HOCHSCHILD

11 March 2026

Hochschild Mining PLC

Preliminary Results

Year ended 31 December 2025

Record financial performance, key strategic progress across the portfolio and production in-line with revised guidance

Eduardo Landin, Chief Executive Officer of Hochschild, commented:
"This year marks a key moment for Hochschild, delivering our strongest ever financial performance, driven by disciplined execution at Inmaculada and precious metal price tailwinds. We added 1.7 million ounces to our resource base, advanced our two exciting growth projects in Peru and Brazil, and significantly increased the dividend, reflecting the strength of our balance sheet. At Mara Rosa, we are close to completing our turnaround plan, positioning the operation for a stronger and more sustainable future."

2025 Strong financial performance

- Revenue up 25% at $1,182.1 million (2024: $947.7 million)[1]
- Revenue (pre-exceptional) up 28% at $1,208.6 million (2024: $947.7 million)[2]
- Adjusted EBITDA up 39% at $583.7 million (2024: $421.4 million)[3]
- Profit before income tax (pre-exceptional) up 66% at $330.4 million (2024: $199.1 million)
- Profit before income tax (post-exceptional) up 110% at $372.8 million (2024: $177.2 million)
- Basic earnings per share (pre-exceptional) at $0.31 (2024: $0.23)
- Basic earnings per share (post-exceptional) at $0.39 (2024: $0.19)
- Cash and cash equivalents balance of $317.0 million as at 31 December 2025 (2024: $97.0 million)
- Net debt[2] of $22.7 million as at 31 December 2025 (2024: $215.6 million)
- Recommended final dividend of 5.00 US cents per share ($25.7 million)[4]

2025 Operational Performance[5]

- Strong 2025 safety performance
- Full year attributable production of 311,509 gold equivalent ounces (2024: 347,374 ounces)
- Attributable all-in sustaining costs (AISC)[2] from operations of $2,138 per gold equivalent ounce (2024: $1,558)
- Strong performance at Inmaculada producing 209,921 gold equivalent ounces
- Turnaround plan at Mara Rosa progressing in-line with expectations, positioning the asset for stronger and sustainable long-term production
- San Jose performance in line with expectations producing 120,639 gold equivalent ounces
- Senior management team strengthened with key appointments including Cassio Diedrich as Chief Operating Officer

2025 Exploration and Project Highlights

- Total resource additions of 1.7 million gold equivalent ounces
- Monte do Carmo project progressing towards updated economics and a final investment decision by mid-2026
- Royropata silver project permitting process on track
- Strong progression on monetisation of non-core assets: Tiernan Gold Corp now trading on the TSX Venture Exchange

2025 ESG KPIs[6]

- Lost Time Injury Frequency Rate of 0.97 (2024: 1.25)[7]
- Fresh water used per tonne of ore processed: 0.26 m^3/tonne (2024: 0.31 m^3/tonne)
- Recycled waste of 81.4% (2024: 57.3%)
- Local workforce vs total workforce of 65.9% (2024: 59.3%)
- Women in the workforce of 10.6% (2024: 10.0%)
- ECO score of 5.61 out of 6 (2024: 5.58)[8]

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[1]Revenue is reported in the financial statements net of commercial discounts, plus revenue from the sale of aggregates and services revenue
[2]Revenue (pre-exceptional) is reported in the financial statements net of commercial discounts, plus revenue from the sale of aggregates and services revenue, and excludes the non-cash recycling of $26.4 million of accumulated losses related to the roll-forward of gold hedges.
[3]Adjusted EBITDA, net debt and AISC are non-IFRS measures. Please see the Financial Review pages 20-23 for a definition and calculation of Adjusted EBITDA, net debt and Attributable AISC. The Company has calculated its all-in sustaining cost on an attributable basis and excludes Peruvian royalties which are recognised in the income tax line. Management believes that the updated methodology better aligns with prevailing industry practices and enhances comparability with peers. All previous periods have been re-presented to reflect this change
[4]Please see the Financial Review page 23 for the calculation of the final proposed dividend
[5]2025 and 2024 equivalent figures calculated using the gold/silver ratio of 83x
[6]FY 2024 environmental KPIs exclude Mara Rosa due to construction and commissioning activities which occurred prior to May 2024. 2025 environmental KPIs include Mara Rosa
[7]Calculated as total number of accidents per million labour hours
[8]The ECO Score is an internally designed Key Performance Indicator measuring environmental performance in one number and encompassing numerous factors including management of waste water, outcome of regulatory inspections and sound environmental practices relating to water consumption and the recycling of materials

2026 Outlook[9]

- Overall attributable production target: 300,000-328,000 gold equivalent ounces
- Attributable all-in sustaining cost target: $2,157-$2,320 per gold equivalent ounce
- Total sustaining capital expenditure at operating mines expected to be approximately $210-225 million
- Brownfield exploration budget of $45 million

$000 unless stated	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Attributable silver production (koz)	**7,475**	8,496	(12)
Attributable gold production (koz)	**221**	245	(10)
Revenue	**1,182,148**	947,696	25
Adjusted EBITDA	**583,729**	421,354	39
Profit from continuing operations (pre-exceptional)	**200,727**	133,511	50
Profit from continuing operations (post-exceptional)	**247,402**	113,749	117
Basic earnings per share (pre-exceptional) $	**0.31**	0.23	35
Basic earnings per share (post-exceptional) $	**0.39**	0.19	105

A presentation will be held for analysts and investors at 9.30am (UK time) on Wednesday 11 March 2026 at the offices of Hudson Sandler, 25 Charterhouse Square, London, EC1M 6AE

The presentation and a link to the live audio webcast of the presentation can be found at the Hochschild website:
www.hochschildmining.com
or:
https://brrmedia.news/HOC_FY_25

To join the event via conference call, please see dial in details below:
International Dial in: +44 (0)330 551 0200
US Toll-Free Number: 866 580 3963
Canada Toll Free: 1 866 378 3566
Password: Hochschild Mining FY25

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Non-IFRS Financial Performance Measures
The Company has included certain non-IFRS measures in this news release. The Company believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardised meaning prescribed under IFRS, and therefore may not be comparable to other issuers.

These are detailed as follows.

Adjusted EBITDA
Adjusted EBITDA is a useful approximation of the operating cash flow generation of the business by eliminating depreciation and amortisation. Adjusted EBITDA is not a direct measure of liquidity which is shown by the cash flow statement.

AISC
The Company believes the AISC measure provides further transparency into costs associated with the production of gold and silver and will assist investors, analysts and other stakeholders of the Company in assessing its operating performance, its ability to generate free cash flow from current operations and its overall value.

Basic earnings per share (pre-exceptional)
Basic earnings per share (pre-exceptional) represents the Group's underlying operating performance from core activities, excluding the impact of one-off transactions outside the normal course of business of the Group.

[9] *2026 equivalent figures calculated using the gold/silver ratio of 77x*

Net debt
Net debt is a measure of the Group's financial position. The Group uses net debt to monitor the sources and uses of financial resources, the availability of capital to invest or return to shareholders, and the resilience of the balance sheet.

Gross Revenue
Gross revenue represents the revenue generated from the Group's core business, excluding the impact of commercial discounts, and non-cash hedged items.

Unit cost per tonne
Unit cost per tonne represents the direct cash cost including direct cash support costs in producing one tonne of saleable product. This is a standard industry measure applied by most major mining companies and therefore, comparable for the users of the Financial Statements.

Cash costs
Cash costs are a measure of the cost of operating production expressed in terms of dollars per ounce of gold and this is a standard industry measure applied by most major mining companies which reflects the direct costs involved in producing each ounce of metal.

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 operates two underground epithermal vein mines: Inmaculada, located in southern Peru; and San Jose in southern Argentina, and an open pit gold mine, Mara Rosa, located in the state of Goiás, Brazil. 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.

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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2025 was a year that provided a number of challenges, but also one that clearly demonstrated the strength of our business and our people. Record precious metal prices towards the end of the year provided a powerful tailwind, delivering strong financial results and reinforcing our confidence in the long-term fundamentals of our portfolio. At Mara Rosa in Brazil, we responded quickly and decisively to operational challenges, executing a comprehensive turnaround plan that is now close to completion. As we look ahead, I am excited by the progress and potential of our two high-value projects in Peru and Brazil, which position the Company well for the year ahead and beyond.

Success for the Group is defined by achieving operational efficiency while delivering transformative change. We engage proactively with our communities, creating a meaningful and lasting positive social legacy. Through sustained effort, we achieved record proportions of local employment across our workforce and local procurement. We also implemented a comprehensive social investment programme benefiting communities across all our operations.

Environmental management is integral to our approach to sustainable growth. In 2025, we delivered excellent environmental performance, reflected in our best-in-class ECO Score tool. This was further demonstrated by year-on-year reductions in freshwater consumption per tonne of ore processed, alongside continued improvements in waste management. In addition, our two ESG-linked loans delivered interest rate reductions linked to defined environmental and safety performance indicators. We also made significant progress in addressing climate-related risks, with our operations in Brazil and Argentina meeting 100% of their energy requirements from renewable sources.

Safety excellence remained a defining feature of the Group's operational performance in 2025. This was reflected in an all-time low injury frequency rate, and the achievement of 2 million man-hours worked in San Jose without incidents. Together, these outcomes are a clear testament to the dedication, discipline, and professionalism of our operational teams.

Our people remain central to our performance. Hochschild's ability to attract and retain talent continues to be reflected in consistently low levels of employee turnover. We are also pleased to report that, in a traditionally male-dominated industry, we have made good progress in workforce diversity, reaching an all-time high level of female representation across our total workforce.

Our performance across these areas has been independently validated through upgrades from leading ESG rating agencies, including MSCI and Sustainalytics, as well as our inclusion in the FTSE4Good Index. Comprehensive details of the programmes delivered across our countries of operation are set out in the Sustainability section of the Annual Report.

Mara Rosa had a challenging start to the year, reflecting a combination of adverse seasonal conditions and operational issues. But I am pleased to report that the situation was addressed decisively through a comprehensive review of the operation, led by Eduardo Landin. The review resulted in the implementation of a turnaround plan for our Brazilian business, strengthening leadership including our new Chief Operating Officer, Cassio Diedrich, and operational oversight, alongside targeted maintenance and process improvements. Following a temporary plant shutdown in July, the mine's performance improved steadily throughout the second half of the year as access to higher-grade areas improved and plant stability was restored. With the reorganisation now complete, the operation is on more stable footing, and management remains focused on delivering consistent performance and realising the asset's long-term value.

Our other operations again delivered a solid performance, led by Inmaculada, which again exceeded annual production guidance and will continue to be our flagship asset for some time, notwithstanding the elevated prices that are enabling the processing of lower-grade material over the coming quarters. While costs were moderately above our revised guidance, this largely reflected the immediate impact of sharply rising prices on cyclical costs such as royalties and export taxes. Furthermore, record precious metals prices, together with strong operational performance in Peru and Argentina, resulted in robust cash generation. This allowed the Group to significantly reduce net debt while continuing to invest in brownfield exploration and the advancement of our development projects.

The performance of our brownfield exploration team continues to be a key strength of Hochschild. Building on the success of previous years, the team delivered another strong result in 2025, adding 1.7 million gold equivalent ounces to our resource base. This outcome reflects both disciplined execution and the underlying quality of our asset portfolio and reinforces our long-standing view that there remains significant potential within our existing operations. These additions support the long-term sustainability of the business and confirm the important role that brownfield exploration continues to play in our overall strategy.

Outlook

As noted above, 2025 saw a continuation of the extraordinary uplift in the precious metals market, with both gold and silver reaching record levels on an almost monthly basis. Gold has recently risen to further new highs of over $5,400 per ounce, whilst silver has climbed to over $100 per ounce, with both metals benefiting from tight market conditions and heightened global political and economic uncertainty. This exceptional pricing environment has materially enhanced the Group's financial position, and we are encouraged to see this strength continuing into 2026 although precious metal markets remain volatile. It provides a strong foundation as we move forward to finance our project pipeline and complete the turnaround of our operations in Brazil.

2025 was a year marked by disciplined financial management, as we made substantial progress towards our medium-term financial objectives. A central priority during the year was the reduction of our debt position, and I am pleased to report that strong cash generation enabled us to reduce net debt by almost $200 million. This was achieved whilst also strengthening the Company through the monetisation of non-core assets. Management did an excellent job in successfully listing Tiernan Gold on the Toronto Stock Exchange Venture Exchange (TSXV), raising capital to advance the Volcan gold project in Chile while retaining an approximately 70% interest. As a result, our balance sheet is now well positioned to finance our next development project in Brazil, Monte do Carmo, with updated project economics underway and a final investment decision targeted for mid-2026.

Last year, we highlighted that, as part of our capital allocation strategy, we recognised the importance of returning capital to our shareholders. Accordingly, we introduced a new dividend policy designed to provide greater predictability and consistency for our investors in the years ahead. Building on this, the Board is pleased to announce that the performance of the Company this year and the strength of our balance sheet allows us to recommend a final dividend of 5.00 US cents per share, representing a distribution of $25.7 million for a total of $30.9 million in 2025.

As we reflect on a successful 2025, I would like to extend my thanks to our leadership team, as well as the thousands of Hochschild employees, contractors, and partners whose dedication has been central to our progress during the year. Whilst we faced challenges in Brazil during the year, the commitment and hard work of our teams across all operations have been instrumental in delivering value for our Company and our stakeholders. I am truly proud of what has been accomplished and confident in our ability to build on this progress in the year ahead as we continue to develop our exciting portfolio.

Eduardo Hochschild, Chair
10 March 2026

CHIEF EXECUTIVE OFFICER'S STATEMENT

During 2025, Hochschild Mining made solid progress across the Company, supported by disciplined execution of our strategy, despite operational challenges at Mara Rosa in Brazil. Our focus remains firmly on our four strategic pillars—brownfield exploration, operational efficiency, ESG leadership, and disciplined capital allocation—which continue to guide our decision making and underpin our commitment to long-term value creation. While Mara Rosa did not meet our expectations, decisive action was taken, and with a strengthened team including a new COO, a comprehensive operational review, and targeted optimisation initiatives now delivering results, a robust platform is in place to support improved performance in Brazil and reliable production in 2026.

ESG

Our corporate purpose places responsibility at the core of how we operate. As highlighted by the Chair, this commitment is reflected in a comprehensive range of initiatives that underpin our long-term value creation targets. In 2025, our ESG programme made strong progress, delivering year-on-year improvements across 10 of our 16 key ESG performance indicators and reinforcing its central role in the execution of our corporate strategy.

Through active community engagement, we reinforced our social licence to operate across all our sites. We delivered an excellent Lost Time Injury Frequency Rate of 0.97 (2024: 1.25), while our operations in Peru and Argentina continued to maintain Level 8 safety management system certification from Det Norske Veritas. Environmental performance remained robust, reflecting the effective integration of sustainability principles and responsible resource stewardship throughout our operations.

Operations

Our operational performance in 2025 highlighted the resilience of our diversified asset base. Attributable gold equivalent production totalled 311,509 ounces, a 10% reduction compared with 347,374 ounces in the prior year, largely attributable to challenges at the Mara Rosa operation. All-in sustaining costs for the year were higher than initially anticipated, reflecting lower production in Brazil, additional capital investment to support the operational reset at Mara Rosa, the mining of lower-grade border areas of the veins at San Jose, and the impact of higher precious metal prices in royalties, selling expenses and workers' profit sharing.

In 2025, the Inmaculada mine delivered another solid performance in line with plan, producing 209,921 gold equivalent ounces, 5% lower than 2024 (220,501 ounces), reflecting a scheduled reduction in grade. All-in sustaining costs were $1,732 per gold equivalent ounce (2024: $1,479 per ounce), with the increase year on year driven by the planned grade profile, partially offset by higher throughput. Over at San Jose in Argentina, production of 120,639 gold equivalent ounces was modestly below 2024 (123,732 ounces), primarily due to scheduled lower grades, although this was mitigated by higher-than-anticipated tonnage processed. All-in sustaining cost of $2,520 per gold equivalent ounce was higher than expected, reflecting the mining of lower-grade border areas, higher royalties and export taxes driven by increased precious metal prices, and the removal in April 2025 of the export benefit allowing partial settlement of exports at the blue dollar rate.

Mara Rosa faced a challenging 2025, with early-year rainfall and operational constraints affecting access to higher-grade zones and delaying recovery from 2024 backlogs. Following the resignation of our COO in May, I led a comprehensive operational review covering mining, processing, and permitting, including a temporary suspension of the plant at the end of June for essential maintenance and repairs. Production resumed in July 2025 and steadily ramped up through the remainder of the year, with mining movement and throughput improving as operational stability strengthened.

A reorganised Brazil management team, including the appointment of our new General Manager, Ediney Drummond, has strengthened oversight and execution. Operational improvements in the latter part of the year enhanced access to ore, increased productivity, and laid the groundwork for sustainable performance. Key focus areas - mining development, water management, filtration, and plant reliability-were addressed through improved maintenance and infrastructure readiness. These actions have established a solid platform for consistent operations and workforce stability as we have moved into 2026.

Gold production for the year at Mara Rosa totalled 40,062 gold equivalent ounces (2024: 63,538 ounces). Throughout the review process, we remained closely engaged with all stakeholders, including local authorities and communities, and are focused on unlocking the full potential of this asset in the next few quarters.

Projects

In terms of strategic delivery, we continued to make strong progress across our high-potential growth projects. In Brazil, detailed engineering studies at our Monte Do Carmo project in Tocantins are nearing completion. With the permitting pathway now substantially de-risked and lessons learned from our Mara Rosa experience being applied, we are preparing the project for a potential construction decision around mid-year. In Peru, the exciting Royropata silver project has advanced following the securing of all necessary land easements in 2024. The team is now preparing the documentation required to submit the Modified Environmental Impact Assessment application to the Peruvian government later this year, following the national elections and the installation of the new administration in the third quarter.

In the second half of the year, I was pleased to see our management team make further progress in adding value to our non-core project portfolio through the listing of Tiernan Gold Corp ("Tiernan") on the TSXV and concurrent capital raise. This transaction represented an important step for Tiernan and reflected the significant work completed over the past few years on the Volcan gold deposit in Chile. Tiernan now provides a dedicated platform to advance the project and realise its full potential

under experienced leadership. Tiernan raised approximately $30 million, and Hochschild received approximately $12 million in proceeds from the secondary offering, while retaining a 69.8% stake of Tiernan. With gold prices remaining strong, we believe this structure offers the best path to maximise long-term value for all stakeholders.

Exploration

Exploration continues to be a core pillar of the Group's growth strategy, and during 2025 we built on our strong track record by adding a total of 1.7 million ounces of resources across the portfolio, with, in particular, significant further additions at Inmaculada and Royropata. The brownfield exploration team remains focused on identifying new opportunities for resource expansion within 10 kilometres of our existing operations, including drill testing at one of three deposits identified within the Inmaculada–Pallancata district in Peru. Over the longer term, the strategy also includes the selective acquisition of additional mining properties to further support sustainable growth and replace resources.

Financial position

Record precious metal prices during the year drove the Company to generate significant cashflow with the result that the Company's balance sheet is the strongest it has been for several years. Cash and cash equivalents was $317.0 million at the end of December (2024: $97.0 million) reflecting strong operational cash flow during the year along with the consolidation of Tiernan's cash balance following its listing and capital raise on the TSXV in the second half of the year. Total debt was $339.6 million (2024: $312.6 million) and therefore net debt was reduced to $22.7 million (2024: $215.6 million).

Financial results

Total attributable Group production was 9% lower than 2024 but this was offset by a 37% rise in the gold price received and a 54% rise in the silver price. Consequently, revenue increased by 25% to $1,182.1 (2024: $947.7 million) and pre-exceptional revenue increased by 28% to $1,208.6 million (2024: $947.7 million). Attributable all-in sustaining costs were at $2,138 per gold equivalent ounce or $25.7 per silver equivalent ounce (2024: $1,558 per ounce/$18.8 per ounce). Adjusted EBITDA of $583.7 million (2024: $421.4 million) increased by 39% versus 2024 reflecting the significant price rises partially offset by a fall in production and an increase in cost of sales. Pre-exceptional profit for the year was $200.7 million (2024: $133.5 million) and basic earnings per share (pre-exceptional) increased to $0.31 (2024: $0.23 per share) mainly due to the higher profitability, net of taxes. On a post-exceptional basis, profit for the year was $247.4 million (2024: $113.7 million) and basic earnings per share (post-exceptional) was higher at $0.39 (2024: $0.19) and includes the non-cash recycling of $26.4 million of accumulated losses related to the roll-forward of gold hedges, the reversal of impairment at the Volcan project of $43.2 million, the reversal of impairment of the investment in Aclara Resources Inc. of $22.2 million, the reversal of impairment of $13.6 million of the San Jose mine, and the listing and transaction expenses in connection with Tiernan's transaction of $10.2 million. The tax effect of exceptional items was a gain of $4.2 million.

