.

ATTRIBUTABLE GROUP PRODUCTION

	Q2 2021	Q1 2021	Q2 2020	H1 2021	H1 2020
Silver production (koz)	3,093	2,829	1,124	5,922	4,108
Gold production (koz)	53.42	52.84	19.65	106.26	79.07
Silver equivalent (koz)	7,687	7,373	2,813	15,060	10,908
Gold equivalent (koz)	89.38	85.74	32.71	175.12	126.84

Attributable production includes 100% of all production from Inmaculada, Pallancata and 51% from San Jose.

Production

Inmaculada

Product	Q2 2021	Q1 2021	Q2 2020	H1 2021	H1 2020
Ore production (tonnes treated)	334,657	337,480	93,475	672,137	402,371
Average grade silver (g/t)	163	158	166	160	154
Average grade gold (g/t)	3.92	3.92	4.62	3.92	4.42
Silver produced (koz)	1,358	1,419	377	2,777	1,768
Gold produced (koz)	39.60	39.80	12.60	79.40	59.05
Silver equivalent (koz)	4,763	4,842	1,461	9,606	6,846
Gold equivalent (koz)	55.39	56.31	16.98	111.70	79.60
Silver sold (koz)	1,355	1,414	579	2,769	1,758
Gold sold (koz)	39.85	39.65	19.76	79.49	59.48

Inmaculada's second quarter production was 39,599 ounces of gold and 1.4 million ounces of silver which amounts to a gold equivalent output of 55,389 ounces. Grades and tonnage were in line with expectations. Overall in the first half of 2021, Inmaculada produced 111,696 gold equivalent ounces (H1 2020: 79,604 ounces), driven by better than expected gold and silver grades. This was a significant increase versus the same period of 2020 when the operation was severely impacted by stoppages caused by the global pandemic.

Pallancata

Product	Q2 2021	Q1 2021	Q2 2020	H1 2021	H1 2020
Ore production (tonnes treated)	162,052	126,950	46,234	289,002	188,740
Average grade silver (g/t)	234	240	276	237	257
Average grade gold (g/t)	0.86	0.85	0.98	0.86	0.92
Silver produced (koz)	1,103	897	373	2,000	1,392
Gold produced (koz)	4.09	3.18	1.30	7.28	4.92
Silver equivalent (koz)	1,455	1,171	485	2,626	1,815
Gold equivalent (koz)	16.92	13.61	5.64	30.54	21.10
Silver sold (koz)	1,229	771	310	2,000	1,271
Gold sold (koz)	4.56	2.72	1.08	7.29	4.41

In the second quarter, Pallancata produced 1.1 million ounces of silver and 4,094 ounces of gold bringing the silver equivalent total to 1.5 million ounces. Overall in H1 2021, Pallancata's output was 2.6 million silver equivalent ounces (H1 2020: 1.8 million ounces), with the focus of the team currently on mine development and brownfield exploration in expectation of an extension to the mine life.

As disclosed previously, on 18 June 2021, it was announced that a road accident had occurred involving a bus operated by one of the Company's contractors carrying workers from the Pallancata operation to the city of Arequipa in southern Peru. It is with deep regret that this resulted in 26 fatalities involving 16 Company employees and ten from contracting organisations.

One of the key priorities following the incident has been to ensure the best possible provision of hospital care to the injured. Emergency transfers were arranged to nearby facilities in Nazca and Ica and to private clinics in Lima, as required. Hochschild's Human Resources team have remained in constant contact to provide all the requisite support and this will continue throughout the recovery phase.

The Company's other focus has been on supporting the families of all of those who lost their lives. Following news of the accident, the Company established a Crisis Committee with key personnel from the Operations, Human Resources and Health divisions deployed to ensure in-situ support on financial, legal and logistical matters to affected families with one point of contact assigned to each family. This also included provision of necessary transport and accommodation as well as psychological support.

The formal investigation, which is looking into both the cause of the accident and the transport contractor's procedures, remains ongoing and although the Company cannot comment on its outcome, indications are that Hochschild's strict bus transfer safety protocols had been implemented by the contractor. These include: the use of high quality buses in excellent condition; minimum three-vehicle convoys with an additional lead car; an allocation of three experienced drivers for each bus, operating in limited shifts; and the requirement for all buses to be equipped with the Company's standard speed-tracking and driver-fatigue monitoring technology. Hochschild continues to work closely together with the relevant authorities as they progress their investigations.