Outlook[10]

We expect attributable production in 2026 to be between 300,000 and 328,000 gold equivalent ounces. This will be driven by: 174,000-185,000 gold equivalent ounces from Inmaculada; an attributable contribution of 59,000 to 63,000 gold equivalent ounces from San Jose; and an increased level of production from the Mara Rosa mine of between 67,000 and 80,000 gold ounces. All-in sustaining costs for operations are expected at between $2,157 and $2,320 per gold equivalent ounce. This forecast which is an increase versus 2025 reflects the lower production in Inmaculada driven by lower grade expectations as well as additional capex on expansion of Inmaculada's tailings dam. This will be partially offset by increased production at Mara Rosa and higher expected currency devaluation in Argentina.

The outlook for the Company remains compelling as we complete the turnaround at Mara Rosa, advance our two high-quality growth projects in Brazil and Peru, and continue to generate strong cash flows in a highly supportive precious metals price environment. This financial strength has enabled us to strengthen the balance sheet, increase returns to shareholders and position the business to support sustainable growth. Alongside our focus on operational excellence and disciplined capital allocation, we will continue to assess opportunities to optimise our portfolio, whether through value-accretive acquisitions or the monetisation of our non-core assets, with the clear objective of delivering sustained value creation.

Eduardo Landin, Chief Executive Officer
10 March 2026

[10] *All forecast equivalent figures assume a gold/silver ratio of 77x*

OPERATING REVIEW

OPERATIONS

Note: 2025 and 2024 equivalent figures assume a gold/silver ratio of 83x. 2026 forecasts assume a ratio of 77x.

Production

In 2025, Hochschild delivered attributable production of 311,509 gold equivalent ounces or 25.9 million silver equivalent ounces, in line with the Company's revised guidance but lower than the 2024 result (347,374 gold equivalent ounces) mainly due to the challenges at Mara Rosa and lower scheduled production at Inmaculada.

The overall attributable production target for 2026 is 300,000-328,000 gold equivalent ounces.

Total 2025 group production

	Year ended 31 Dec 2025	Year ended 31 Dec 2024
Silver production (koz)	**9,251**	10,530
Gold production (koz)	**259.16**	281.14
Total silver equivalent (koz)	**30,762**	33,864
Total gold equivalent (koz)	**370.62**	408.00
Silver sold (koz)	**9,145**	10,643
Gold sold (koz)	**255.56**	281.46

Total production includes 100% of all production, including production attributable to Hochschild's minority shareholder at San Jose.

Attributable 2025 group production

	Year ended 31 Dec 2025	Year ended 31 Dec 2024
Silver production (koz)	**7,475**	8,496
Gold production (koz)	**221.44**	245.01
Silver equivalent (koz)	**25,855**	28,832
Gold equivalent (koz)	**311.51**	347.37

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

Attributable 2026 Production forecast split

Operation	**Oz Au Eq**
Inmaculada	174,000-185,000
Mara Rosa	67,000-80,000
San Jose (51%)	59,000-63,000
Total	**300,000-328,000**

Costs

Attributable all-in sustaining cost from operations in 2025 was $2,138 per gold equivalent ounce (2024: $1,558 per gold equivalent ounce), higher than original guidance of $1,587 - $1,687 mainly as a result of: the significantly higher costs and reduced production related to the challenges at Mara Rosa; lower grades in Argentina; and higher precious metal prices resulting in increased royalties, selling expenses in Argentina, and increased workers' profit sharing in Peru.

The attributable all-in sustaining cost from operations in 2026 is expected to be between $2,157 and $2,320 per gold equivalent ounce.

2026 Attributable AISC forecast split

Operation	**$/oz Au Eq**
Inmaculada	2,047-2,175
Mara Rosa	2,296-2,520
San Jose	2,304-2,495
Total from operations	**2,157-2,320**

PERU

Inmaculada

The 100% owned Inmaculada gold/silver underground operation is located in the Department of Ayacucho in southern Peru. It commenced operations in June 2015.

Inmaculada summary	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Ore production (tonnes)	**1,372,800**	1,197,965	15
Average silver grade (g/t)	**143**	179	(20)
Average gold grade (g/t)	**3.42**	3.90	(12)
Silver produced (koz)	**5,618**	6,368	(12)
Gold produced (koz)	**142.23**	143.78	(1)
Silver equivalent produced (koz)	**17,423**	18,302	(5)
Gold equivalent produced (koz)	**209.92**	220.50	(5)
Silver sold (koz)	**5,601**	6,342	(12)
Gold sold (koz)	**143.67**	143.64	-
Unit cost ($/t)	**142.5**	143.2	-
Total cash cost ($/oz Au co-product)	**982**	809	21
All-in sustaining cost ($/oz Ag Eq)	**20.9**	17.8	17
All-in sustaining cost ($/oz Au Eq)[11]	**1,732**	1,479	17

Production

The Inmaculada mine delivered gold equivalent production of 209,921 ounces (2024: 220,501 ounces), which although a 5% reduction versus 2024 was according to the mine plan and was due to reduced gold and silver grades partially offset by increased tonnage arising from a number of efficiency initiatives executed since the first half of 2024.

The Company is currently focused on managing grade variability inherent to sequencing, maintaining access to higher-grade zones, and sustaining stope inventory through continued geomechanical discipline and flexibility in development work.

Costs

All-in sustaining cost was $1,732 per gold equivalent ounce (2024: $1,479 per ounce). The increase compared with 2024 was primarily driven by forecasted lower gold and silver grades and higher production volumes, which increased production costs, as well as other cost components directly affected by significantly higher precious metal prices, including workers' profit sharing and commercial deductions.

Development project: Royropata

The 100% owned Royropata project is located in the Department of Ayacucho in southern Peru and is close to the Pallancata mine which was placed on temporary care and maintenance in December 2023.

In 2025, work continued on the Modified Environmental Impact Assessment for Royropata, which is progressing on schedule and is expected to be completed in early Q2, with submission to the Peruvian government planned following the national elections in July 2026. A public workshop in the Pallancata community to present the environmental and social baseline results was successfully held in December 2025, and a corresponding workshop for the Iscahuaca community in February 2026.

[11] *Excludes Peruvian royalties which are recognised in the income tax line. Management believes that the updated methodology better aligns with prevailing industry practices and enhances comparability with peers. All previous periods have been re-presented to reflect this change*

ARGENTINA

San Jose

The San Jose silver/gold mine is located in Argentina, in the province of Santa Cruz, 1,750 kilometres south west of Buenos Aires. San Jose commenced production in 2007. Hochschild holds a controlling interest of 51% and is the mine operator. The remaining 49% is owned by McEwen Mining Inc.

San Jose summary	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Ore production (tonnes)	**705,426**	581,303	21
Average silver grade (g/t)	**190**	253	(25)
Average gold grade (g/t)	**4.02**	4.55	(12)
Silver produced (koz)	**3,625**	4,150	(13)
Gold produced (koz)	**76.97**	73.73	4
Silver equivalent produced (koz)	**10,013**	10,270	(3)
Gold equivalent produced (koz)	**120.64**	123.73	(2)
Silver sold (koz)	**3,534**	4,290	(18)
Gold sold (koz)	**72.31**	74.37	(3)
Unit cost ($/t)	**293.0**	287.2	2
Total cash cost ($/oz Ag co-product)	**26.4**	19.5	35
All-in sustaining cost ($/oz Ag Eq)	**30.4**	23.8	28
All-in sustaining cost ($/oz Au Eq)	**2,520**	1,973	28

Production

San Jose's production in 2025 totalled 120,639 gold equivalent ounces (2024: 123,732 ounces) with the decrease versus 2024 reflecting scheduled declining grades although this has been partially offset by increased tonnage due to the expansion of the processing plant which was completed at the end of 2024.

Costs

All-in sustaining costs were at $2,520 per gold equivalent ounce (2024: $1,973 per ounce) with the significant increase versus 2024 mostly due to: the mining of lower-grade border areas of the veins at San Jose; the impact of higher precious metal prices on royalties and export taxes; and the impact of the removal of the export benefit in April 2025 which had allowed the Company to settle a portion of exports at the blue dollar rate. These were partially offset by higher treated tonnage.

BRAZIL

Mara Rosa

The 100% owned Mara Rosa open pit gold mine is located in the mining friendly jurisdiction of Goiás State in Brazil. Mara Rosa commenced production in mid-May 2024.

Mara Rosa summary	Year ended 31 Dec 2025	Year ended 31 Dec 2024	% change
Ore production (tonnes)	**1,424,031**	1,757,955	(19)
Average silver grade (g/t)	**0.30**	0.13	131
Average gold grade (g/t)	**0.96**	1.35	(29)
Silver produced (koz)	**9**	11	(18)
Gold produced (koz)	**39.96**	63.64	(37)
Silver equivalent produced (koz)	**3,325**	5,293	(37)
Gold equivalent produced (koz)	**40.06**	63.77	(37)
Silver sold (koz)	**9**	11	(18)
Gold sold (koz)	**39.58**	63.54	(38)
Unit cost ($/t)	**63.3**	48.3	31
Total cash cost ($/oz Au co-product)	**2,103**	1,034	103
All-in sustaining cost ($/oz Ag Eq)	**44.5**	17.0	162
All-in sustaining cost ($/oz Au Eq)	**3,697**	1,408	163

Production

Following Q1 2025, the Company reported that operations at Mara Rosa were adversely affected by heavier-than-usual seasonal rainfall and contractor performance issues. These challenges restricted access to ore—particularly higher-grade

zones—and compounded persistent problems with the filtering processes. Consequently, efforts to recover from mine waste removal delays, carried over from the previous year, were further hampered.

In response, CEO Eduardo Landin temporarily assumed direct operational oversight and led a comprehensive review of mining, processing, permitting, and waste management activities. The processing plant was suspended for approximately one month to allow for critical maintenance and upgrades across the crushing, milling, and filtering circuits, whilst mining activities continued uninterrupted. Processing subsequently resumed using two of the four tailings' filters, with the remaining units brought back online following maintenance and testing. Operational performance has since shown steady improvement. A tailings thickener, planned for installation in the first half of 2026, is expected to further enhance waste filtration and support the plant's ability to operate at full capacity.

Mining performance improved over the second half of the year, with increasing material movement rates reflecting enhanced fleet efficiency and improved haulage conditions. This progress was supported by pushback development that improved access to future higher-grade ore zones, as well as stabilisation of the processing plant through stronger maintenance routines. Focus areas included rainy-season water management, strengthening filtration and detoxification availability, and improving moisture control through better maintenance planning and spares readiness. Reliable equipment availability and infrastructure performance further supported gains in productivity and operational stability.

In parallel, the Company completed a reorganisation of its Brazil operations, including the appointment of a new Brazil General Manager, Ediney Drummond, and a new Mine Manager, alongside the implementation of a revised management structure. With the operational ramp-up progressing in line with expectations, management remains focused on sustaining consistent performance through reliable mining and plant operations, effective rainy-season management, completion of the tailings thickener installation, and maintaining workforce stability.

For the year, Mara Rosa produced a total of 40,062 gold equivalent ounces including minor silver by-product (2024: 63,770 ounces). Production in the latter part of the year reflected a strong improvement following the implementation of the turnaround strategy.

Costs
As a result of the challenges outlined above, including production falling short of expectations and lower grades, AISC increased sharply to $3,697 per gold-equivalent ounce, compared with $1,408 per ounce in 2024. Higher capex also contributed to the increase, as the cost of the remediation activities increased the spend from the original budget of $11–12 million to just over $34 million.

Development project: Monte Do Carmo

Work has continued on the Monte Do Carmo project in 2025 and included:

- Project Manager recruitment
- Engineering studies ongoing (Ausenco) and including GAP analysis from Mara Rosa experience
- Review of process optimisation options underway, including potential for 100% Carbon-in-Leach configuration, utilisation of a SAG mill and plant and mine capacity expansion opportunities
- Completion of metallurgical testwork
- Meeting with Tocantins state agency to discuss workforce development plans
- Award of the installation licence
- Signing of contract for transmission line and power distribution network to support water intake and construction infrastructure
- Evaluation of the use of water harvesting for the project
- Review of proposed filtration system
- Validation of pit engineering study
- Geotechnical studies almost complete

The Company currently expects updated economics and a final investment decision in mid-2026.

BROWNFIELD EXPLORATION

Inmaculada
During the year, the team carried out a further 13,142m of potential drilling and 17,363m of resource drilling. By the end of the year 0.5 million gold equivalent ounces of resources had been added at a grade of approximately 2.8 grams per tonne of gold equivalent (38.5 million silver equivalent ounces at a grade of approximately 239 grams per tonne of silver equivalent).

Vein	Results (potential)
Anomalia 1	IMM25-422: 1.6m @ 2.2g/t Au & 94g/t Ag
Anomalia 4	IMM25-422: 1.1m @ 1.5g/t Au & 210g/t Ag
Martha	IMM25-423A: 0.9m @ 2.3g/t Au & 53g/t Ag
Mariana	IMM25-282: 1.2m @ 0.9g/t Au & 100g/t Ag
San Martin	IMS25-281A: 0.9m @ 0.3g/t Au & 99g/t Ag IMS25-290: 1.4m @ 0.5g/t Au & 15g/t Ag
Melisa	IMM25-475: 0.8m @ 1.0g/t Au & 22g/t Ag IMM25-482: 2.1m @ 106.6g/t Au & 546g/t Ag IMS25-316: 2.0m @ 8.2g/t Au & 57g/t Ag
Melisa NE	IMS25-312: 1.1m @ 0.5g/t Au & 12g/t Ag IMS25-316: 3.5m @ 2.1g/t Au & 32g/t Ag IMS25-328: 0.8m @ 2.7g/t Au & 47g/t Ag IMS25-336: 1.0m @ 1.1g/t Au & 16g/t Ag

Vein	Results (resources)
Mariana	IMM25-286: 1.7m @ 1.4g/t Au & 55g/t Ag IMM25-288: 1.6m @ 2.2g/t Au & 113g/t Ag IMM25-293: 0.9m @ 0.7g/t Au & 89g/t Ag
Angela	IMM25-455: 3.6m @ 2.4g/t Au & 231g/t Ag IMM25-471: 2.6m @ 0.9g/t Au & 227g/t Ag IMM25-473: 3.4m @ 1.8g/t Au & 194g/t Ag IMS25-304: 1.0m @ 4.5g/t Au & 334g/t Ag IMM25-454: 1.1m @ 4.9g/t Au & 232g/t Ag IMS25-315: 1.0m @ 3.0g/t Au & 167g/t Ag
Martha Techo	IMS25-299: 1.6m @ 2.6g/t Au & 53g/t Ag IMS25-302: 2.9m @ 2.9g/t Au & 154g/t Ag IMS25-307: 1.1m @ 3.8g/t Au & 24g/t Ag IMS25-310: 3.8m @ 3.7g/t Au & 96g/t Ag IMS25-313: 1.1m @ 8.1g/t Au & 121g/t Ag IMS25-311: 0.8m @ 1.9g/t Au & 12g/t Ag IMS25-325: 1.0m @ 0.3g/t Au & 21g/t Ag
Dayona	IMM24-385: 2.4m @ 5.0g/t Au & 21g/t Ag IMS25-322: 1.3m @ 1.3g/t Au & 106g/t Ag IMS25-331: 2.2m @ 2.8g/t Au & 20g/t Ag IMS25-335: 0.8m @ 0.7g/t Au & 53g/t Ag IMS25-337: 1.0m @ 0.3g/t Au & 50g/t Ag IMS25-344: 2.5m @ 0.2g/t Au & 246g/t Ag
Lady	IMS25-306: 2.6m @ 3.6g/t Au & 26g/t Ag IMS25-306: 0.9m @ 2.9g/t Au & 46g/t Ag
Melisa N.E.	IMS25-314: 1.2m @ 3.4g/t Au & 17g/t Ag
Angela Sur	IMM25-418: 0.9m @ 6.2g/t Au & 189g/t Ag IMM25-419: 0.9m @ 2.7g/t Au & 110g/t Ag
Mirella	IMM25-454: 0.8m @ 7.8g/t Au & 215g/t Ag IMM25-455: 0.8m @ 0.2g/t Au & 130g/t Ag IMM25-471: 2.2m @ 1.1g/t Au & 551g/t Ag
Liz	IMM25-454: 0.8m @ 4.4g/t Au & 393g/t Ag IMM25-455: 1.1m @ 2.4g/t Au & 150g/t Ag IMM25-471: 1.3m @ 2.2g/t Au & 137g/t Ag IMM25-467: 1.1m @ 1.6g/t Au & 42g/t Ag
Ann	IMM25-427: 0.8m @ 0.9g/t Au & 147g/t Ag
Gera	IMS25-314: 0.9m @ 3.0g/t Au & 46g/t Ag
Ramal Y	IMM25-476: 0.8m @ 10.1g/t Au & 132g/t Ag IMM25-471: 0.9m @ 4.0g/t Au & 453g/t Ag IMM25-473: 0.8m @ 3.5g/t Au & 151g/t Ag
Angela Tesoro	IMS25-318: 2.3m @ 2.3g/t Au & 185g/t Ag IMS25-323: 0.8m @ 1.4g/t Au & 87g/t Ag
Isabella	IMS25-320: 2.8m @ 1.9g/t Au & 57g/t Ag IMS25-326: 2.1m @ 5.2g/t Au & 101g/t Ag IMS25-330: 1.9m @ 4.7g/t Au & 101g/t Ag IMS25-334: 3.2m @ 2.5g/t Au & 64g/t Ag IMS25-338: 0.9m @ 2.3g/t Au & 50g/t Ag IMS25-341: 1.3m @ 2.8g/t Au & 36g/t Ag IMS25-345: 4.5m @ 3.7g/t Au & 81g/t Ag
Martha	IMS25-311: 1.0m @ 1.4g/t Au & 45g/t Ag
Split NS	IMS25-319A: 0.8m @ 1.2g/t Au & 12g/t Ag IMS25-325: 1.0m @ 0.2g/t Au & 8g/t Ag

In the first quarter of 2026, the team is planning 3,600m of potential drilling in Inmaculada Central and Southern zones.

San Jose
During the year, the team carried out 11,458m of potential drilling in the region. By the end of the year 168,000 gold equivalent ounces of inferred resources had been added at a grade of approximately 7.65 grams per tonne of gold equivalent (13.9 million silver equivalent ounces at a grade of approximately 635 grams per tonne of silver equivalent).

Vein	Results (potential)
Escondida	SJD-2979: 1.7m @ 1.1g/t Au & 30g/t Ag SJD-3003: 0.9m @ 30.5g/t Au & 153g/t Ag
Escondida EW	SJD-3071A: 0.9m @ 5.9g/t Au & 94g/t Ag
Agostina	SJD-2469: 2.5m @ 3.8g/t Au & 182g/t Ag
Isabel	SJD-2969: 1.7m @ 2.1g/t Au & 181g/t Ag SJD-2972: 0.5m @ 0.2g/t Au & 18g/t Ag
Isabel I	SJD-2970: 0.6m @ 2.1g/t Au & 112g/t Ag SJD-2972: 2.4m @ 1.1g/t Au & 46g/t Ag SJD-2973: 0.9m @ 0.8g/t Au & 70g/t Ag
Isabel II	SJD-2973: 0.6m @ 2.2g/t Au & 205g/t Ag
Isabel N	SJD-2972: 1.5m @ 2.5g/t Au & 109g/t Ag SJD-2972: 4.2m @ 1.3g/t Au & 121g/t Ag
Angelica	SJD-3069: 1.7m @ 9.0g/t Au & 783g/t Ag SJD-3003: 0.9m @ 30.5g/t Au & 153g/t Ag SJD-3012: 0.8m @ 2.7g/t Au & 71g/t Ag SJM-732: 1.0m @ 1.3g/t Au & 25g/t Ag SJD-3059: 0.8m @ 0.4g/t Au & 28g/t Ag
Piso Pilar	SJM-729: 0.9m @ 7.5g/t Au & 714g/t Ag SJM-733-A: 0.8m @ 12.7g/t Au & 114g/t Ag SJM-734: 1.1m @ 5.6g/t Au & 269g/t Ag SJD-3066: 0.9m @ 5.7g/t Au & 90g/t Ag SJM-735: 0.8m @ 53.8g/t Au & 347g/t Ag SJM-740: 0.8m @ 4.4g/t Au & 107g/t Ag
Ramal Pilar	SJD-3066: 1.9m @ 3.2g/t Au & 259g/t Ag SJM-733-A: 1.0m @ 3.1g/t Au & 54g/t Ag SJM-740: 0.8m @ 5.4g/t Au & 45g/t Ag
Betania	SJD-3017: 2.4m @ 7.9g/t Au & 15g/t Ag
Piso Betania	SJD-3026: 1.7m @ 16.0g/t Au & 26g/t Ag SJD-3017: 2.0m @ 5.0g/t Au & 12g/t Ag
Micaela N.E.	SJD-3066: 1.2m @ 0.8g/t Au & 441g/t Ag
Pilar	SJM-729-A: 1.2m @ 3.7g/t Au & 296g/t Ag
HVC	SJD-3097: 1.9m @ 14.6g/t Au & 1,907g/t Ag SJD-3112: 5.1m @ 9.0g/t Au & 885g/t Ag
Pepa	SJM-738: 1.2m @ 22.6g/t Au & 1,133g/t Ag SJM-739: 0.9m @ 13.5g/t Au & 115g/t Ag
Pierina	SJD-3115: 1.8m @ 0.02g/t Au & 314g/t Ag

The plan for the first quarter of 2026 is to perform potential drilling in the HV-W area and in the northern zone.

Royropata
Exploration work continued at the Royropata project in 2025 with the team adding approximately 1.1 million gold equivalent ounces of resources at a grade of approximately 6.4 grams per tonne of gold equivalent (89.0 million silver equivalent ounces of inferred resources at a grade of approximately 534 grams per tonne of silver equivalent).

Mara Rosa
Within the district, the team carried out 5,805m of potential drilling and 7,903 of resource drilling during 2025.

Vein	Results (potential)
Speti	24POSP_061: 3.4m @ 0.5g/t Au
Passo	24POSP_063: 21.6m @ 0.4g/t Au

Vein	Results (resources)
Posse	25POSP_019A: 43.3m @ 0.5g/t Au 25POSP_020: 40.3m @ 0.5g/t Au 25POSP_022: 15.7m @ 0.4g/t Au 25POSP_023: 5.8m @ 0.4g/t Au 25POSP_024: 22.2m @ 0.3g/t Au
Posse-Passo	25POSP_030: 40.3m @ 0.5g/t Au 25POSP_030: 0.4m @ 1.9g/t Au 25POSP_020: 0.6m @ 6.7g/t Au 25POSP_032: 55.3m @ 0.3g/t Au

	25POSP_031: 46.6m @ 0.3g/t Au 25POSP_033: 30.2m @ 0.3g/t Au 25POSP_035A: 24.3m @ 0.1g/t Au 25POSP_036: 40.2m @ 0.1g/t Au 25POSP_036: 5.9m @ 0.3g/t Au 25POSP_038: 21.0m @ 0.5g/t Au *Incl. 11.6m @ 0.8g/t Au* *Incl. 5.8m @ 1.5g/t Au* 25POSP_039A: 15.7m @ 0.3g/t Au 24POSP_041: 2.3m @ 0.3g/t Au 24POSP_048: 40.7m @ 0.3g/t Au 24POSP_050: 41.1m @ 0.3g/t Au 24POSP_051: 30.3m @ 0.9g/t Au 24POSP_052: 1.0m @ 1.0g/t Au 24POSP_054: 10.8m @ 0.5g/t Au 24POSP_058: 1.0m @ 0.9g/t Au 24POSP_059: 29.1m @ 0.3g/t Au
Posse FW	24POSP_043: 0.8m @ 1.2g/t Au
Araras	25POSP_036: 39.2m @ 0.9g/t Au *Incl. 16.2m @ 1.3g/t Au* 25POSP_038: 29.1m @ 0.4g/t Au *Incl. 1.0m @ 10.9g/t Au* 25POSP_039A: 6.9m @ 0.3g/t Au 24POSP_041: 11.3m @ 0.4g/t Au 24POSP_047: 1.9m @ 0.4g/t Au 24POSP_049: 0.9m @ 3.1g/t Au
Speti	25POSP_038: 3.9m @ 0.2g/t Au 24POSP_044: 2.0m @ 0.5g/t Au 24POSP_048: 2.2m @ 0.4g/t Au 24POSP_054: 11.4m @ 0.3g/t Au 24POSP_055: 19.8m @ 0.3g/t Au
Speti HW	24POSP_056: 1.5m @ 1.4g/t Au

The plan for the first quarter is to continue the potential drilling in the Passo-Araras-Speti areas and structures parallel to Posse.

Monte Do Carmo
During the year, 4,550m of potential drilling was executed along with 6,879m of resource drilling.

Vein	Results (potential)
Serra Alta	25SAP_002: 0.8m @ 0.6g/t Au
Gogo	25GO_002: 2.2m @ 1.4g/t Au 25GO_002: 6.5m @ 0.3g/t Au 25GO_002: 2.1m @ 5.0g/t Au 25GO_002: 0.6m @ 0.9g/t Au 25GO_002: 0.7m @ 0.5g/t Au
Dourado	25DOU_001: 0.8m @ 10.4g/t Au
Cigano	25CIG_001: 0.6m @ 0.7g/t Au 25CIG_001: 0.4m @ 0.7g/t Au 25CIG_001: 0.4m @ 1.2g/t Au
Adebaldo	25ADE_001: 6.7m @ 0.2g/t Au 25ADE_001: 3.6m @ 0.2g/t Au 25ADE_001: 0.7m @ 1.2g/t Au 25ADE_001: 1.1m @ 0.7g/t Au

Vein	Results (resources)
Gogo	25GO_004: 1.9m @ 0.5g/t Au 25GO_004: 1.4m @ 0.5g/t Au 25GO_004: 1.0m @ 0.3g/t Au
Sierra Alta	25SA_031: 55.1m @ 1.6g/t Au *Incl. 8.9m @ 6.5g/t Au* *Incl. 5.6m @ 2.7g/t Au* *Incl. 3.7m @ 1.8g/t Au* 25SA_031: 0.9m @ 1.4g/t Au 25SA_032: 5.0m @ g/t Au *Incl. 0.8m @ 1.3g/t Au* 25SA_032: 32.9m @ 0.4g/t Au *Incl. 8.7m @ 1.0g/t Au* 25SA_033: 18.4m @ 0.6 g/t Au *Incl. 2.9m @ 1.3g/t Au* *Incl. 7.6m @ 0.9g/t Au* 25SA_033: 10.8m @ 0.4 g/t Au

	25SA_033: 3.8m @ 0.9 g/t Au 25SA_034: 11.1m @ 0.7 g/t Au *Incl. 3.1m @ 1.9g/t Au* 25SA_035: 4.6m @ 0.4 g/t Au *Incl. 1.0m @ 1.5g/t Au* 25SA_035: 9.8m @ 0.4 g/t Au *Incl. 5.9m @ 105g/t Au* 25SA_035: 0.9m @ 9.0 g/t Au 25SA_028: 0.7m @ 1.6 g/t Au 25SA_028: 0.3m @ 3.4 g/t Au 25SA_030: 4.5m @ 0.4 g/t Au 25SA_037: 3.4m @ 0.5g/t Au 25SA_037: 7.2m @ 0.5g/t Au 25SA_038: 17.9m @ 0.4g/t Au 25SA_038: 91.8m @ 0.6g/t Au 25SA_038: 7.9m @ 0.3g/t Au 25SA_038: 12.0m @ 0.4g/t Au 25SA_040: 6.0m @ 0.6g/t Au 25SA_041: 108.6m @ 0.9g/t Au 25SA_041: 8.2m @ 0.3g/t Au 25SA_041: 1.9m @ 0.5g/t Au 25SA_042: 29.3m @ 0.6g/t Au 25SA_043: 2.6m @ 0.4g/t Au 25SA_043: 24.4m @ 0.4g/t Au 25SA_044: 35.4m @ 0.6g/t Au 25SA_044: 5.9m @ 0.5g/t Au 25SA_044: 23.8m @ 1.1g/t Au 25SA_044: 12.1m @ 1.8g/t Au 25SA_044: 33.6m @ 0.5g/t Au 25SA_045: 56.4m @ 0.9g/t Au 25SA_047: 26.6m @ 0.9g/t Au 25SA_048: 67.2m @ 0.8g/t Au 25SA_049: 2.8m @ 0.5g/t Au 25SA_050: 30.0m @ 0.4g/t Au 25SA_050: 2.8m @ 1.7g/t Au 25SA_051: 7.5m @ 0.4g/t Au 25SA_052: 3.0m @ 0.6g/t Au 25SA_053: 5.6m @ 0.7g/t Au 25SA_053: 28.7m @ 0.4g/t Au 25SA_053: 1.3m @ 5.6g/t Au 25SA_054: 36.3m @ 1.2g/t Au 25SA_054: 13.5m @ 0.3g/t Au 25SA_055: 18.8m @ 0.3g/t Au 25SA_057: 2.9m @ 0.5g/t Au 25SA_058: 31.9m @ 0.4g/t Au 25SA_058: 6.2m @ 0.5g/t Au 25SA_058: 15.7m @ 1.1g/t Au 25SA_059: 13.7m @ 0.4g/t Au
El Dorado	25ELD_002: 1.0m @ 0.9g/t Au
Boqueirao	25BQR_013: 8.0m @ 0.3g/t Au

During Q1 2026, resource drilling will continue in Sierra Alta.

FINANCIAL REVIEW

The reporting currency of Hochschild Mining PLC is US dollars. In discussions of financial performance, the Group removes the effect of exceptional items, unless otherwise indicated, and in the income statement results are shown both pre and post such exceptional items. Exceptional items are those items, which due to their nature or the expected infrequency of the events giving rise to them, are disclosed separately on the face of the income statement to enable a better understanding of the financial performance of the Group and to facilitate comparison with prior years.

Revenue

Gross revenue[12]

Gross revenue before exceptional items increased by 27% to $1,229.7 million in 2025 (2024: $966.1 million) due to the higher average realised precious metal prices, partially offset by lower gold and silver production with gold output decreasing mainly due to the operational challenges at Mara Rosa. Silver output fell mainly due to scheduled grade reductions at Inmaculada and San Jose, partially offset by higher tonnage at both operations.

Gold

Gross revenue before exceptional items from gold increased to $823.4 million (2024: $660.1 million) due to the 37% increase in the average realised gold price, partially offset by lower gold production from Mara Rosa.

Silver

Gross revenue before exceptional items from silver increased in 2025 to $404.6 million (2024: $305.6 million) due to the 54% increase in the average realised silver price, partially offset by lower silver production at Inmaculada and San Jose.

Gross average realised sales prices

The following table provides figures for average realised prices (before the deduction of commercial discounts) and ounces sold for 2025 and 2024:

Average realised prices	**Year ended 31 Dec 2025**	Year ended 31 Dec 2024	% change
Silver ounces sold (koz)	**9,145**	10,643	(14)
Avg. realised silver price ($/oz)	**44.2**	28.7	54
Gold ounces sold (koz)	**255.6**	281.46	(9)
Avg. realised gold price ($/oz)	**3,222**	2,345	37

Hedges

2025 realised prices and revenue include the effect of the following hedges: forwards for 29,167 gold ounces at a price of $2,117 per ounce, and zero cost collars for 60,000 gold ounces at a strike put of $2,000 per ounce and a strike call of $2,485 per ounce, the impact of which was a loss of $86.1 million in 2025. 2024 realised prices and revenue include the effect of the following hedges: forwards for 27,600 gold ounces at a price of $2,100 per ounce, and zero cost collars for 100,000 gold ounces at a strike put of $2,000 per ounce and a strike call of $2,252 per ounce, the impact of which was a loss of $27.9 million in 2024.

In August 2025, the Group renegotiated the gold forward hedge agreement resulting in the extension of 20,813 ounces from August to December 2025 to the first semester of 2028. At the date of the roll-forward, the fair value of these instruments amounted to a liability of $26.4 million. In accordance with IFRS 9, the accumulated loss recognised in the cash flow hedge reserve within equity was reclassified to the income statement following the discontinuation of the original hedge relationship and the realisation of the hedged item. Given the non-recurring and non-cash nature of this hedge accounting reclassification to the income statement, and the fact that the cash settlement will occur in 2028 once the instruments mature, the resulting charge of $26.4 million has been presented as an exceptional item within revenue. This presentation facilitates a better understanding by users of the financial statements of the Group´s underlying operating performance by separating the effects of this discrete, non-cash hedge accounting reclassification from revenue and profitability trends.

Commercial discounts

Commercial discounts refer to refinery treatment charges, refining fees and payable deductions for processing concentrate, and are deducted from gross revenue on a per tonne basis (treatment charge), per ounce basis (refining fees) or as a percentage of gross revenue (payable deductions). In 2025, the Group recorded commercial discounts of $21.1 million (2024: $18.4 million). The ratio of commercial discounts to gross revenue in 2025 was 2%, in line with 2024.

Revenue

Revenue before exceptional items was $1,208.6 million (2024: $947.7 million), including gold revenue of $813.4 million (2024: $649.3 million) and silver revenue of $393.4 million (2024: $298.0 million). In 2025, gold accounted for 67% and silver 33% of the Company's consolidated net revenue (2024: gold 69% and silver 31%).

Reconciliation of gross revenue by mine to Group net revenue before exceptional items

$000	**Year ended 31 Dec 2025**	Year ended 31 Dec 2024	% change
Silver revenue			

[12]*Includes revenue from services of $0.4 million in 2025 (2024: $0.4 million), and aggregate sales in Mara Rosa of $1.4 million in 2025. Gross revenue is the net revenue plus commercial discounts from the sale of concentrates. and non-cash hedged items*

Inmaculada	**226,695**	180,285	26
Mara Rosa	**358**	343	4
Pallancata	**-**	(59)	100
San Jose	**177,514**	125,027	42
Commercial discounts	**(11,162)**	(7,599)	47
Net silver revenue	**393,405**	297,997	32
Gold revenue			
Inmaculada	**441,218**	324,129	36
Mara Rosa	**101,701**	150,634	(32)
Pallancata	**-**	(185)	100
San Jose	**280,500**	185,512	51
Commercial discounts	**(9,981)**	(10,839)	(8)
Net gold revenue	**813,438**	649,251	25
Other revenue	**1,732**	448	287
Revenue	**1,208,575**	947,696	28

Cost of sales

Total cost of sales was $677.9 million in 2025 (2024: $605.3 million). The direct production cost excluding depreciation and amortisation was higher at $508.0 million (2024: $454.0 million) mainly due to: higher volumes at Inmaculada and San Jose; higher mining and waste movement at Mara Rosa due to the normalisation of the stripping ratio as well as higher filtration and tailings management costs; and rising precious metal prices resulting in increased royalties. Depreciation and amortisation in production cost increased from $157.2 million in 2024 to $173.6 million in 2025 mainly due to higher tonnage extracted at Inmaculada and San Jose and the change in the depreciation method from units of production to straight line basis for certain minor equipment in Inmaculada. The depreciation increase was partially offset by the impact of lower tonnage produced in Mara Rosa. Workers' profit sharing increased from $3.1 million in 2024 to $15.5 million in 2025 mainly due to higher precious metal prices. Fixed costs incurred during total or partial production stoppages due to operational challenges at Mara Rosa were $15.1 million (2024: $1.1 million due to bad weather in San Jose). Increase in inventories was $35.5 million in 2025 (2024: $10.1 million) mainly due to higher products in process of $23.0 million and $8.3 million at Mara Rosa and Inmaculada respectively; and higher final products at San Jose of $5.5 million.

$000	**Year ended 31 Dec 2025**	Year ended 31 Dec 2024	% change
Direct production cost excluding depreciation and amortisation	**508,024**	454,006	12
Depreciation and amortisation in production cost	**173,577**	157,165	10
Workers' profit sharing and others[13]	**16,730**	3,145	432
Fixed costs during operational stoppages and reduced capacity	**15,094**	1,071	1,309
Change in inventories	**(35,486)**	(10,124)	251
Cost of sales	**677,939**	605,263	12

Fixed costs during operational stoppages and reduced capacity

$000	**Year ended 31 Dec 2025**	Year ended 31 Dec 2024	% change
Personnel	**2,960**	712	316
Third party services	**9,563**	301	3,077
Supplies	**1,532**	33	4,542
Others	**1,039**	25	4,056
Fixed costs during operational stoppages and reduced capacity	**15,094**	1,071	1,309

Unit cost per tonne

The Company reported unit cost per tonne at its operations of $136.7 per tonne in 2025, an 8% increase versus 2024 ($127.0 per tonne). This was mainly due to the impact of the lower tonnage at Mara Rosa.

Unit cost per tonne by operation (including royalties)[14]:

Operating unit ($/tonne)	**Year ended 31 Dec 2025**	Year ended 31 Dec 2024	% change
Peru			
Inmaculada	**142.5**	143.2	-
Brazil			
Mara Rosa	**63.3**	48.3	31
Argentina			
San Jose	**293.0**	287.2	2
Total	**136.7**	127.0	8

Cash costs

[13] *Includes cost of sale of aggregates of $1.1 million and cost of services of $0.1 million*

[14] *Unit cost per tonne is a non-IFRS measure. It is calculated by dividing mine and treatment production costs (excluding depreciation and amortisation) of $275.2 million and $228.2 million respectively, by extracted and treated tonnage of 3,849k and 3,502k respectively*

Cash costs include cost of sales, commercial deductions and selling expenses, less depreciation and amortisation included in cost of sales.

Cash cost reconciliation

Year ended 31 December 2025

$000 unless otherwise indicated	Inmaculada	San Jose	Mara Rosa	Total
(+) Cost of sales	310,319	252,344	115,276	677,939
(+) Other adjustments[15]	(167)	-	(16,145)	(16,312)
(-) Depreciation and amortisation in cost of sales	(100,581)	(49,492)	(15,275)	(165,348)
(+) Selling expenses	657	20,225	1,040	21,922
(+) Commercial deductions[16]	3,389	21,814	44	25,247
Gold	*2,417*	*10,542*	38	*12,997*
Silver	*972*	*11,272*	6	*12,250*
Cash cost	**213,617**	**244,891**	**84,940**	**543,448**
Gold	441,218	270,167	102,053	813,438
Silver	226,695	166,355	355	393,405
Revenue (pre-exceptional)[17]	**667,913**	**436,522**	**102,408**	**1,206,843**
Ounces sold (000s)				
Gold	143.7	72.3	39.6	255.6
Silver	5,601	3,534	9	9,144
Group cash cost ($/oz)				
Co product Au	982	2,096	2,103	1,430
Co product Ag	12.9	26.4	31.2	19.3
By product Au	(98)	930	2,101	534
By product Ag	(41.1)	(10.1)	(2,000.4)	(31.1)

Year ended 31 December 2024

$000 unless otherwise indicated	Inmaculada	San Jose	Mara Rosa[18]	Other[19]	Total
(+) Cost of sales	271,020	223,529	110,630	84	605,263
(+) Other adjustments[20]	-	(1,071)	(31,638)	-	(32,709)
(-) Depreciation and amortisation in cost of sales	(94,190)	(46,905)	(15,690)	-	(156,785)
(+) Selling expenses	614	15,847	931	14	17,406
(+) Commercial deductions[16]	3,436	17,620	1,590	11	22,657
Gold	*2,291*	*9,872*	*1,584*	*1*	*13,748*
Silver	*1,145*	*7,748*	*6*	*10*	*8,909*
Cash cost	**180,880**	**209,020**	**65,823**	**109**	**455,832**
Gold	324,057	175,892	144,836	(114)	644,671
Silver	180,285	117,443	330	(69)	297,989
Revenue[17]	**504,342**	**293,335**	**145,166**	**(183)**	**942,660**
Ounces sold (000s)					
Gold	143.6	74.4	61.2	-	279.1
Silver	6,342	4,290	11	-	10,643
Group cash cost ($/oz)					
Co product Au	809	1,685	1,034	(230)	1,108
Co product Ag	10.2	19.5	13.1	14.9	13.5
By product Au	(4)	1,127	1,031	(1,058)	529
By product Ag	(22.9)	5.4	(7,074.8)	463.9	(19.4)

Co-product cash cost per ounce is the cash cost allocated to the primary metal (allocation based on proportion of revenue), divided by the ounces sold of the primary metal. By-product cash cost per ounce is the total cash cost minus revenue and commercial discounts of the by-product divided by the ounces sold of the primary metal.