Both the Pallancata and Selene operations were halted for two days of mourning following the accident and the Company has held constructive dialogue with the operations' unions, who have been supportive.

San Jose (the Company has a 51% interest in San Jose)

Product	Q2 2021	Q1 2021	Q2 2020	H1 2021	H1 2020
Ore production (tonnes treated)	144,849	101,345	77,491	246,194	162,394
Average grade silver (g/t)	304	344	329	321	401
Average grade gold (g/t)	4.69	6.53	5.04	5.45	6.36
Silver produced (koz)	1,239	1,005	732	2,244	1,858
Gold produced (koz)	19.07	19.33	11.27	38.40	29.62
Silver equivalent (koz)	2,879	2,667	1,701	5,546	4,406
Gold equivalent (koz)	33.47	31.01	19.78	64.48	51.23
Silver sold (koz)	1,239	997	904	2,236	1,868
Gold sold (koz)	18.77	18.77	15.05	37.54	29.69

Q2 production at San Jose was 1.2 million ounces of silver and 19,067 ounces of gold which is 2.9 million silver equivalent ounces and brings the total for the first half of the year to 5.5 million silver equivalent ounces (H1 2020: 4.4 million ounces). Grades were lower with ongoing Covid-related restrictions on labour availability in the country limiting the Company's ability to access certain planned mining zones. In addition, low grade mineral from developments was used to fill up plant capacity.

Average realisable prices and sales

Average realisable precious metal prices in Q2 2021 (which are reported before the deduction of commercial discounts) were \$1,838/ounce for gold and \$27.9/ounce for silver (Q2 2020: \$1,826/ounce for gold and \$19.8/ounce for silver). For H1 2021, average realisable precious metal prices were \$1,772/ounce for gold and \$26.3/ounce for silver (H1 2020: \$1,701/ounce for gold and \$16.2/ounce for silver).

Brownfield exploration

Inmaculada

In Q2 2021, 1,300m of potential drilling was carried out as well as 13,150m of resource drilling with selected results below:

Vein	Results (potential/resource drilling)
Angela NE	IMS21-069: 1.2m @ 7.1g/t Au & 533g/t Ag IMS21-078: 9.7m @ 14.1g/t Au & 424g/t Ag IMS21-085: 3.5m @ 5.2g/t Au & 149g/t Ag IMS21-088: 3.7m @ 5.9g/t Au & 304g/t Ag IMS21-089: 2.1m @ 1.9g/t Au & 109g/t Ag IMS21-100: 1.4m @ 3.2g/t Au & 171g/t Ag
Ramal Piso Angela	IMS21-100: 1.7m @ 2.9g/t Au & 196g/t Ag
Juliana connection	IMS21-079: 2.0m @ 12.8g/t Au & 527g/t Ag IMS21-088: 1.4m @ 6.8g/t Au & 292g/t Ag
Split 1	IMS21-089: 2.7m @ 1.8g/t Au & 181g/t Ag
Split 2	IMS21-096: 2.4m @ 8.0g/t Au & 387g/t Ag

During Q3, the plan is to carry out 2,500m of potential drilling and 3,000m of resource drilling in the Juliana North vein structure.

Pallancata

At Pallancata, 1,636m of potential drilling was executed testing the continuation of the Pallancata, Pablo and Marco veins and whilst quartz vein structures were intercepted, the results were not economic. At Cochaloma, drilling in the Esperanza and Cochaloma veins also yielded no significant results.

At Corina to the north of Pallancata, 3,150m were drilled in the Corina and Luciano veins with the key result below:

Vein	Results (resource drilling)
Corina	DHCOR-21-036: 5.5m @ 1.3g/t Au & 3g/t Ag

During Q3, there will be further drilling on the Pallancata, Pablo, Paola and Pepita veins close to the mine and additional drilling at Cochaloma and Corina.