All-in sustaining cost reconciliation[21]

All-in sustaining cash costs per silver equivalent ounce

The Company has calculated its all-in sustaining cost per gold and silver equivalent ounce on an attributable basis and excludes Peruvian royalties which are recognised in the income tax line. Management believes that the updated methodology

[15] *Other adjustments include: fixed costs during operational stoppages and reduced capacity in Mara Rosa of $15.1 million, cost of sale of aggregates of $1.1 million in Mara Rosa, and cost of energy transmission services of $0.1 million in Inmaculada*

[16] *Includes commercial discounts (from the sales of concentrate) and commercial discounts from the sale of dore*

[17] *Excludes: revenue from sale of aggregates of $1.4 million (2024: $nil), energy transmission services of $0.4 million (2024: $0.4 million), and pre-commercial revenue in Mara Rosa in 2024 of $4.6 million*

[18] *Excludes pre-commercial selling expenses of $0.1 million, commercial deductions of $0.1 million*

[19] *Mainly includes final adjustments to Pallancata's shipments that occurred in the last quarter of 2023*

[20] *Other adjustments include Mara Rosa's pre commercial cost of sales of $31.6 million, and costs during operational stoppages and reduced capacity in San Jose of $1.1 million*

[21] *Calculated using a gold/silver ratio of 83x*

better aligns with prevailing industry practices and enhances comparability with peers. All previous periods have been re-presented to reflect this change.

Year ended 31 December 2025

$000 unless otherwise indicated	Inmaculada	San Jose	Mara Rosa	Main Operations	Corporate & others	Total
(+) Direct production cost excluding depreciation and amortisation	199,360	206,007	102,657	508,024	-	508,024
(+) Other items and workers profit sharing in cost of sales[22]	16,369	(2,680)	993	14,682	-	14,682
(+) Operating and exploration capex for units[23]	135,071	37,388	39,176	211,635	830	212,465
(+) Brownfield exploration expenses[24]	2,713	11,883	987	15,583	4,404	19,987
(+) Administrative expenses (excl depreciation and amortisation)	6,138	7,291	3,196	16,625	36,794	53,419
Sub-total	**359,651**	**259,889**	**147,009**	**766,549**	**42,028**	**808,577**
Sub-total attributable	**359,651**	**132,544**	**147,009**	**639,204**	**42,028**	**681,232**
Attributable Au ounces produced	142,233	39,255	39,956	221,444	-	221,444
Attributable Ag ounces produced (000s)	5,618	1,848	9	7,475	-	7,475
Attributable Ounces produced (Au Eq oz)	209,921	61,526	40,062	311,509	-	311,509
Attributable Ounces produced (Ag Eq 000s oz)	17,423	5,107	3,325	25,855	-	25,855
Attributable all-in sustaining costs per oz produced ($/oz Au Eq)	**1,713**	**2,154**	**3,670**	**2,052**	**135**	**2,187**
Attributable all-in sustaining costs per oz produced ($/oz Ag Eq)	**20.7**	**26.0**	**44.2**	**24.7**	**1.6**	**26.3**
(+) Commercial deductions	3,389	21,185	44	24,618	-	24,618
(+) Selling expenses	657	20,225	1,040	21,922	-	21,922
Sub-total	**4,046**	**42,040**	**1,084**	**47,170**	-	**47,170**
Sub-total attributable	**4,046**	**21,440**	**1,084**	**26,570**	-	**26,570**
Attributable Au ounces sold	143,667	36,879	39,.567	180,546	-	180,546
Attributable Ag ounces sold (000s)	5,601	1,802	9	7,412	-	7,412
Attributable ounces sold (Au Eq oz)	211,153	58,596	39,688	309,437	-	309,437
Attributable ounces sold (Ag Eq 000s oz)	17,526	4,863	3,294	25,683	-	25,683
Sub-total ($/oz Au Eq) attributable	**19**	**366**	**27**	**86**	**-**	**86**
Sub-total ($/oz Ag Eq) attributable	**0.2**	**4.4**	**0.3**	**1.0**	**-**	**1.0**
Attributable all-in sustaining costs per oz sold ($/oz Au Eq)	**1,732**	**2,520**	**3,697**	**2,138**	**135**	**2,273**
Attributable all-in sustaining costs per oz sold ($/oz Ag Eq)	**20.9**	**30.4**	**44.5**	**25.7**	**1.6**	**27.4**

Year ended 31 December 2024[25]

$000 unless otherwise indicated	Inmaculada	San Jose	Mara Rosa[26]	Main Operations	Corporate & others	Total
(+) Direct production cost excluding depreciation and amortisation	171,372	176,365	106,185	453,922	84	454,006
(+) Other items and workers profit sharing in cost of sales[27]	3,145	(14,468)	(30,059)	(41,382)	-	(41,382)
(+) Operating and exploration capex for units[28]	138,582	33,035	5,289	176,906	2,857	179,763
(+) Brownfield exploration expenses[24]	4,423	9,821	516	14,760	3,880	18,640
(+) Administrative expenses (excl depreciation and amortisation)	4,639	6,512	1,932	13,083	33,654	46,737
Sub-total	**322,161**	**211,265**	**83,863**	**617,289**	**40,475**	**657,764**
Sub-total attributable	**322,161**	**107,745**	**83,863**	**513,769**	**40,475**	**554,244**
Attributable Au ounces produced	143,775	37,602	61,219	242,596	-	242,596
Attributable Ag ounces produced (000s)	6,368	2,117	11	8,496	-	8,496
Attributable Ounces produced (Au Eq oz)	220,501	63,103	61,353	344,957	-	344,957
Attributable Ounces produced (Ag Eq 000s oz)	18,302	5,238	5,092	28,632	-	28,632
Attributable all-in sustaining costs per oz produced ($/oz Au Eq)	**1,461**	**1,707**	**1,367**	**1,490**	**117**	**1,607**
Attributable all-in sustaining costs per oz produced ($/oz Ag Eq)	**17.6**	**20.6**	**16.5**	**17.9**	**1.4**	**19.4**
(+) Commercial deductions	3,436	17,620	1,590	22,646	-	22,646
(+) Selling expenses	614	15,847	931	17,392	-	17,392
Sub-total	**4,050**	**33,467**	**2,521**	**40,038**	-	**40,038**
Sub-total attributable	**4,050**	**17,068**	**2,521**	**23,639**	-	**23,639**
Attributable Au ounces sold	143,637	37,927	61,160	242,724	-	242,724
Attributable Ag ounces sold (000s)	6,342	2,188	11	8541	-	8541
Attributable ounces sold (Au Eq oz)	220,041	64,287	61,294	345,622	-	345,622
Attributable ounces sold (Ag Eq 000s oz)	18,263	5,336	5,087	28,686	-	28,686
Sub-total ($/oz Au Eq) attributable	**18**	**266**	**41**	**68**	**-**	**68**
Sub-total ($/oz Ag Eq) attributable	**0.2**	**3.2**	**0.5**	**0.8**	**-**	**0.8**
Attributable all-in sustaining costs per oz sold ($/oz Au Eq)	**1,479**	**1,973**	**1,408**	**1,558**	**117**	**1,675**
Attributable all-in sustaining costs per oz sold ($/oz Ag Eq)	**17.8**	**23.8**	**17.0**	**18.8**	**1.4**	**20.2**

[22]Other items include workers profit sharing in Inmaculada of $15.5 million, the gain in San Jose resulting from the government's export incentive programme of $3.0 million, lease expenditure of $2.1 million, $1.4 million, and $0.9 million in San Jose, Mara Rosa and Inmaculada, respectively, and other non-sustaining capex of $1.8 million and $0.4 million in San Jose and Mara Rosa, respectively.
[23]Operating capex excludes capitalised leases of $3.9 million and $2.6 million in San Jose and Inmaculada, respectively, capitalised depreciation resulting from mine equipment utilised for mine developments totalling $1.9 million in San Jose, and capitalised interest of $0.9 million and $0.4 million in Inmaculada and Mara Rosa, respectively
[24]Corporate and others include personnel expenses related to brownfield exploration
[25]2024 all-in-sustaining costs before the change in methodology (as previously reported) were: Inmaculada $1,512 per gold equivalent ounce, and main operations $1,638 per gold equivalent ounce
[26]Excludes non-sustaining capex and pre-commercial production capex of $30.0 million, and pre-commercial production brownfield exploration ($0.8 million), administrative expenses ($0.8 million), commercial discounts ($0.1 million) and selling expenses ($0.1 million)
[27]Other items include production costs incurred before the declaration of commercial production in Mara Rosa of $31.7 million, the gain in San Jose resulting from the government's export incentive programme of $16.0 million, and lease expenditure of $1.6 million and $1.5 million in Mara Rosa and San Jose, respectively
[28]Operating capex from San Jose does not include non-sustaining capex and capitalised depreciation resulting from mine equipment utilised for mine developments totalling $13.1 million

Administrative expenses

Administrative expenses were higher at $55.6 million (2024: $50.2 million) mainly due to higher professional fees of $8.9 million (2024: $7.1 million) and legal workers profit sharing in Peru of $3.2 million resulting from higher precious metal prices (2024: $1.4 million).

Exploration expenses

In 2025, exploration expenses increased to $28.7 million (2024: $26.9 million) mainly due to higher prospects and generative expenditure in Peru of $4.1 million (2024: $1.5 million), and higher exploration expenses at San Jose of $11.9 million (2024: $9.8 million). These were partially offset by lower exploration expenses at Inmaculada of $2.7 million (2024: $4.4 million), and Monte do Carmo exploration expenses in 2024 of $1.6 million.

In addition, the Group capitalises part of its brownfield exploration, which mostly relates to costs incurred converting potential resources to the Inferred or Measured and Indicated categories. In 2025, the Company capitalised $10.0 million relating to brownfield exploration (2024: $7.4 million), bringing the total investment in exploration for 2025 to $38.7 million (2024: $34.3 million).

Selling expenses

Selling expenses increased to $21.9 million (2024: $17.5 million) mainly due to higher precious metal prices impacting Argentinian export taxes.

Other income/expenses

Other income was lower at $10.2 million (2024: $21.0 million) primarily reflecting a lower benefit from the Argentinian Government export programme to settle a portion of San Jose exports at the blue-chip exchange rate which remained in force until April 2025 totaling $3.0 million (2024: $16.0 million), partially offset by a $1.3 million gain in 2025 on the early settlement of the deferred consideration for the acquisition of the Monte do Carmo project, originally payable in June 2026 for $10 million.

Other expenses before exceptional items were higher at $65.2 million (2024: $43.2 million) mainly due to mine closure provision increases of $24.0 million (2024: $14.7 million) at Selene, Sipan and Ares, the provision for recovery of the ICMS credit (state tax on circulation of merchandise and transportation and communication services in Brazil) of $4.6 million (2024: $nil), higher provision for legal claims of $5.9 million (2024: $1.6 million), and a higher corporate social responsibility contribution in Argentina as a result of higher commodity prices of $5.9 million (2024: $4.4 million).

Adjusted EBITDA

Adjusted EBITDA increased by 39% to $583.7 million (2024: $421.4 million) mainly due to the increase in revenue resulting from increased precious metal prices, partially offset by higher costs of sales, and a lower benefit from the Argentinian Government export programme to settle a portion of San Jose exports at the blue-chip exchange rate.

Adjusted EBITDA is calculated as profit from continuing operations before exceptional items, net finance costs, foreign exchange losses and income tax plus non-cash items (depreciation and amortisation and changes in mine closure provisions) and exploration expenses other than personnel and other exploration related fixed expenses.

$000 unless otherwise indicated	**Year ended 31 Dec 2025**	Year ended 31 Dec 2024	% change
Profit from continuing operations before exceptional items, share of loss of an associate, net finance income/(cost), foreign exchange loss and income tax	**365,261**	224,722	63
Depreciation and amortisation in cost of sales	**165,348**	156,785	5
Depreciation and amortisation in administrative expenses, other expenses and fixed costs during operational stoppages and reduced capacity	**2,879**	3,050	(6)
Exploration expenses	**28,695**	26,854	7
Personnel and other exploration related fixed expenses	**(6,551)**	(5,620)	17
Other non-cash items, net [29]	**28,097**	15,563	81
Adjusted EBITDA	**583,729**	421,354	39
Adjusted EBITDA margin	***48%***	*44%*	*9*

Finance income

Finance income of $11.8 million decreased from $13.1 million in 2024 mainly due to lower interest on Argentinian mutual funds of $2.9 million (2024: $6.9 million), partially offset by a higher gain on Argentinian bonds of $2.0 million (2024: $0.3 million).

[29] *Adjusted EBITDA has been presented before the effect of significant non-cash (income)/expenses related to changes in mine closure provisions which were $24.0 million in 2025 (2024: $14.7 million), and the write-off of property, plant and equipment of $4.1 million in 2025 (2024: $0.9 million)*

Finance costs

Finance costs increased from $26.9 million in 2024 to $41.1 million in 2025, principally due to the unrealised fair value loss of $7.5 million on the financial liability related to the stream agreements with Sprott (2024: $nil), and the unrealised fair value loss of $7.4 million related to the warrants issued in connection with Tiernan´s capital raise in December 2025.

Foreign exchange (losses)/gains

The Group recognised a foreign exchange loss of $4.0 million (2024: $10.4 million) mainly due to the impact of devaluation of the local currency on monetary assets in Argentina of $6.5 million (2024: $9.1 million), partially offset by a foreign exchange gain in Brazil of $1.4 million (2024: loss of $1.0 million).

Income tax

The Company's pre-exceptional income tax charge was $129.7 million (2024: $65.6 million). The increase in the charge is mainly explained by higher profitability versus 2024 due to increased precious metal prices.

The effective tax rate (pre-exceptional) for the period was 39.2% (2024: 33.0%), compared to the weighted average statutory income tax rate of 31.2% (2024: 31.1%). The higher effective tax rate in 2025 versus the average statutory rate is mainly explained by: the effect of higher royalties and the Special Mining Tax resulting from higher prices which increased the effective rate by 5.9%, and the withholding tax increasing the rate by 2.3%. These effects were partially offset by the impact of local currency devaluations on deferred taxes in Brazil and Peru decreasing the rate by 1.5%.

Exceptional items

Exceptional items in 2025 totalled a $46.7 million gain after tax (2024: $19.8 million loss after tax) related to: the non-cash recycling of the accumulated loss arising from the roll-forward of gold hedges in August 2025 of $26.4 million; and the reversal of impairment of: the Volcan project of $43.2 million, the investment in Aclara Resources Inc. of $22.2 million, and the San Jose mining unit of $13.6 million. Also included were listing and transaction expenses of $10.2 million arising from Tiernan Gold listing on the TSXV and concurrent capital raise. 2024 includes the impairment charges at the Azuca and Arcata projects of $13.7 million, the impairment of the investment in Aclara Resources Inc. of $5.1 million, and the write-off of work in progress of $3.1 million in Peru.

The tax effect of these exceptional items was a $4.2 million tax gain (2024: $2.1 million).

Cash flow and balance sheet review

Cash flow:

$000	**Year ended 31 Dec 2025**	Year ended 31 Dec 2024	Change
Net cash generated from operating activities	**423,918**	321,247	102,671
Net cash used in investing activities	**(231,231)**	(277,000)	45,769
Cash flows generated generated/(used in) from financing activities	**27,618**	(34,818)	62,436
Foreign exchange adjustment	**(324)**	(1,582)	1,258
Net increase in cash and cash equivalents during the year	**219,981**	7,847	212,134

Net cash generated from operating activities increased from $321.2 million in 2024 to $423.9 million in 2025 mainly due to higher Adjusted EBITDA of $583.7 million (2024: $421.4 million), partially offset by higher tax payments and working capital movements.

Net cash used in investing activities decreased from $277.0 million in 2024 to $231.2 million in 2025 mainly due to the cash consideration paid for the acquisition of Monte do Carmo of $45.0 million in 2024 and lower expenditure on the Royropata MEIA process of $8.3 million (2024: $32.9 million), primarily due to investments in Royropata easements incurred in 2024. These effects were partially offset by the consideration received for the sale of Crespo project net of transaction costs of $13.9 million in 2024, and the early settlement of the deferred consideration related to the acquisition of Monte do Carmo of $8.8 million in 2025.

Cash from financing activities increased from an outflow of $34.8 million to an inflow of $27.6 million in 2025, primarily due to: the $275.0 million final settlement of the former $300m medium-term facility in 2024; the draw-down of $90.0 million from the existing $300.0 million medium-term loan facility (2024: $30m draw-down); a net increase of $135.0 million in short and medium-term bank loans (2024: net increase of $80.0 million in short-term loans); and the net proceeds from Tiernan´s capital raise of $40.0 million (net of agent fees and transaction costs). These effects were partially offset by: the full repayment of the $200.0 medium-term facility (2024: $140 million draw-down); the payment for the execution of the buy-down option related to the Sprott stream agreements on the Monte do Carmo project of $13.0 million in 2025; and payments of dividends to shareholders of $15.2 million (2024: $nil).

Working capital

$000	**As at 31 December 2025**	As at 31 December 2024
Trade and other receivables	**155,544**	135,814
Inventories	**118,211**	87,087
Derivative financial liabilities	**(111,567)**	(40,276)

Income tax payable, net	**(95,651)**	(21,019)
Trade and other payables	**(219,796)**	(208,222)
Provisions	**(55,455)**	(35,082)
Working capital	**(208,714)**	(81,698)

The Group's working capital position decreased by $127.0 million from $(81.7) million to $(208.7) million. The key drivers of the decrease were: higher income tax payable of $74.6 million resulting from higher profitability and higher derivative financial liabilities of $71.3 million due primarily to unrealised changes in fair value of the Group hedge contracts. These effects were partially offset by higher inventories of $31.1 million.

Net debt

$000 unless otherwise indicated	As at 31 December 2025	As at 31 December 2024
Cash and cash equivalents	**316,954**	96,973
Non-current borrowings	**(225,000)**	(163,333)
Current borrowings[30]	**(114,643)**	(149,249)
Net debt	**(22,689)**	(215,609)

The Group's reported net debt position was $22.7 million as at 31 December 2025 (2024: $215.6 million). The decrease is mainly explained by the higher cash generated by the business and net proceeds from Tiernan Gold´s capital raise in the TSXV in December 2025 of $40.0 million. Net debt to adjusted EBITDA was 0.04x (2024: 0.5x)[31].

Capital expenditure

$000	Year ended 31 Dec 2025	Year ended 31 Dec 2024
Inmaculada	**138,556**	138,582
Mara Rosa	**39,541**	35,318
San Jose	**43,575**	46,143
Operations	**221,672**	220,043
Monte do Carmo	**13,373**	90,602
Pallancata	**8,253**	32,908
Other	**6,478**	4,529
Total	**249,776**	348,082

Capital expenditure decreased from $348.1 million in 2024 to $249.8 million in 2025, mainly reflecting lower spending at Monte do Carmo following the acquisition of the project in November 2024. The acquisition resulted in one-off capital expenditure in 2024 totalling $86.6 million, comprising $60.0 million of cash consideration ($45.0 million was paid and $15.0 million deferred, of which $10.0 million was settled in advance at a discount in 2025) and $26.2 million of assumed liabilities representing the fair value of the loan and streaming agreements with Sprott transferred to the Group on completion, of which $13.0 million was paid in 2025 related to the buy down of 50% of the stream agreements. Capital expenditure was also lower at Pallancata, primarily due to investments in Royropata easements incurred in 2024.

Final proposed dividends

$000	Year ended 31 Dec 2025
Net cash generated from operating activities	**423,918**
Less: non-attributable net cash generated from operating activities	**(75,480)**
Attributable net cash generated from operating activities	**348,438**
Net cash used in investing activities	**(231,231)**
Less: non-attributable net cash used in investing activities	**21,829**
Attributable net cash used in investing activitiies	**(209,402)**
Attributable free cash flow	**139,036**
Net Debt / Adjusted EBITDA	***0.04x***
Dividend payout of 20-30%	**27,807 – 41,711**
Minimum annual dividend	**10,000**
Total dividends	**30,868**
Interim dividends	**5,145**
Final proposed dividends	**25,723**

[30] *Includes pre-shipment loans and short term interest payables*
[31] *Net debt to EBITDA is a non-IFRS measure and is calculated as net debt divided by Adjusted EBITDA over the preceding 12 month period.*

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The responsibility statement below has been prepared in connection with the Company's Annual Report and Accounts for the year ended 31 December 2025, which will be made available to shareholders on or around 7 April 2026 and which includes, among other things, the financial statements and accompanying notes set out herein.

The Directors confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Management Report (as defined in the Directors' Report) includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Consolidated income statement

For the Year ended 31 December 2025

		Year ended 31 December 2025			Year ended 31 December 2024		
	Notes	Before exceptional items US$000	Exceptional items (note 11) US$000	Total US$000	Before exceptional items US$000	Exceptional items (note 11) US$000	Total US$000
Revenue	5	**1,208,575**	**(26,427)**	**1,182,148**	947,696	–	947,696
Cost of sales	6	**(677,939)**	**–**	**(677,939)**	(605,263)	–	(605,263)
Gross profit		**530,636**	**(26,427)**	**504,209**	342,433	–	342,433
Administrative expenses	7	**(55,604)**	**–**	**(55,604)**	(50,232)	–	(50,232)
Exploration expenses	8	**(28,695)**	**–**	**(28,695)**	(26,854)	–	(26,854)
Selling expenses	9	**(21,922)**	**–**	**(21,922)**	(17,489)	–	(17,489)
Other income	12	**10,163**	**–**	**10,163**	20,955	–	20,955
Other expenses	12	**(65,243)**	**(10,158)**	**(75,401)**	(43,245)	–	(43,245)
(Impairment reversal)/ impairment and write-off of non-current assets, net	16, 17 and 18	**(4,074)**	**56,845**	**52,771**	(846)	(16,769)	(17,615)
Profit/(loss) before share of (loss)/gain of an associate net finance income/(cost), foreign exchange loss and income tax		**365,261**	**20,260**	**385,521**	224,722	(16,769)	207,953
Share of (loss)/ gain of an associate	19	**(1,643)**	**22,187**	**20,544**	(1,408)	(5,081)	(6,489)
Finance income	13	**11,826**	**–**	**11,826**	13,097	–	13,097
Finance costs	13	**(41,112)**	**–**	**(41,112)**	(26,928)	–	(26,928)
Foreign exchange loss, net	13	**(3,955)**	**–**	**(3,955)**	(10,416)	–	(10,416)
Profit/(loss) before income tax		**330,377**	**42,447**	**372,824**	199,067	(21,850)	177,217
Income tax (expense)/benefit	14	**(129,650)**	**4,228**	**(125,422)**	(65,556)	2,088	(63,468)
Profit/(loss) for the year		**200,727**	**46,675**	**247,402**	133,511	(19,762)	113,749
Attributable to:							
Equity shareholders of the Parent		**159,553**	**42,347**	**201,900**	116,767	(19,762)	97,005
Non-controlling interests		**41,174**	**4,328**	**45,502**	16,744	–	16,744
		200,727	**46,675**	**247,402**	133,511	(19,762)	113,749
Basic earnings/(loss) per ordinary share for the year (expressed in US dollars per share)	15	**0.31**	**0.08**	**0.39**	0.23	(0.04)	0.19
Diluted earnings/(loss) per ordinary share for the year (expressed in US dollars per share)	15	**0.31**	**0.08**	**0.39**	0.23	(0.04)	0.19

Consolidated statement of comprehensive income

For the Year ended 31 December 2025

	Notes	Year ended 31 December 2025 US$000	2024 US$000
Profit for the year		**247,402**	113,749
Other comprehensive income that might be reclassified to profit or loss in subsequent periods:			
Loss on cash flow hedges	38(a)	**(176,860)**	(85,560)
Loss on discontinuation of hedge relationship	38(a)	**26,427**	–
Deferred tax benefit on cash flow hedges	38(e)	**51,749**	28,473
Exchange differences on translating foreign operations[1]		**11,269**	(30,252)
Unrealised change in credit risk of financial liability	25	**(174)**	–
Share of other comprehensive profit/(loss) of an associate	19	**2,017**	(2,492)
		(85,572)	(89,831)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Gain on equity instruments at fair value through other comprehensive income (OCI)	20	**96**	15
		96	15
Other comprehensive loss for the year, net of tax		**(85,476)**	(89,816)
Total comprehensive profit for the year		**161,926**	23,933
Total comprehensive loss attributable to:			
Equity shareholders of the Parent		**116,424**	7,189
Non-controlling interests		**45,502**	16,744
		161,926	23,933

[1] Foreign exchange effect generated in the Group's companies when the functional currency is the local currency, mainly generated by the decrease (2024: increase) of the US$ exchange rate in Brazil.

Consolidated statement of financial position

As at 31 December 2025

	Notes	As at 31 December 2025 US$000	As at 31 December 2024 US$000
ASSETS			
Non-current assets			
Property, plant and equipment	16	**1,238,438**	1,070,758
Evaluation and exploration assets	17	**93,797**	132,303
Intangible assets	18	**66,134**	49,632
Investment in an associate	19	**43,372**	15,811
Financial assets at fair value through OCI	20	**86**	475
Other receivables	21	**18,660**	18,316
Deferred income tax assets	30	**105,137**	27,677
		1,565,624	1,314,972
Current assets			
Inventories	22	**118,211**	87,087
Trade and other receivables	21	**155,544**	135,814
Income tax receivable	14	**795**	186
Other financial assets		**2,640**	3,807
Cash and cash equivalents	23	**316,954**	96,973
Assets held for sale	24	**–**	12,660
		594,144	336,527
Total assets		**2,159,768**	1,651,499
EQUITY AND LIABILITIES			
Capital and reserves attributable to shareholders of the Parent			
Equity share capital	29	**9,068**	9,068
Other reserves		**(415,316)**	(329,431)
Retained earnings		**1,127,834**	931,236
		721,586	610,873
Non-controlling interests		**155,508**	76,478
Total equity		**877,094**	687,351
Non-current liabilities			
Other payables	25	**34,225**	46,501
Derivative financial liabilities	38(e)	**178,222**	61,343
Borrowings	27	**225,000**	163,333
Provisions	28	**161,892**	146,781
Deferred income tax liabilities	30	**85,428**	82,504
		684,767	500,462

	Notes	As at 31 December 2025 US$000	As at 31 December 2024 US$000
Current liabilities			
Trade and other payables	25	**219,796**	208,222
Derivative financial liabilities	38(e)	**111,567**	40,276
Borrowings	27	**114,643**	149,249
Provisions	28	**55,455**	35,082
Income tax payable	14	**96,446**	21,205
Liabilities directly associated with assets held for sale	24	**–**	9,652
		597,907	463,686
Total liabilities		**1,282,674**	964,148
Total equity and liabilities		**2,159,768**	1,651,499

These financial statements were approved by the Board of Directors on 10 March 2026 and signed on its behalf by:

Eduardo Landin
Chief Executive Officer
10 March 2026

Consolidated statement of cash flows

For the Year ended 31 December 2025

	Notes	Year ended 31 December 2025 US$000	2024 US$000
Cash flows from operating activities			
Cash generated from operations	34	**473,893**	365,040
Interest received		**2,906**	3,272
Interest paid	27	**(17,703)**	(27,074)
Payment of mine closure costs	28	**(15,829)**	(11,833)
Income tax, special mining tax and mining royalty paid[1]		**(19,349)**	(8,158)
Net cash generated from operating activities		**423,918**	321,247
Cash flows from investing activities			
Purchase of property, plant and equipment		**(209,190)**	(213,513)
Purchase of evaluation and exploration assets	17(1)	**(6,337)**	(55,629)
Purchase of intangibles	18	**(2,612)**	(19,534)
Early settlement of Monte do Carmo´s deferred consideration	4(b)	**(8,750)**	–
Investment in associate	19	**(5,000)**	–
Proceeds from sale of property, plant and equipment		**558**	759
Proceeds from sale of assets held for sale	24	**100**	13,890
Purchase of Argentinian bonds	13(6)	**–**	(5,838)
Proceeds from sale of Argentinian bonds	13(6)	**–**	2,865
Net cash used in investing activities		**(231,231)**	(277,000)
Cash flows from financing activities			
Proceeds from borrowings	27	**410,000**	311,607
Repayment of borrowings	27	**(386,486)**	(340,991)
Payment of lease liabilities	26	**(5,499)**	(5,046)
Dividends paid to shareholders	31	**(15,195)**	–
Dividends paid to non-controlling interests	31	**(2,246)**	(388)
Proceeds from Tiernan Reverse Takeover Transaction (“RTO”) and offering	4(a)	**40,044**	–
Buy-down option of Sprott Stream Agreement	25(a)	**(13,000)**	–
Net cash flows generated from/(used in) financing activities		**27,618**	(34,818)
Increase in cash and cash equivalents during the year		**220,305**	9,429
Exchange difference		**(324)**	(1,582)
Cash and cash equivalents at beginning of year		**96,973**	89,126
Cash and cash equivalents at end of year	23	**316,954**	96,973

[1] Taxes paid have been offset with value added tax (VAT) credits received of US$30,632,000 (2024: US$6,732,000).

Consolidated statement of changes in equity

For the Year ended 31 December 2025

	Notes	Equity share capital US$000	Other reserves								Retained earnings US$000	Capital and reserves attributable to shareholders of the Parent US$000	Non-controlling interests US$000	Total equity US$000
			Fair value reserve of financial assets at fair value through OCI US$000	Share of other comprehensive loss of an associate US$000	Cumulative translation adjustment US$000	Unrealised gain/(loss) on cash flow hedges US$000	Merger reserve US$000	Share- based payment reserve US$000	Change in fair value of Sprott agreement US$000	Total other reserves US$000				
Balance at 1 January 2024		**9,068**	**(127)**	**419**	**(20,180)**	**(11,546)**	**(210,046)**	**6,643**	**–**	**(234,837)**	**834,231**	**608,462**	**60,122**	**668,584**
Other comprehensive income/(expense)		–	15	(2,492)	(30,252)	(57,087)	–	–	–	(89,816)	–	(89,816)	–	(89,816)
Profit for the year		–	–	–	–	–	–	–	–	–	97,005	97,005	16,744	113,749
Total comprehensive income/(expense) for the year		**–**	**15**	**(2,492)**	**(30,252)**	**(57,087)**	**–**	**–**	**–**	**(89,816)**	**97,005**	**7,189**	**16,744**	**23,933**
Dividends to non- controlling interests	31	–	–	–	–	–	–	–	–	–	–	–	(388)	(388)
Other changes in associate's equity	19	–	–	1,865	–	–	–	–	–	1,865	–	1,865	–	1,865
Modification of share-based payment awards	28(2)	–	–	–	–	–	–	(7,954)	–	(7,954)	–	(7,954)	–	(7,954)
Accrual of share-based payments			–	–	–	–	–	1,311	–	1,311	–	1,311	–	1,311
Balance at 31 December 2024		**9,068**	**(112)**	**(208)**	**(50,432)**	**(68,633)**	**(210,046)**	**–**	**–**	**(329,431)**	**931,236**	**610,873**	**76,478**	**687,351**
Other comprehensive income/(expense)		–	96	2,017	11,269	(98,684)	–	–	(174)	(85,476)	–	(85,476)	–	(85,476)
Profit for the year		–	–	–	–	–	–	–	–	-	201,900	201,900	45,502	247,402
Total comprehensive income/(expense) for the year		**–**	**96**	**2,017**	**11,269**	**(98,684)**	**–**	**–**	**(174)**	**(85,476)**	**201,900**	**116,424**	**45,502**	**161,926**
Dividends paid to shareholders	31	–	–	–	–	–	–	–	–	–	(15,195)	(15,195)	–	(15,195)
Dividends to non- controlling interests	31	–	–	–	–	–	–	–	–	–	–	–	(2,246)	(2,246)
Sale of financial assets at fair value through OCI			(409)	–	–	–	–	–	–	(409)	775	366	–	366
Change in ownership interest in Tiernan without loss of control	4		–	–	–	–	–	–	–	–	9,118	9,118	35,774	44,892
Balance at 31 December 2025		**9,068**	**(425)**	**1,809**	**(39,163)**	**(167,317)**	**(210,046)**	**–**	**(174)**	**(415,316)**	**1,127,834**	**721,586**	**155,508**	**877,094**

The financial information for the year ended 31 December 2025 does not constitute statutory accounts as defined in sections 435 (1) and (2) of the Companies Act 2006. Statutory accounts for the year ended 31 December 2024 have been delivered to the Registrar of Companies and those for 2025 will be delivered following the Company's annual general meeting. The auditor has reported on these accounts; their reports were unqualified. Their report did not include a reference to any other matters to which the auditor drew attention by way of emphasis of matter and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

1 Corporate information

Hochschild Mining PLC (hereinafter "the Company") is a public limited company incorporated on 11 April 2006 under the Companies Act 2006 as a Limited Company and registered in England and Wales with registered number 05777693. The Company's registered office is located at 17 Cavendish Square, London W1G 0PH, United Kingdom.

The ultimate controlling party of the Company is Mr Eduardo Hochschild whose beneficial interest in the Company and its subsidiaries (together "the Group" or "Hochschild Mining Group") is 38.27% and it is held through Pelham Investment Corporation ("Pelham"), a Cayman Islands company.

On 8 November 2006, the Company's shares were admitted to the Official List of the UKLA (United Kingdom Listing Authority) and to trading on the London Stock Exchange.

The Group's principal business is the mining, processing and sale of silver and gold. At 31 December 2025, the Group has one operating mine (Inmaculada) located in southern Peru, one operating mine (San Jose) located in Argentina and one operating mine (Mara Rosa) located in Brazil. The Group also has a portfolio of projects located across Peru, Argentina, Brazil, and Chile, at various stages of development.

These consolidated financial statements were approved for issue by the Board of Directors on 10 March 2026.

The Group's subsidiaries, all held indirectly, except for Hochschild Mining Holdings Limited, are as follows:

Company	Principal activity	Country of incorporation	Equity interest at 31 December 2025 %	2024 %
Hochschild Mining (Argentina) Corporation S.A.[1]	Holding company	Argentina	**100**	100
MH Argentina S.A.[2]	Exploration office	Argentina	**100**	100
Minera Santa Cruz S.A.[1 and 14]	Production of gold and silver	Argentina	**51**	51
Minera Hochschild Chile S.C.M. [3]	Exploration	Chile	**100**	100
Andina Minerals Chile SpA [3]	Exploration	Chile	**69.8**	100
Southwest Minerals (Yunnan) Inc. [4]	Exploration	China	**100**	100
Hochschild Mining Holdings Limited[6]	Holding company	England and Wales	**100**	100
Hochschild Mining Ares (UK) Limited[6]	Administrative office	England and Wales	**100**	100
Hochschild Mining Brazil Holdings Corp. [6]	Holding company	England and Wales	**100**	100
Southwest Mining Inc. [4]	Exploration	Mauritius	**100**	100
Southwest Minerals Inc. [4]	Exploration	Mauritius	**100**	100
Minera Hochschild Mexico, S.A. de C.V. [7]	Exploration	Mexico	**100**	100
Hochschild Mining (Peru) S.A. [4]	Holding company	Peru	**100**	100
Compañía Minera Ares S.A.C. [4]	Production of gold and silver	Peru	**100**	100
Compañía Minera Arcata S.A. [4]	Production of gold and silver	Peru	**99.1**	99.1
Empresa de Transmisión Aymaraes S.A.C. [4]	Power transmission	Peru	**100**	100
Cúspide Copper S.A.C. [4 and 13]	Exploration	Peru	**100**	100
Compañía Minera Cerro Salto S.A.C. [4 and 13]	Exploration	Peru	**-**	100
Toro Bravo Peru S.A.C. [5]	Exploration	Peru	**100**	-
Hochschild Mining (US) Inc. [8]	Holding company	USA	**100**	100
Hochschild Mining Canada Corp[9]	Exploration	Canada	**100**	100
Tiernan Gold Corp. [9 and 11]	Holding company	Canada	**69.8**	100
Amarillo Mineracao do Brasil Ltda. [10]	Production of gold and silver	Brazil	**100**	100
Serra Alta Mineracao Ltda. [10 and note 4(b)]	Exploration	Brazil	**100**	100
Serra Alta Participacoes Inmobiliarias S.A. [10 and note 4(b)]	Exploration	Brazil	**100**	100

[1] Registered address: Av. Santa Fe 2755, floor 9, Buenos Aires, Argentina.
[2] Registered address: Sargento Cabral 124, Comodoro Rivadavia, Provincia de Chubut, Argentina.
[3] Registered address: Av. Apoquindo 4775 of 1002, Comuna Las Condes, Santiago de Chile, Chile.
[4] Registered address: La Colonia 180, Santiago de Surco, Lima, Peru.
[5] Registered address: La Colonia 180, Santiago de Surco, Lima, Peru. The company was incorporated on 2 February 2025.
[6] Registered address: 17 Cavendish Square, London, W1G0PH, United Kingdom.
[7] Registered address: Calle Aguila Real No 122, Colonia Carolco, Monterrey, Nuevo Leon, CP 64996, Mexico.
[8] Registered address: 1025 Ridgeview Dr. 300, Reno, Nevada 89519, USA.
[9] Registered address: Suite 1700, Park Place, 666 Burrard Street, Vancouver BC, V6C 2X8.
[10] Registered address: Fazenda Invernada s/n, Zona Rural, Mara Rosa – Goiás – Brazil, CEP: 76.490-000.
[11] The Group has a 69.8% interest in Tiernan Gold Corp, while the remaining 30.2% is held by non-controlling shareholders (see note 4(a)).
[12] The Company was incorporated on 8 July 2024.
[13] The Company was incorporated on 20 July 2024 and sold on 27 February 2025.
[14] The Group has a 51% interest in Minera Santa Cruz S.A. (Minera Santa Cruz), while the remaining 49% is held by a non-controlling shareholder.

1 Corporate information continued

The significant financial information in respect of subsidiaries that contain material non-controlling interest before intercompany eliminations as at and for the years ended 31 December 2025 and 2024 is as follows:

	Minera Santa Cruz S.A. As at 31 December		Tiernan Gold Corp. As at 31 December	
	2025 US$000	2024 US$000	2025 US$000	2024 US$000
Non-current assets	**140,380**	133,371	**87,251**	-
Current assets	**291,237**	144,568	**39,709**	-
Non-current liabilities	**(76,857)**	(66,806)	**(13,065)**	-
Current liabilities	**(108,487)**	(57,922)	**(3,200)**	-
Equity	**(246,273)**	(153,211)	**(110,695)**	-
Cash and cash equivalents	**149,114**	45,454	**39,673**	-
Revenue	**436,522**	293,335	**-**	-
Depreciation and amortisation	**(49,338)**	(48,899)	**-**	-
Impairment reversal of non-current assets	**14,179**	-	**43,255**	-
Interest income	**1,275**	1,071	**441**	-
Interest expense	**(1,482)**	(3,043)	**(2)**	-
Income tax	**(47,326)**	(632)	**(12)**	-
Profit for the year	**97,646**	34,170	**24,687**	-
Comprehensive income	**-**	-	**4,803**	-
Net cash generated from operating activities	**153,130**	74,625	**1,477**	-
Net cash used in investing activities	**(43,425)**	(46,143)	**(1,823)**	-
Net cash (used in)/generated from financing activities	**(6,046)**	(5,210)	**28,129**	-

Profit/(loss) attributable to non-controlling interests in the consolidated income statement, non-controlling interest in the consolidated statement of financial position, and dividends declared to non-controlling interests in the consolidated statement of changes in equity are solely related to Minera Santa Cruz and Tiernan Gold Corp.

2 Material accounting policies

(a) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with UK adopted International Accounting Standards.

The basis of preparation and accounting policies used in preparing the consolidated financial statements for the years ended 31 December 2025 and 2024 are set out below. The consolidated financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments that are measured at fair value at the end of each reporting period, as explained below. These accounting policies have been consistently applied, except for the effects of the adoption of new and amended accounting standard.

The financial statements are presented in US dollars (US$) and all monetary amounts are rounded to the nearest thousand ($000) except when otherwise indicated.

Changes in accounting policy and disclosures

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. Amendments apply for the first time in 2025, but do not have an impact on the consolidated financial statements of the Group.

– Lack of exchangeability – Amendments to IAS 21

Standards, interpretations and amendments to existing standards that are not yet effective and have not been previously adopted by the Group

Certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2026 or later periods but which the Group has not previously adopted. These have not been listed as they are not expected to have a material impact the Group financial statements. The Group has not yet completed its assessment of IFRS 18. The analysis is expected to conclude on second quarter of 2026.

(b) Judgements in applying accounting policies and key sources of estimation uncertainty

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimates is contained in the accounting policies and/or the notes to the financial statements.

Significant areas of estimation uncertainty and critical judgements made by management in preparing the consolidated financial statements include:

Significant estimates:

– *Useful lives of assets for depreciation and amortisation purposes – note 2(f).*

Estimates are required to be made by management as to the useful lives of assets. For depreciation calculated under the unit of-production method, estimated recoverable reserves and resources are used in determining the depreciation and/or amortisation of mine-specific assets. This results in a depreciation/amortisation charge proportional to the depletion of the anticipated remaining life-of-mine production. Each item's life, which is assessed annually, has regard to both its physical life limitations and to present assessments of economically recoverable reserves and resources of the mine property at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and resources. Changes are accounted for prospectively.
Depreciation commences when assets are available for use. Land is not depreciated.