San Jose

At San Jose, close to current operations, 3,410m of resource drilling was executed in the Escondida vein as well as 283m of potential drilling in the Betania vein. Selected results below:

Vein	Results (potential/resource)
Escondida	SJD-2267: 1.4m @ 18.4g/t Au & 1,879g/t Ag SJD-2273: 1.9m @ 2.5g/t Au & 284g/t Ag SJD-2280: 1.2m @ 2.4g/t Au & 317g/t Ag SJD-2280: 2.4m @ 2.7g/t Au & 305g/t Ag
Betania	SJD-2328: 3.1m @ 5.5g/t Au & 6g/t Ag

During Q3, 3,000m of potential drilling will be carried out on the Betania structure in addition to a target generated by Titan to the south of San Jose.

Crespo

The Company also carried out 2,180m of potential drilling at the Crespo open pit project with selected results below:

Vein	Results (potential/resource)
Crespo Norte	DDHCRE-2001: 17.6m @ 1.2g/t Au & 82g/t Ag DDHCRE-2001: 24.5m @ 0.5g/t Au & 15g/t Ag

Arcata

At Hochschild's former mine, Arcata, 2,194m of potential drilling was carried out in the second quarter in the Fatima, Baja and Tres Reyes veins with the following key result:

Vein	Results (resource drilling)
Baja	DHH619-S21: 1.5m @ 2.6g/t Au & 41g/t Ag

Greenfield exploration

Snip

In April 2021, at Snip in the Golden Triangle of British Columbia, Hochschild's partner, Skeena Resources Limited, reported diamond drill core results from the 2020-2021 campaign of exploration drilling. The exploratory programme was focused upon resource expansion and delineating additional mineralisation in previously unexplored areas of the near mine environment. The surface-based programme was comprised of ten drill holes totalling 5,366 metres. Highlights were⁵:

- 45.40 g/t Au over 0.50 m (S20-047)
- 45.76 g/t Au over 5.60 m (S20-049)
- 29.52 g/t Au over 4.03 m (S20-049)
- 37.78 g/t Au over 2.86 m (S20-049)

Skeena disclosed further drill results in May and after the period end in July from its 2021 Phase 3 infill and exploration drilling programme. The aim is to upgrade areas of existing Inferred resources from the Company's 2020 Mineral Resource Estimate, to the Measured and Indicated categories. Highlights were⁵:

- 155.76 g/t Au over 3.22 m (S21-076)
- 140.50 g/t Au over 0.50 m (S21-078)
- 8.40 g/t Au over 3.00 m (S21-080)
- 61.30 g/t Au over 0.50 m (S21-083)
- 30.72 g/t Au over 3.82 m (S21-099)
- 48.44 g/t Au over 4.50 m (UG21-126)
- 33.63 g/t Au over 4.00 m (UG21-169)
- 25.64 g/t Au over 4.00 m (UG21-172)
- 58.47 g/t Au over 3.81 m (UG21-175)
- 46.94 g/t Au over 4.75 m (UG21-176)
- 110.22 g/t Au over 4.41 m (UG21-177)

Further detail can be found on the Skeena Resources website within press releases issued on 27 April, 20 May and 7 July: <https://skeenaresources.com/>

Financial position

Total cash was approximately \$257 million as at 30 June 2021 resulting in a net cash position of approximately \$51 million.

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About Hochschild Mining PLC

Hochschild Mining PLC is a leading precious metals company listed on the London Stock Exchange (HOCM.L / HOC LN) and crosstrades on the OTCQX Best Market in the U.S. (HCHDF), with a primary focus on the exploration, mining, processing and sale of silver and gold. Hochschild has over fifty years' experience in the mining of precious metal epithermal vein deposits and currently operates three underground epithermal vein mines, two located in southern Peru and one in southern Argentina. Hochschild also has numerous long-term projects throughout the Americas.

Forward looking statements

This announcement may contain forward looking statements. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will or may occur in the future. Actual results, performance or achievements of Hochschild Mining PLC may, for various reasons, be materially different from any future results, performance or achievements expressed or implied by such forward looking statements.

⁵True widths range from 60-100% of reported core lengths. Length weighted Au composites are constrained by geological considerations. Grade-capping of individual assays has not been applied to the Au assays informing the length-weighted Au composites. Samples below detection limit were nulled to a value of zero.

The forward looking statements reflect knowledge and information available at the date of preparation of this announcement. Except as required by the Listing Rules and applicable law, the Board of Hochschild Mining PLC does not undertake any obligation to update or change any forward looking statements to reflect events occurring after the date of this announcement. Nothing in this announcement should be construed as a profit forecast.

Note

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (Regulation (EU) No.596/2014). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

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