– *Ore reserves and resources – note 2(h).*

There are numerous uncertainties inherent in estimating ore reserves and resources. Assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and resources and may, ultimately, result in the reserves and resources being updated.

– *Recoverable values of mining assets – notes 2(k), 16, 17 and 18.*

The values of the Group's mining assets are sensitive to a range of characteristics unique to each mine unit. Key sources of estimation for all assets include uncertainty around ore reserve estimates and cash flow projections. In performing impairment reviews, the Group assesses the recoverable amount of its operating assets principally with reference to fair value less costs of disposal ("FVLCD").

The recoverable values of the CGUs and advanced exploration projects are determined using a FVLCD methodology. FVLCD for CGUs is determined using a combination of level 2 and level 3 inputs. The FVLCD of producing mine assets is determined using a discounted cash flow model and for developing stage mine assets or advanced exploration projects is determined using a discounted cash flow model or the value-in-situ methodology. When using a value-in-situ methodology, the in-situ value is based on a comparable company analysis and applies a realisable 'enterprise value' to unprocessed mineral resources per ounce of resources, to estimate the amount that would be paid by a willing third party in an arm's length transaction (refer to notes 16, 17 and 18).

There is judgement involved in determining the assumptions that are considered to be reasonable and consistent with those that would be applied by market participants. Significant estimates used in a discounted cash flow model include future gold

and silver prices, future capital requirements, reserves and resources volumes, production costs and the application of discount rates which reflect the macro-economic risk, as applicable. When using a value-in-situ methodology, the in-situ value is based on a comparable company analysis. Changes in these assumptions will affect the recoverable amount of the property, plant and equipment, evaluation and exploration assets, and intangibles.

– *Mine closure costs – notes 2(o) and 28(1).*

The Group assesses its mine closure cost provision annually. Significant estimates and assumptions are made in determining the provision for mine closure cost as there are numerous factors that will affect the ultimate liability. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases, mine life and changes in discount rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision at the balance sheet date represents management's best estimate of the present value of the future closure costs required. In July 2021, the mine closure law for the province of Santa Cruz in Argentina was published, establishing a period of 180 business days to present the Mine Closure Plan. The plan was presented to the provincial authority in December 2022 and observations were received in December 2025. The Group plans to present an updated Mine Closure Plan, prepared with the support of external consultants, by the end of 2026.

– *Valuation of financial instruments – note 38.*

The valuation of certain Group assets and liabilities reflects the changes to certain assumptions used in the determination of their value, such as future gold and silver prices, discount rates, and resources and reserves estimates.

– *Non market performance conditions on LTIP 2022, LTIP 2023 and LTIP 2024 – note 28(2).*

There are two parts to the performance conditions attached to LTIP awards: 50% is subject to the Company's TSR ranking relative to a tailored peer group of mining companies, 50% is subject to internal KPIs split equally between: (i) three-year growth of the Company's Measured and Indicated Resources (MIR) per share (calculated on an enterprise value basis), and (ii) average outcome of the annual bonus scorecard in respect of 2023, 2024 and 2025, regarding LTIP 2023; 2024, 2025 and 2026, regarding LTIP 2024; and 2025, 2026 and 2027, regarding LTIP 2025, calculated as the simple mean of the three scorecard outcomes. At each reporting date the Group has to estimate the value of the shares and the possible outcome regarding the scorecard and MRI. The balance of the awards is disclosed in note 28(2).

Critical judgements:

– *Assessment of impairment indicators for the Group's CGUs – notes 16, 17 and 18.*

Assessment of impairment indicators are performed during the year and they were identified in certain of the CGUs - refer to notes 16, 17 and 18 for details.

– *Income tax – notes 2(t), 2(u), 14, 30 and 36(a).*

Judgement is required in determining whether deferred tax assets are recognised on the statement of financial position. Deferred tax assets, including those arising from un-utilised tax losses require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the balance sheet date could be impacted. The Group analyses the possibility of generating profit in all the companies and determines the recognition of deferred tax. No deferred tax asset is recognised in the holding and exploration entities as they are not expected to generate any profit to settle the temporary difference (refer to note 30).

Judgement is also required when determining the recognition of tax liabilities as the tax treatment of some transactions cannot be finally determined until a formal resolution has been reached by the tax authorities. Tax liabilities are also recorded for uncertain exposures which can have an impact on both deferred and current tax. Tax benefits are not recognised unless it is probable that the benefit will be obtained and tax liabilities are recognised if it is probable that a liability will arise (refer to note 36(a)). The final resolution of these transactions may give rise to material adjustments to the income statement and/or cash flow in future periods. The Group reviews each significant tax liability or benefit each period to assess the appropriate accounting treatment.

– *Life of mine (LOM).*

There are several aspects which are determined by the life of mine, such as ore reserves and resources, recoverable values of mining assets, mine rehabilitation provision and depreciation. The life of mine for an operation is specified in the relevant Environmental Impact Assessment (EIA) which is amended from time to time as more resources at the mine are identified. EIAs are permits which are granted in the ordinary course of business to the mining industry. While the processing of such permits may be subject to delays, the Group has never had an EIA denied. A crucial element of Peru's legal framework is the principle of predictability which, in essence, means that if the legal requirements for any given permit have been satisfied, the State cannot unlawfully deny the granting of the permit. Taking this into consideration, as well as the Group's operational experience, the Group believes that permits will be secured such that operations can continue without interruption. In the unlikely scenario that this does not occur, there could be material changes to those items in the financial statements that are determined by the life of mine.

– *Determination of functional currencies – note 2(e).*

The determination of functional currency requires management judgement, particularly where there may be several currencies in which transactions are undertaken and which impact the economic environment in which the entity operates. In Argentina, the exchange control restrictions limit the companies to hold US dollars but do not restrict carrying out transactions in US dollar.

– *Recognition of evaluation and exploration assets and transfer to development costs – notes 2(g), 16 and 17.*

Judgement is required in determining when there is sufficient evidence that there is a future economic benefit of an exploration project, at which point the exploration costs are capitalised. This includes an assessment of whether there is a high degree of confidence of the existence of economically recoverable minerals, mine-site exploration is being conducted to convert resources to reserves, or mine-site exploration is being conducted to confirm resources. The stage, timeline and associated risks of the project are also considered. The exploration and evaluation assets are then assessed for impairment when facts and circumstances suggest that the carrying amount is not recoverable. Following advancement of engineering, permitting and project development activities, management concluded that the technical feasibility and commercial viability of the Monte do Carmo project are demonstrable. Accordingly, in line with the Group's accounting policy and the requirements of IAS 16 and IAS 23, the asset has been reclassified from Exploration & Evaluation to Property, Plant and Equipment.

– *Climate change*

- General

Between 2024 and 2025, the Group undertook a climate-related scenario analysis, a detailed transition risk assessment, an update of the physical climate risk assessment on its operations, and a financial quantification of carbon pricing which is considered to be the Group´s most material transition risk. These studies identified current and future climate-related risks to the Group's infrastructure. While current climate change-related factors are reflected in the Group´s existing budget, the financial impact of future carbon pricing on the Group is not expected to materialise until 2030. The magnitude of this impact remains uncertain due to the details of the emission trading system schemes as well as our own operational emissions' profile.

Despite the adoption of the Group's climate change strategy, the introduction of unexpected climate-change regulations in the countries where the Group operates may affect the financial quantification estimates and could result in changes to financial results and the carrying values of certain assets and liabilities in forthcoming reporting periods.

- Physical risks

The Group completed a climate-related scenario analysis, identifying five 5 physical risks rated as "high": water stress and drought, extreme rainfall flooding, wildfires, extreme winds and storms, and extreme heat. The costs associated with managing these risks are incorporated into the Group's operational and capital expenditure. The financial quantification of the future impact of the most significant climate change-related physical risks on the Group will be conducted in 2026. As the Group progresses its adaptation strategy, the identification of additional risks or the development of the Group's response may result in changes to financial results and the carrying values of assets and liabilities in future reporting periods.

– *Business combinations and asset acquisitions – note 4.*

In identifying a business combination (note 2(c)) or acquisition of assets the Group applies the concentration test in accordance with IFRS 3 to determine whether an acquisition is a business combination or an asset acquisition. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable assets or a group of similar assets. If the concentration test is met, the acquisition is accounted for as an asset acquisition. If the concentration test is not met, the Group considers the underlying inputs, processes and outputs acquired as a part of the transaction. For an acquired set of activities and assets to be considered a business there must be at least some inputs and processes that have the capability to achieve the purposes of the Group. Where significant inputs and processes have not been acquired, a transaction is considered to be the purchase of assets.

For the assets and assumed liabilities acquired the Group allocates the total consideration paid (including directly attributable transaction costs) based on the relative fair values of the underlying items. On 7 November 2024 the Group acquired a 100% interest in the Monte do Carmo gold project in Brazil, through the acquisition of Serra Alta Mineração Ltda. (note 4). The

transaction was accounted as a purchase of assets as it met the concentration test, with the main asset acquired being the Monte do Carmo project which is in a development stage.

Where the acquiree does not meet the definition of a business under IFRS 3, the transaction has been accounted for in accordance with IFRS 2 *Share-based Payment* as the acquiree is deemed to have issued equity instruments in exchange for its identifiable net assets. Any excess of the deemed consideration over the fair value of the identifiable net assets acquired is recognised as a listing expense in the income statement. In December 2025, Tiernan Gold Corp., an indirect wholly-owned subsidiary of the Group, completed a reverse takeover of Railtown Capital Corp., a TSXV-listed capital pool company. As Railtown did not meet the definition of a business under IFRS 3, the transaction was accounted for in accordance with IFRS 2 (note 4(a)).

– *Stream Agreements– note 25(a).*

Judgement was required in determining the accounting treatment for the initial recognition and subsequent measurement of the obligations included in the Secured Note and Stream Agreement with Sprott Private Resource Streaming and Royalty Corp. ("Sprott"), assigned to the Group upon the acquisition of the Monte do Carmo project. Refer to notes 4 and 25(a) for details on the Monte do Carmo's acquisition and the Stream Agreements, respectively.

Management determined that the Secured Note and Stream Agreement are closely connected, with the option by Sprott to set off the US$20,000,000 stream payment against the Secured Note upon commencement of production. Therefore, management considered the two contracts as a single unit of account. The Stream Agreement meets the definition of a derivative and is accounted for at fair value through profit and loss (FVTPL). The key assumptions on which management has based its determination of fair value are disclosed in note 25(a).

– *Investment in an associate – note 19.*

Judgement is required in determining the recoverable amount of the investment in Aclara Resources Inc. ('Aclara'). Management determined that there were sufficient external and internal indicators to support a full reversal of the accumulated impairment of the investment in Aclara as of 31 December, 2025. As a result, the Group has recognised a reversal of impairment of US$22,187,000 as at 31 December 2025.

– *Loss on discontinuation of hedge relationship – note 38 (a).*

Management uses judgement in determining whether an item should be presented as exceptional in the income statement. In accordance with the Group's policy, *"Exceptional items are those significant items which, due to their nature or the expected infrequency of the events giving rise to them, need to be disclosed separately on the face of the income statement to enable a better understanding of the financial performance of the Group and facilitate comparison with prior years."*

Given the non-recurring and non-cash nature of this hedge accounting reclassification to the income statement, and the fact that the cash settlement will occur in 2028 once the instruments mature, the resulting charge has been presented as an exceptional item within revenue. This presentation facilitates a better understanding by users of the financial statements of the Group´s underlying operating performance by separating the effects of this discrete, non-cash hedge accounting reclassification from revenue and profitability trends.

(c) Basis of consolidation

The consolidated financial statements set out the Group's financial position, performance and cash flows as at 31 December 2025 and 31 December 2024 and for the years then ended, respectively.

Subsidiaries are those entities controlled by the Group regardless of the amount of shares owned by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Non-controlling interests' rights to safeguard their interest are fully considered in assessing whether the Group controls a subsidiary. Specifically, the Group controls an investee if, and only if, the Group has:

– power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
– exposure, or rights, to variable returns from its involvement with the investee; and
– the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

– the contractual arrangement with the other vote holders of the investee;
– rights arising from other contractual arrangements; and
– the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Basis of consolidation

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction, affecting retained earnings. If the Group loses control over a subsidiary, it (i) derecognises the assets (including goodwill) and liabilities of the subsidiary; (ii) derecognises the carrying amount of any non-controlling interest (NCI); (iii) derecognises the cumulative translation differences, recorded in equity; (iv) recognises the fair value of the consideration received; (v) recognises the fair value of any investment retained; (vi) recognises any surplus or deficit in profit or loss; and (vii) reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

An NCI represents the equity in a subsidiary not attributable, directly and indirectly, to the parent company and is presented separately within equity in the consolidated statement of financial position, separately from equity attributable to owners of the parent.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any NCI in the acquiree. The choice of measurement of NCI, either at fair value or at the proportionate share of the acquiree's identifiable net assets, is determined on a transaction by transaction basis. Acquisition costs incurred are expensed and included in administrative expenses.
Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the NCI, and any interest previously held, over the net identifiable assets acquired and the liabilities assumed. Assets acquired and liabilities assumed in transactions separate to the business combinations, such as the settlement of pre-existing relationships or post-acquisition remuneration arrangements, are accounted for separately from the business combination in accordance with their nature and applicable IFRSs. Identifiable intangible assets meeting either the contractual-legal or the separability criteria are recognised separately from goodwill. Contingent liabilities representing a present obligation are recognised if the acquisition date fair value can be measured reliably.

(d) Going concern

Directors' assessment

The Directors have reviewed Group liquidity, including cash resources and borrowings (refer to note 27 for details of the US$300 million medium-term loan) and related covenant forecasts to assess whether the Group is able to continue in operation for the period to 31 March 2027 (the "Going Concern Period") which is at least 12 months from the date of these consolidated financial statements. The Directors also considered the impact of a downside scenario on the Group's future cash flows and liquidity position as well as debt covenant compliance.

Scenarios analysed

For the purposes of the going concern assessment, the base case scenario reviewed by the Directors (the "Base Scenario") reflects, among other things, budgeted production for 2026 and current life-of-mine plans for Inmaculada, San Jose and Mara Rosa. The Base Scenario also assumes average precious metal prices of US$3,994/oz for gold and US$48.1/oz for silver (the "Assumed Prices"), being the average analysts' consensus prices for the Going Concern Period.

The Directors also considered a severe but plausible downside scenario ("the Severe Scenario") which takes into account the combined impact of a three-week stoppage of all operations, unforeseen social-related costs and lower precious metal prices which are lower than the Assumed Prices (a 10% lower gold price and 15% lower silver price) ("the Downside Assumptions").

Even in the Severe Scenario it has been assumed that all employees remain on full pay and that mitigating actions, such as the deferral of discretionary expenditure, which are under the Group's control, while available, would not be necessary.

Under the Base and the Severe scenarios, the Group's liquid resources, which as at the date of this report include an undrawn amount of US$180 million, remain more than adequate for the Group's forecast expenditure and scheduled repayments of the amounts owed under the Group´s borrowings, with sufficient headroom maintained to comply with debt covenants.

Reverse Stress Tests

Management also performed reverse stress tests which were considered in the Directors´ assessment. Under these tests, the Directors concluded that:

- prices of US$1,797/oz for gold and US$21.7/oz for silver for the duration of the Going Concern Period would result in sufficient headroom to comply with the Group´s minimum level of liquidity; and
- 21 weeks of concurrent stoppages at each of Inmaculada, San Jose and Mara Rosa would result in sufficient headroom to comply with the Group´s debt covenants of the medium-term loan facility.

In its application of the above reverse stress tests, no mitigation actions were applied. The Directors considered the nature and extent of the conditions required to trigger these outcomes and concluded the likelihood of such scenarios occurring during the Going Concern Period to be remote.

Conclusion

After their review, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence during the Going Concern Period. Accordingly, the Directors are satisfied the going concern basis of accounting is appropriate in preparing the consolidated financial statements.

(e) Currency translation

The functional currency for each entity in the Group is determined by the currency of the primary economic environment in which it operates. For the holding companies and operating entities this currency is US dollars and for the other entities it is the local currency of the country in which it operates. The Group's financial information is presented in US dollars, which is the Company's functional currency. Transactions denominated in currencies other than the functional currency of the entity are initially recorded in the functional currency using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are remeasured at the exchange rate prevailing at the statement of financial position date. Exchange gains and losses on settlement of foreign currency transactions which are translated at the rate prevailing at the date of the transactions, or on the translation of monetary assets and liabilities which are translated at period-end exchange rates, are taken to the income statement. Non-monetary assets and liabilities denominated in foreign currencies that are stated at historical cost are translated to the functional currency at the foreign exchange rate prevailing at the date of the transaction. Exchange differences arising from monetary items that are part of a net investment in a foreign operation are recognised in equity and transferred to income on disposal of such net investment.

Subsidiary financial statements expressed in their corresponding functional currencies are translated into US dollars by applying the exchange rate at period-end for assets and liabilities and the transaction date exchange rate for income statement items. The resulting difference on consolidation is included as a cumulative translation adjustment in equity. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

(f) Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost comprises its purchase price and directly attributable costs of acquisition or construction required to bring the asset to the condition necessary for the asset to be capable of operating in the manner intended by management. Economical and physical conditions of assets have not changed substantially over this period.

The cost less residual value of each item of property, plant and equipment is depreciated over its useful life. Each item's estimated useful life has been assessed with regard to both its own physical life limitations and the present assessment of economically recoverable reserves and resources of the mine property at which the item is located. Estimates of remaining useful lives are made on a regular basis for all mine buildings, machinery and equipment, with annual reassessments for major items. Depreciation is charged to cost of production on a units of production basis for mine buildings and installations and plant and equipment used in the mining production process, or charged directly to the income statement over the estimated useful life of the individual asset on a straight-line basis when not related to the mining production process. Changes in estimates, which mainly affect units of production calculations, are accounted for prospectively.

An asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the net proceeds with the carrying amount and are recognised within other income/expenses, in the income statement.

The expected useful lives under the straight-line method are as follows:

	Years
Buildings	3 to 33
Plant and equipment	5 to 15
Vehicles	5

During the period, management reassessed the depreciation method applied to certain items of plant and equipment at Inmaculada. Following an extension of the life of mine, management determined that the estimated useful lives of these assets, ranging between 10 and 15 years, were shorter than the revised life of mine. As a result, the depreciation method for these assets was changed from the units-of-production method to depreciation on a straight-line basis over their estimated useful lives. This change has been accounted for as a change in accounting estimate and applied prospectively (refer to note 16(2)).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to be ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed where incurred. For borrowings associated with a specific asset, the actual rate on that borrowing is used. Otherwise, a weighted average cost of borrowing is used. The Group capitalises the borrowing costs related to qualifying assets with a value of US$1,000,000 or more, considering that the substantial period of time to be ready is six or more months.

Mining properties and development costs

Purchased mining properties are recognised as assets at their cost of acquisition or at fair value if purchased as part of a business combination. Costs associated with developments of mining properties are capitalised.

Mine development costs are, upon commencement of commercial production, depreciated using the units of production method based on the estimated economically recoverable reserves and resources to which they relate.

When a mine construction project moves into the production stage, the capitalisation of certain mine construction costs ceases and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalisation relating to mining asset additions or improvements, underground mine development or mineable reserve development.

Construction in progress and capital advances

Assets in the course of construction are capitalised as a separate component of property, plant and equipment. Once the asset moves into the production phase, the cost of construction is transferred to the appropriate category. Construction in progress is not depreciated. Capital advances to suppliers related to the purchase of property, plant and equipment are disclosed in construction in progress.

Subsequent expenditure

Expenditure incurred to replace a component of an item of property, plant and equipment is capitalised separately with the carrying amount of the component being written-off. Other subsequent expenditure is capitalised if future economic benefits will arise from the expenditure. All other expenditure including repairs and maintenance expenditures are recognised in the income statement as incurred.

(g) Evaluation and exploration assets

Exploration and evaluation expenses are capitalised when there is sufficient evidence that there is a future economic benefit to the Group. All other exploration and evaluation expenses are expensed as incurred. Exploration and evaluation expenses are considered to have a future benefit to the Group when there is a high degree of confidence of the existence of economically recoverable minerals, mine-site exploration is being conducted to convert resources to reserves, or mine-site exploration is being conducted to confirm resources. The stage, timeline and associated risks of the project are also considered. For exploration and evaluation conducted near operating mine sites, exploration and evaluation expenses are capitalised upon the confirmation of resources.

Payments or option payments made by the Group to acquire licenses for exploration and evaluation assets, or to acquire an underlying mineral project, are capitalised in exploration and evaluation expenses or expensed as incurred, following the same criteria described above.

The Group's exploration and evaluation assets are carried at acquired costs until such time as the technical feasibility and commercial viability of the extraction of resources in an area of interest are demonstrable, usually after a pre-feasibility study has been completed, at which time they are classified as mine development costs and are tested for impairment, and are then reclassified to mining properties and development costs. For exploration and evaluation conducted near operating mine sites, exploration and evaluation expenses are classified as development costs upon the conversion of resources to reserves.

(h) Determination of ore reserves and resources

The Group estimates its ore reserves and mineral resources based on information compiled by internal competent persons. Reports to support these estimates are prepared each year and are stated in conformity with the 2012 Joint Ore Reserves Committee (JORC) code.

It is the Group's policy to have the report audited every two years by a Competent Person. Reserves and resources are used in the units of production calculation for depreciation and amortisation as well as the determination of the timing of mine closure cost and impairment analysis.

(i) Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment and its carrying value, and then recognises the loss within "Share of (loss)/profit of an associate" in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(j) Intangible assets

Right to use energy of transmission line

Transmission line costs represent the investment made by the Group to construct the transmission line on behalf of the government to be granted the right to use it. This is an asset with a finite useful life equal to that of the mine to which it relates and that is amortised applying the units of production method for that mine.

Water permits

Water permits are recorded at cost and allow the Group to withdraw a specified amount of water from the ground for reasonable, beneficial uses. This is an asset with an indefinite useful life (note 18(2)).

Legal rights

Legal rights correspond to expenditures required to give the Group the right to use a property for the surface exploration work, development and production. This is an asset with a finite useful life equal to that of the mine to which it relates and that is amortised applying the units of production method for that mine.

Other intangible assets

Other intangible assets are primarily computer software which are capitalised at cost and are amortised on a straight-line basis over their useful life of three years.

Royalty intangible assets

Royalty interests represent contractual rights to receive a percentage of revenue or production from specific mining operations. These assets are recognised at cost or at fair value when acquired. Royalty intangible assets have a finite useful life. Royalty intangible assets have a finite useful life and are amortised using the units-of-production method over the expected life of the related mining operation.

(k) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

The carrying amounts of property, plant and equipment and evaluation and exploration assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. If there are indicators of impairment, an exercise is undertaken to determine whether the carrying values are in excess of their recoverable amount. Such review is undertaken on an asset by asset basis, except where such assets do not generate cash flows independent of other assets, and then the review is undertaken at the cash-generating unit (CGU) level.

The assessment requires the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, reserves and resources volumes (reflected in the production volume) and production costs. Changes in these assumptions will affect the recoverable amount of the property, plant and equipment and evaluation and exploration assets.

If the carrying amount of an asset or its cash-generating unit (CGU) exceeds the recoverable amount, an impairment provision is recorded to reflect the asset at the lower amount. Impairment losses are recognised in the income statement.

Calculation of recoverable amount

The recoverable values of the CGUs and advanced exploration projects are determined using a FVLCD methodology. FVLCD for CGUs was determined using a combination of level 2 and level 3 inputs. The FVLCD of the producing mine assets is determined using a discounted cash flow model and for the developing stage mine assets or advanced exploration projects is determined using a discounted cash flow model or the value-in-situ methodology, which applies a realisable 'enterprise value' to unprocessed mineral resources per ounce of resources, to estimate the amount that would be paid by a willing third party in an arm's length transaction (notes 16, 17 and 18).

Reversal of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Inventories

Inventories are valued at the lower of cost or net realisable value. Cost is determined using the weighted average method.

The cost of work in progress and finished goods (ore inventories) is based on the cost of production. For this purpose, the costs of production include:

- costs, materials and contractor expenses which are directly attributable to the extraction and processing of ore;
- depreciation of property, plant and equipment used in the extraction and processing of ore; and
- related production overheads (based on normal operating capacity).

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(m) Trade and other receivables

Current trade receivables are carried at the original invoice amount and then subsequently measured at amortised cost less provision made for impairment of these receivables. Non current receivables are stated at amortised cost. A provision for impairment of trade receivables is established using the expected credit loss impairment model according IFRS 9. The amount of the provision is the difference between the carrying amount and the recoverable amount and this difference is recognised in the income statement. The revaluation of provisionally priced contracts stated in 2(q) is recorded as trade receivables.

(n) Share capital

Ordinary shares are classified as equity. Any excess above the par value of shares received upon issuance of those shares is classified as share premium. The Group had the merger reserve available for distribution within retained earnings.

(o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation (note 28). If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Mine closure cost

Provisions for mine closure costs are made in respect of the estimated future costs of closure and restoration and for environmental rehabilitation costs (which include the dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas) in the accounting period when the related environmental disturbance occurs. The provision is discounted and the unwinding of the discount is included in finance costs. At the time of establishing the provision, a corresponding asset is capitalised and is depreciated over future production from the mine to which it relates. The provision is reviewed on an annual basis for changes in cost estimates, discount rates and operating lives of the mines.

Changes to estimated future costs are recognised in the statement of financial position by adjusting the mine closure cost liability and the related asset originally recognised. If, for mature mines, the related mine assets net of mine closure cost provisions exceed the recoverable value, that portion of the increase is charged directly to the income statement. Similarly, if reductions to the estimated costs exceed the carrying value of the mine asset, that portion of the decrease is credited directly to the income statement. For closed sites, changes to estimated costs are recognised immediately in the income statement.

Workers' profit sharing and other employee benefits

In accordance with Peruvian legislation, companies in Peru must provide for workers' profit sharing equivalent to 8% of taxable income in each year. This amount is charged to the income statement within personnel expenses (note 10) and is considered deductible for income tax purposes. The Group has no pension or retirement benefit schemes.

Other

Other provisions are accounted for when the Group has a legal or constructive obligation for which it is probable there will be an outflow of resources for which the amount can be reliably estimated.

(p) Share-based payments

Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in personnel expenses. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability.

The fair value of the awards is taken to be the market value of the shares at the date of award adjusted by a factor for anticipated relative Total Shareholder Return (TSR) performance. Fair values are subsequently remeasured at each reporting date to reflect the number of awards expected to vest based on the current and anticipated TSR performance. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because the performance and/or service conditions have not been met.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model and is recognised, together with a corresponding increase in other reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that vest. The income statement expense for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in personnel expenses (note 10).

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

On 22 May 2024, beneficiaries of LTIPs were communicated of a change in the payment mechanism resulting in a modification of the LTIP from an equity settled to a cash settled transaction. This resulted in a recognition of liability based on the fair valuation of the cash settled LTIPs as at the date of modification and reversal of the share-based payment reserves, the incremental fair value of the cash-settled award over that of the equity-settled award as at the modification date amounting to US$405,000 is expensed to the profit and loss. The liability is remeasured at each reporting date.

(q) Revenue recognition

The Group is involved in the production and sale of gold and silver from dore and concentrate containing both gold and silver. Dore bars are either sold directly to customers or are sent to a third party for further refining into gold and silver before they are sold. Concentrate is sold directly to customers.

Revenue from contracts with costumers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue excludes any applicable sales taxes.

The revenue is subject to adjustment based on inspection of the product by the customer. Revenue is initially recognised on a provisional basis using the Group's best estimate of contained gold and silver. Any subsequent adjustments to the initial estimate of metal content are recorded in revenue once they have been determined.

In addition, certain sales are "provisionally priced" where the selling price is subject to final adjustment at the end of a period, normally ranging from 15 to 120 days after the start of the delivery process to the customer, based on the market price at the relevant quotation point stipulated in the contract. Revenue is initially recognised when the conditions set out above have been met, using market prices at that date. The price exposure is considered to be an adjustment and hence separated from the sales contract at each reporting date. The provisionally priced metal is revalued based on the forward selling price for the quotational period stipulated in the contract until the quotational period ends. The selling price of gold and silver can be measured reliably as these metals are actively traded on international exchanges. The revaluation of provisionally priced contracts is recorded as revenue.

Commercial discounts related to the refining, recovery and treatment of minerals are presented netted from sales.

A proportion of the Group's sales are sold under CIF Incoterms, whereby the Group is responsible for providing freight/shipping services (as principal) after the date that the Group transfers control of the metal in concentrate to its customers. The Group, therefore, has separate performance obligations for freight/shipping services which are provided solely to facilitate sale of the commodities it produces.

Other Incoterms commonly used by the Group are FOB, where the Group has no responsibility for freight or insurance once control of the products has passed at the loading port, and Delivered at Place (DAP) where control of the goods passes when the product is delivered to the agreed destination. For arrangements which have these Incoterms, the only performance obligations are the provision of the product at the point where control passes.

For CIF arrangements, the transaction price (as determined above) is allocated to the metal in concentrate and freight/shipping services using the relative stand-alone selling price method. Under these arrangements, a portion of consideration may be received from the customer in cash at, or around, the date of shipment under a provisional invoice. Therefore, some of the upfront consideration that relates to the freight/shipping services yet to be provided, is deferred. It is then recognised as revenue over time using an output method (being days of shipping/transportation elapsed) to measure progress towards complete satisfaction of the service as this best represents the Group's performance. This is on the basis that the customer simultaneously receives and consumes the benefits provided by the Group as the services are being provided. The costs associated with these freight/shipping services are also recognised over the same period of time as incurred.

Income from services provided to related parties (note 32(a)) is recognised in revenue when services are provided.

Income from the sale of aggregates in Mara Rosa is recognised in revenue (note 5).

Deferred revenue results when cash is received in advance of revenue being earned. Deferred revenue is recorded as a liability until it is earned. Once earned, the liability is reduced and revenue is recorded. The Group analyses when revenue is earned or deferred.

(r) Contingencies

A contingent liability is a possible obligation depending on whether some uncertain future event occurs, or a present obligation where payment is not probable or the amount cannot be measured reliably. Contingent liabilities are not recognised in the financial statements and are disclosed in notes to the financial statements unless their occurrence is remote (note 36).

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised in the financial statements, but are disclosed in the notes if their recovery is deemed probable (note 36).

(s) Finance income and costs

Finance income and costs comprise interest expense on borrowings, the accumulation of interest on provisions, interest income on funds invested, unwinding of discount, and gains and losses from the change in fair value of derivative instruments.

Interest income is recognised as it accrues, taking into account the effective yield on the asset.

(t) Income tax

Income tax for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items charged or credited directly to equity, in which case it is recognised in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on the tax rates (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Uncertain tax positions

An estimated tax liability is recognised when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The liability is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account risks and uncertainties surrounding the obligation. Separate liabilities for interest and penalties are also recorded if appropriate.

Movements in interest and penalty amounts in respect of tax liability are not included in the tax charge, but are disclosed in the income statement. Tax liabilities are based on management's interpretation of country-specific tax law and the likelihood of settlement. This involves a significant amount of judgement as tax legislation can be complex and open to different interpretation. Management uses in-house tax experts, professional firms and previous experience when assessing tax risks. Where actual tax liabilities differ from the liabilities, adjustments are made which can have a material impact on the Group's profits for the year. Refer to note 36(a) for specific tax contingencies.

(v) Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments are recognised as expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest, and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below US$5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(w) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, the Group's financial assets are classified in the following categories:

- Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade and other receivables.

– Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Financial assets designated at fair value through OCI are carried in the statement of financial position at fair value with net changes in fair value recognised in the OCI. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group has listed and non-listed equity investments under this category.

– Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Group has listed equity investments and embedded derivatives under this category. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

– The rights to receive cash flows from the asset have expired; or
– The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, and financial liabilities measured at amortised cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

– Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

– Financial liabilities measured at amortised cost

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments and hedge accounting

The silver and gold forward and zero cost collar agreements signed by the Group are being used to hedge the exposure to changes in the cash flows of the silver and gold commodity prices. Consequently, the Group has opted to apply hedge accounting under the requirements of IFRS 9 Financial Instruments.

Initial recognition and subsequent measurement

These derivative financial instruments were initially recognised at fair value on the date on which the derivative contract was entered into and were subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

– There is "an economic relationship" between the hedged item and the hedging instrument
– The effect of credit risk does not "dominate the value changes" that result from that economic relationship
– The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item

Changes in the fair value of derivatives designated as cash flow hedges are recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve until changes in the fair value of the hedged item are recognised in profit or loss. However, the ineffective portion of the changes in the fair value of such derivatives is recognised in profit or loss. The Group uses cash flow hedges for hedging the exposure to variability in silver and gold prices.

The amounts that have been recognised in other components of equity relating to such hedging instruments are reclassified to profit or loss when the hedged transaction affects profit or loss.

(x) Dividend distribution

Dividends on the Company's ordinary shares are recognised when they have been appropriately authorised and are no longer at the Company's discretion. Accordingly, interim dividends are recognised when they are paid and final dividends are recognised when they are declared following approval by shareholders at the Company's Annual General Meeting.

(y) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the statement of financial position, cash and cash equivalents comprise cash on hand and deposits held with banks that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents, as defined above, are shown net of outstanding bank overdrafts.

Liquidity funds are classified as cash equivalents if the amount of cash that will be received is known at the time of the initial investment and the risk of changes in value is considered insignificant.

(z) Exceptional items

Exceptional items are those significant items which, due to their nature or the expected infrequency of the events giving rise to them, need to be disclosed separately on the face of the income statement to enable a better understanding of the financial performance of the Group and facilitate comparison with prior years.

Exceptional items mainly include:

- Impairments and reversal of impairments or write-offs of assets, property, plant and equipment and evaluation and exploration assets;
- incremental cost due to pandemics which are not expected to be recurring;
- gains or losses arising on the disposal of subsidiaries, investments or property, plant and equipment;
- any gain or loss resulting from restructuring within the Group;
- the impact of infrequent labour action related to work stoppages in mine units;
- the penalties generated by the early termination of agreements with providers or lenders of the Group;
- the reversal of an accumulation of prior year's tax expenses that resulted from an agreement with the government;
- expenses related to a corporate transaction, including listing expenses and related transaction costs;
- gains or losses arising from the discontinuation of hedge relationships; and
- the related tax impact of the above items.

(aa) Fair value measurement

The Group measures financial instruments, such as derivatives, at each statement of financial position date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, as described in note 38(e).

For assets and liabilities that are recognised in the financial statements on a recurring basis at fair value, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group determines the policies and procedures for both recurring fair value measurement and unquoted financial assets, and for non-recurring measurement.

At each reporting date, the Group analyses the movements in the values of assets and liabilities, which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Group, in conjunction with its external valuers where applicable, also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(ab) Export incentive programme

On 3 October 2023, the Argentinian Government approved that exporters of crude oil, gas and derivatives, who meet certain conditions, may receive 25% of the funds received from exports through negotiable securities acquired in foreign currency and settled in local currency.

Since 13 December 2023 changed to 20% and the benefit was in forced until April 2025. As at 31 December 2025 the Group recognised a benefit from the programme of US$2,979,000 (2024: US$15,996,000), disclosed as other income (refer to note 12(1)).

(ac) Stripping costs

In an open-pit operation, it is necessary to remove overburden or waste material to access the ore bodies (stripping activity). During the mine development and pre-production phases, the stripping related costs are capitalised as part of the cost of development and subsequently recognised as depreciation in the cost of sales, on a units of production basis, once commercial production starts.

The removal of waste material usually continues throughout the life of mine. Upon commencement of commercial production, the activity is referred to as production stripping. Production stripping costs are capitalised only when it is probable that future economic benefits associated with the stripping activity will flow to the Group, and costs can be reliably measured. Otherwise, the production stripping costs are charged to the income statement as operating costs as they are incurred. Stripping activity costs associated with such development activities are capitalised as development costs using an average stripping ratio. The average stripping ratio is calculated by dividing the estimated number of tonnes of waste material to be removed by the estimated ore to be mined over the life of the mine, and is reviewed annually. The amount capitalised is subsequently depreciated using the units of production method.

3 Segment reporting

The Group's activities are principally related to mining operations, which involve the exploration, production and sale of gold and silver. Products are subject to the same risks and returns and are sold through similar distribution channels. The Group undertakes a number of activities solely to support mining operations including power generation and services. Transfer prices between segments are set at an arm's length basis in a manner similar to that used for third parties. Segment revenue, segment expense and segment results include transfers between segments at market prices. Those transfers are eliminated on consolidation.

For internal reporting purposes, management takes decisions and assesses the performance of the Group through consideration of the following reporting segments:

- Operating unit – San Jose, which generates revenue from the sale of gold and silver (dore and concentrate)
- Operating unit – Mara Rosa, which generates revenue from the sale of gold and silver (dore)
- Operating unit – Inmaculada, which generates revenue from the sale of gold and silver (dore)
- Former operating unit – Pallancata, which generated revenue from the sale of gold and silver (concentrate) until 2023, and it is involved in the development of the Royropata area.
- Exploration, which explores and evaluates areas of interest in brownfield and greenfield sites with the aim of extending the life of mine of existing operations and to assess the feasibility of new mines.
- Other – includes the profit or loss generated by Empresa de Transmisión Aymaraes S.A.C.

The Group's administration, financing, other activities (including other income and expense), and income taxes are managed at a corporate level and are not allocated to operating segments.

Segment information is consistent with the accounting policies adopted by the Group. Management evaluates the financial information based on the adopted IFRS accounting policies in the financial statements.

The Group measures the performance of its operating units by the segment profit or loss that comprises gross profit, selling expenses and exploration expenses.

Segment assets include items that could be allocated directly to the segment.

(a) Reportable segment information

	Inmaculada US$000	San Jose US$000	Mara Rosa US$000	Pallancata US$000	Exploration US$000	Other[1] US$000	Adjustment and eliminations US$000	Total US$000
YEAR ENDED 31 DECEMBER 2025								
Revenue from external customers	**724,643**	**381,257**	**133,044**	**–**	**–**	**151**	–	**1,239,095**
Inter-segment revenue	–	–	–	–	–	4,647	(4,647)	**–**
Total revenue from customers	**724,643**	**381,257**	**133,044**	**–**	**–**	**4,798**	**(4,647)**	**1,239,095**
Provisional pricing adjustment	257	55,265	6	–	–	–	–	**55,528**
Realised loss on hedges	(56,987)	-	(29,061)	–	–	–	–	**(86,048)**
Loss on discontinuation of hedge relationship[2]	–	–	(26,427)	–	–	–	–	**(26,427)**
Total revenue	**667,913**	**436,522**	**77,562**	**–**	**–**	**4,798**	**(4,647)**	**1,182,148**
Segment profit/(loss)	**354,559**	**164,059**	**(31,667)**	**–**	**(29,020)**	**3,138**	**(7,477)**	**453,592**
Others[3]								**(80,768)**
Profit from continuing operations before income tax								**372,824**
Other segment information								
Depreciation[4]	(103,029)	(53,007)	(19,454)	(519)	(9)	(2,352)	–	**(178,370)**
Amortisation	(385)	(489)	(515)	(446)	–	(105)	–	**(1,940)**
(Impairment) /impairment reversal and (write-off) of assets, net	(474)	11,635	(1,415)	(37)	43,229	(167)	–	**52,771**
ASSETS								
Capital expenditure	138,556	43,575	39,541	8,253	15,196[6]	4,655	–	**249,776**
Current assets	29,325	113,736	53,051	1,501	–	1,971	–	**199,584**
Other non-current assets	608,566	139,003	365,669	47,926	197,629[7]	39,576	–	**1,398,369**
Total segment assets	**637,891**	**252,739**	**418,720**	**49,427**	**197,629**	**41,547**	**–**	**1,597,953**
Not reportable assets[5]	–	–	–	–	–	561,815	–	**561,815**
Total assets	**637,891**	**252,739**	**418,720**	**49,427**	**197,629**	**603,362**	**–**	**2,159,768**

[1] "Other" revenue relates to revenues earned by Empresa de Transmisión Aymaraes S.A.C. for energy transmission services.

[2] The amount represents the reclassification of US$26,427,000 from the cash flow hedge reserve within equity to the income statement following the extension of 20,813 ounces of gold forwards from August to December 2025 to the first semester of 2028. In accordance with IFRS 9, the accumulated loss was reclassified to the income statement following the discontinuation of the original hedge relationship and the realisation of the hedged item. The item is presented as an exceptional item (note 11), and had no impact on realised on cash flows (note 38(a)).

[3] Comprised of administrative expenses of US$55,604,000, other income of US$10,163,000, other expenses of US$75,401,000, write-off of assets (net) of US$4,074 ,000, impairment of non-current assets of US$56,845,000, share of gain of an associate of US$20,544,000, finance income of US$11,826,000, finance costs of US$41,112,000, and foreign exchange loss of US$3,955,000.

[4] Includes depreciation capitalised in the Pallancata unit (US$444,000), San Jose unit (US$1,944,000), Inmaculada unit (US$286,000), Mara Rosa (US$42,000) and products in process (US$1,102,000).

[5] Not reportable assets are comprised of financial assets at fair value through OCI of US$86,000, other receivables of US$92,831,000, income tax receivable of US$795,000, deferred income tax asset of US$105,137,000, investment in associates US$43,372,000, other financial assets of US$2,640,000, and cash and cash equivalents of US$316,954,000.

[6] Includes Monte do Carmo capital expenditure of US$13,373,000.

[7] Includes Monte do Carmo balance of US$110,382,000.

	Inmaculada US$000	San Jose US$000	Mara Rosa US$000	Pallancata US$000	Exploration US$000	Other[1] US$000	Adjustment and eliminations US$000	Total US$000
YEAR ENDED 31 DECEMBER 2024								
Revenue from external customers	**522,406**	**285,142**	**159,646**	**(255)**	**–**	**452**	**–**	**967,391**
Inter-segment revenue	–	–	–		–	3,975	(3,975)	**–**
Total revenue from customers	**522,406**	**285,142**	**159,646**	**(255)**	**–**	**4,427**	**(3,975)**	**967,391**
Provisional pricing adjustment	(54)	8,193	70	–	–	–	–	**8,209**
Realised loss on hedges	(18,010)	–	(9,894)	–	–	–	–	**(27,904)**
Total revenue	**504,342**	**293,335**	**149,822**	**(255)**	**–**	**4,427**	**(3,975)**	**947,696**
Segment profit/(loss)	**231,141**	**54,094**	**40,830**	**(269)**	**(28,379)**	**2,472**	**(1,799)**	**298,090**
Others[2]								**(120,873)**
Profit from continuing operations before income tax								**177,217**
Other segment information								
Depreciation[3]	(91,251)	(48,368)	(17,383)	(560)	(8)	(2,584)	–	**(160,154)**
Amortisation	(80)	(531)	(761)	(102)	–	(105)	–	**(1,579)**
Impairment and write-off of assets, net	(730)	(15)	–	(53)	(13,732)	(3,085)	–	**(17,615)**
ASSETS								
Capital expenditure	138,582	46,143	35,318	32,908	92,041[5]	3,090	–	**348,082**
Current assets	17,028	67,866	35,210	1,758	5,327	6,387	–	**133,576**
Other non-current assets	572,513	132,716	347,235	41,622	125,325	33,282	–	**1,252,693**
Total segment assets	**589,541**	**200,582**	**382,445**	**43,380**	**130,652**	**39,669**	**–**	**1,386,269**
Not reportable assets[4]	–	–	–		–	265,230	–	**265,230**
Total assets	**589,541**	**200,582**	**382,445**	**43,380**	**130,652**	**304,899**	**–**	**1,651,499**

[1] "Other" revenue relates to revenues earned by Empresa de Transmisión Aymaraes S.A.C. for energy transmission services.
[2] Comprised of administrative expenses of US$50,232,000, other income of US$20,955,000, other expenses of US$43,245,000, write-off of assets (net) of US$3,883,000, impairment of non-current assets of US$13,732,000, share of losses of an associate of US$6,489,000, finance income of US$13,097,000, finance costs of US$26,928,000, and foreign exchange loss of US$10,416,000.
[3] Includes depreciation capitalised in the Pallancata unit (US$102,000), San Jose unit (US$2,367,000), Mara Rosa project (US$146,000), and products in process (-US$1,110,000).
[4] Not reportable assets are comprised of financial assets at fair value through OCI of US$475,000, other receivables of US$116,892,000, income tax receivable of US$186,000, deferred income tax asset of US$27,677,000, investment in associates US$15,811,000, other financial assets of US$3,807,000, assets held for sale of US$3,409,000, and cash and cash equivalents of US$96,973,000.
[5] Includes Monte do Carmo capital expenditure of US$90,602,000.

(b) Geographical information

The revenue for the period based on the country in which the customer is located is as follows:

	Year ended 31 December	
	2025 US$000	2024 US$000
Switzerland	**284,052**	246,763
Canada	**458,012**	363,922
South Korea	**77,308**	53,527
Germany	**92,399**	20,754
Japan	**–**	4,364
Chile	**4,155**	30,696
Finland	**36,718**	18,527
USA	**203,574**	172,082
Luxembourg	**(409)**	2,486
Bulgaria	**12,748**	8,369
Peru	**124,485**	54,110
Brazil	**1,581**	–
Total revenue[1]	**1,294,623**	975,600
Inter-segment		
Peru	**4,647**	3,975
Total	**1,299,270**	979,575
Loss on realised hedges		
United Kingdom	**(56,987)**	(18,010)
Brazil	**(29,061)**	(9,894)
Loss on discontinuation of hedge relationship[2]		
Brazil	**(26,427)**	–
Total	**1,186,795**	951,671

[1] Includes revenue from customers and provisional pricing adjustments of US$55,528,000 (2024: US$8,209,000).
[2] The amount represents the non-cash recycling of US$26,427,000 from other comprehensive income to revenue following the extension of 20,813 ounces of gold forwards from August to December 2025 to the first semester of 2028. As the sales of gold designated in the hedge relationship occurred during the second half of 2025, IFRS 9 requires the recycling of the accumulated loss to the income statement. The item is presented as an exceptional item (note 11), and had no impact on cash flows.

In the periods set out below, certain customers accounted for greater than 10% of the Group's total revenues as detailed in the following table:

	Year ended 31 December 2025			Year ended 31 December 2024		
	US$000	% Revenue	Segment	US$000	% Revenue	Segment
Asahi Refining Canada Ltd.	**458,012**	**38%**	**Inmaculada, Mara Rosa and San Jose**	363,922	38%	Inmaculada, Mara Rosa and San Jose
MKS Switzerland S.A.	**168,936**	**14%**	**Inmaculada**	121,108	13%	Inmaculada
Argor Heraus S.A.	**115,213**	**10%**	**Inmaculada**	125,655	13%	Inmaculada and San Jose
Auramet International Inc.	**91,995**	**8%**	**Inmaculada and Mara Rosa**	132,284	14%	Inmaculada

Non-current assets, excluding financial instruments, investment in associates, other receivables and deferred income tax assets, were allocated to the geographical areas in which the assets are located as follows:

	As at 31 December	
	2025 US$000	2024 US$000
Peru	**696,068**	647,416
Brazil	**476,051**	435,195
Argentina	**139,003**	132,716
Chile	**87,247**	37,366
Total non-current segment assets	**1,398,369**	1,252,693
Financial assets at fair value through OCI	**86**	475
Investment in associates	**43,372**	15,811
Other receivables	**18,660**	18,316
Deferred income tax assets	**105,137**	27,677
Total non-current assets	**1,565,624**	1,314,972

4 Asset acquisition and partial disposal of subsidiary

(a) Tiernan Gold Corp. Reverse Takeover Transaction and Private Placement

On December 16, 2025, Tiernan Gold Corp. ("Tiernan"), an indirect wholly-owned subsidiary of the Company, completed a reverse take over with Railtown Capital Corp. ("Railtown"), a capital pool company listed on the TSX Venture Exchange ("TSXV"), by way of a three-cornered amalgamation (the "Transaction"). As a result of the Transaction, Railtown acquired all of the issued and outstanding securities of Tiernan in exchange for securities of Railtown, and the combined entity continued under the name Tiernan Gold Corp. HM Holdings Ltd., an indirect wholly-owned subsidiary of the Company, retained control of the resulting public entity (the "Resulting Issuer"). Accordingly, the Transaction constituted a reverse takeover of Railtown by Tiernan for accounting purposes.

In connection with the Transaction, Tiernan consolidated its issued and outstanding common shares on the basis of one post-consolidation common share for approximately every 2.68 pre-consolidation common share, and Railtown consolidated its securities on the basis of one post-consolidation security for approximately every 7.09 pre-consolidation security. Concurrently with the Transaction, Tiernan completed a private placement of subscription receipts for aggregate gross proceeds of C$58,351,000 (US$42,445,000), comprising (i) a treasury offering by Tiernan that generated gross proceeds of C$40,000,000 (US$29,096,000) and (ii) a secondary offering by Hochschild that generated gross proceeds of C$18,351,000 (US$13,349,000). Each subscription receipt was issued at a price of C$5.00 consisting of approximately C$4.49 for one common share and C$0.51 for one-half of a common share purchase warrant. The value of the shares issued by Tiernan as part of the treasury offering was C$35,880,000 (US$25,929,000), which was measured with the subscription price per share paid by investors, with the remaining C$4,120,000 (US$3,167,000) allocated to the warrants. Of the total gross proceeds from the secondary offering, C$16,461,000 (US$11,960,000) were received directly by Hochschild Mining Holdings, and C$1,890,000 (US$1,375,000) were allocated to Tiernan in respect of the warrants issued. Upon completion of the Transaction, the subscription receipts automatically converted into one common share of the Resulting Issuer and one-half of one common share purchase warrant, with each whole warrant exercisable to acquire one common share at an exercise price of C$6.50 for a period of 24 months following the closing of the private placement.

For accounting purposes, Tiernan was identified as the acquirer and Railtown as the acquiree. Railtown did not meet the definition of a business under IFRS 3 *Business Combinations.* As the Resulting Issuer is deemed to have issued equity instruments in exchange for the identifiable net assets of Railtown, the Transaction was accounted for as a reverse takeover and accounted in accordance with IFRS 2 *Share-based Payment* . The excess of the deemed consideration over the fair value of Railtown's identifiable net assets resulted in a listing expense of US$9,052,000, while transaction costs of US$1,106,000 were also incurred. Both amounts were recognised in the Group's income statement within other expenses and classified as exceptional items (refer to note 11).

In addition, as part of the private placement completed in connection with the Transaction, Tiernan issued warrants denominated in Canadian dollars. As the functional currency of the Resulting Issuer is the US dollar, these warrants do not meet the "fixed-for-fixed" criterion under IAS 32 *Financial Instruments: Presentation* and are therefore classified as financial liabilities measured at fair value through profit or loss. At the completion date of the Transaction, the Group recognised a financial liability of US$4,542,000 in respect of these warrants. Subsequent changes in the fair value of the warrants, resulting in an unrealised loss of US$7,365,000, are recognised in profit or loss within finance cost (refer to note 13(5)).

Tiernan continues to be consolidated in the Group's consolidated financial statements. There was no change in control at the Group level. A non-controlling interest of US$32,006,000 was recognised on consolidation of Tiernan.

Effects on equity of changes in ownership in Tiernan	US$000
Change in ownership interest in Tiernan without loss of control	**9,118**
Non-controlling interest	**35,774**
Total impact on equity	**44,892**

Effects on cash flows of Private Placement	US$000
Treasury offering – shares	**25,929**
Secondary offering – shares	**11,960**
Issuance of warrants	**4,542**
Agent fees and transaction costs	**(2,387)**
Total impact on cash flows	**40,044**

(b) Acquisition of Monte do Carmo

In March 2024, the Group, through its wholly-owned subsidiary Amarillo Mineração do Brasil Ltda. ("Amarillo"), entered into an option agreement with Cerrado Gold Inc. ("Cerrado") to acquire a 100% interest in Cerrado's Monte Do Carmo Project (the "Project") located in the mining-friendly state of Tocantins, Brazil.

The payment for the option amounted to US$15,000,000 by way of 10% interest-bearing secured loan. Upon obtaining the Cerrado Shareholder Approval ("Cerrado's Shareholder Approval"), on 27 June 2024, the loan of US$15,000,000 was deemed to be repaid in full by Cerrado by the concurrent set off of an amount equal to the loan due by Amarillo as part of the purchase price. Through US$30,000,000 in additional phased payments (the "Exercise Consideration"), the Company was able to complete the acquisition of 100% of the Project on 7 November, 2024 ("Closing"). The Exercise Consideration is in addition to the US$15,000,000 which has been deemed paid, and a further US$15,000,000 payable at certain milestones following Closing, giving a total consideration of US$60,000,000:

- US$10,000,000 payable within 14 days of the second anniversary of the date of the Cerrado's Shareholder Approval (27 June 2024); and
- US$5,000,000 within 14 days of the earlier of (i) the commencement of commercial production from the Project, and (ii) 31 March 2027.

At Closing, Amarillo acquired all of the outstanding equity interests in Serra Alta Mineração Ltda. ("Serra Alta"), Cerrado's subsidiary in Brazil which holds the Monte do Carmo project.In connection with the option agreement, the Group committed to incur a minimum of US$5,000,000 in exploration expenditures for Monte do Carmo, which was achieved by the acquisition date.

The Group applied the concentration test in accordance with IFRS 3 to determine whether the acquisition is a business combination or an asset acquisition, concluding that substantially all of the fair value of the gross assets acquired is concentrated

in a single identifiable asset or a group of similar assets, being the Monte do Carmo project which is in a development stage. Since the concentration test was met, the transaction was accounted as a purchase of assets.

The total consideration amounted to US$86,556,000 and is comprised of: (i) cash consideration paid of US$45,000,000, (ii) deferred consideration of US$13,365,000, representing the present value of the US$15,000,000 remaining payables, (iii) liabilities assumed by Amarillo in connection with the Sprott Private Resource Streaming and Royalty Corp. ("Sprott") secured note and stream agreements ("stream Agreements) of US$26,159,000 (note 25(a)), net of its deferred income tax asset of US$899,000 (iv) additional exploration expenditure assumed by Amarillo pre-closing of the acquisition of US$1,180,000, and (v) transaction costs of US$1,751,000.

In addition, Serra Alta Participações Imobiliárias S.A. ("SAPI") – entity owned by Amarillo and Serra Alta, has a contractual obligation to make payment of royalties in favour of the former landowners of the Bortolotti Property corresponding to 50% of the amount due to the Brazilian authorities as statutory tax (Compensação Financeira pela Exploração Mineral ("CFEM")). According to the most recent estimates available to the Company, approximately 25% of the gold reserves of the Project are located within the area comprised by the Bortolotti Property and would accordingly be subject to the payment of such royalties.

Monte do Carmo consolidates its financial information with the Group from 7 November 2024, being the date on which the Group obtained control.

The fair value of assets acquired and liabilities assumed as at 7 November 2024 comprise the following:

	US$000
Cash and cash equivalents	8
Other receivables	10
Evaluation and exploration assets (note 17)	82,725
Property, plant and equipment (note 16)	3,988
Deferred income tax asset	1,918
Total assets	**88,649**
Accounts payable and other liabilities	(2,093)
Total liabilities	**(2,093)**
Net assets acquired	**86,556**
Consideration for the acquisition of Serra Alta Mineracao Ltda shares	
Cash consideration	45,000
Deferred consideration	13,365
Secured note and stream contracts transferred to Amarillo, net of deferred tax asset	25,260
Expenditure assumed by Amarillo	1,180
Transaction costs	1,751
Total consideration	**86,556**
Cash paid	47,931
Less cash acquired with the subsidiary	(8)
Net cash flow on acquisition	**47,923**

The Group recognises individual identifiable assets (and liabilities) by allocating the cost of acquisition on the basis of the relative fair values at the date of purchase:

Step 1: Identify assets and liabilities acquired, adjusting them to the Group's accounting policies and presentation

Step 2: Determine the purchase consideration

Step 3: Purchase price allocation: The consideration paid is allocated to the fair value of the identifiable assets and liabilities assumed with the remainder allocated to the mineral property acquired

The fair value at the time of acquisition is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

In September 2025, the Group settled early the deferred payment of US$8,750,000 from the original amount of US$10,000,000 due in June 2026; resulting in a gain of US$1,250,000, which has been recognised in the income statement, within other income (see note 12). The carrying value of the remaining deferred consideration amounts to US$4,862,000 as at 31 December 2025 (see note 25).

5 Revenue before exceptional items

	Year ended 31 December 2025			Year ended 31 December 2024		
	Revenue[1]			Revenue[1]		
	Goods sold US$000	**Shipping services US$000**	**Total US$000**	Goods sold US$000	Shipping services US$000	Total US$000
Gold (from dore bars)	**664,140**	**421**	**664,561**	556,551	731	557,282
Silver (from dore bars)	**245,304**	**224**	**245,528**	221,776	485	222,261
Gold (from concentrates)	**208,551**	**4,230**	**212,781**	105,192	2,610	107,802
Silver (from concentrates)	**112,103**	**2,658**	**114,761**	71,046	1,749	72,795
Gold (from precipitates)	**(283)**	**–**	**(283)**	6,801	–	6,801
Silver (from precipitates)	**15**	**–**	**15**	2	–	2
Services and aggregates	**1,732**	**–**	**1,732**	448	–	448
Total revenue from costumers	**1,231,562**	**7,533**	**1,239,095**	961,816	5,575	967,391
Provisional pricing adjustments[2]	**55,528**	**–**	**55,528**	8,209	–	8,209
Realised loss on hedges	**(86,048)**	**–**	**(86,048)**	(27,904)		(27,904)
Total	**1,201,042**	**7,533**	**1,208,575**	942,121	5,575	947,696

[1] Includes commercial discounts (refinery treatment charges, refining fees and payable deductions for processing concentrate), and are deducted from gross revenue on a per tonne basis (treatment charge), per ounce basis (refining fees) or as a percentage of gross revenue (payable deductions). In 2025, the Group recorded commercial discounts of US$25,247,000 (2024: US$22,720,000). Gross revenue is presented net of dore commercial discounts of US$4,104,000 (2024: US$4,282,000).

[2] Certain sales are "provisionally priced" where the selling price is subject to final adjustment at the end of a period, normally ranging from 15 to 120 days after the start of the delivery process to the customer, based on the market price at the relevant quotation point stipulated in the contract. Revenue is initially recognised when the conditions set out above have been met, using market prices at that date. The price exposure is considered to be an adjustment and hence separated from the sales contract at each reporting date. The provisionally priced metal is revalued based on the forward selling price for the quotational period stipulated in the contract until the quotational period ends. The selling price of gold and silver can be measured reliably as these metals are actively traded on international exchanges. The revaluation of provisionally priced contracts is recorded as revenue.

6 Cost of sales

Cost of sales comprises:

	Year ended 31 December	
	2025 US$000	2024 US$000
Direct production costs excluding depreciation and amortisation	**508,024**	454,006
Depreciation and amortisation in production costs	**173,577**	157,165
Workers profit sharing	**15,512**	3,145
Cost of sales of aggregates and transmission services	**1,218**	–
Fixed costs during operational stoppages and reduced capacity[1]	**15,094**	1,071
Change in inventories	**(35,486)**	(10,124)
Cost of sales	**677,939**	605,263

[1] Corresponds to the fixed cost at the operation during reduced capacity and stoppages in Mara Rosa of US$15,094,000 (2024: corresponds to the fixed cost at the operation during stoppages in San Jose of US$1,071,000).

The main components included in cost of sales are:

	Year ended 31 December	
	2025 US$000	2024 US$000
Depreciation and amortisation in cost of sales[1]	**165,348**	156,785
Personnel expenses (note 10)[2]	**167,120**	132,412
Mining royalty (note 37)	**12,655**	9,694
Change in products in process and finished goods	**(35,486)**	(10,124)
Fixed costs at the operations during stoppages and reduced capacity[3]	**15,094**	1,071

[1] The depreciation and amortisation in production cost is US$173,577,000 (2024: US$157,165,000). The difference with the depreciation and amortisation in cost of sales is included in inventory.
[2] Includes workers profit sharing of US$15,512,000 (2024: US$3,145,000) and excludes personnel expenses of US$2,960,000 (2024: US$712,000) included within unallocated fixed cost at the operations (see below).
[3] Corresponds to the unallocated fixed cost accumulated as a result of idle capacity during reduced capacity and stoppages. These costs mainly include third party services of US$9,563,000 (2024: US$301,000), personnel expenses of US$2,960,000 (2024: US$712,000), supplies of US$1,532,000 (2024: US$33,000), depreciation and amortisation of US$40,000 (2024: US$Nil) and other costs of US$999,000 (2024: other costs of US$25,000).

7 Administrative expenses

	Year ended 31 December	
	2025 US$000	2024 US$000
Personnel expenses (note 10)	**31,042**	28,586
Professional fees[1]	**8,879**	7,088
Donations	**773**	1,235
Lease rentals	**1,675**	1,583
Third party services	**417**	522
Indirect taxes	**2,645**	1,986
Depreciation and amortisation	**2,283**	2,588
Depreciation of right-of-use assets	**227**	147
Technology and systems	**1,878**	1,156
Security	**1,132**	830
Other	**4,653**	4,511
Total	**55,604**	50,232

[1] Corresponds to tax and advisory fees of US$2,959,000 (2024: US$2,670,000), audit fees of US$2,178,000 (2024: US$1,934,000), legal fees of US$1,285,000 (2024: US$1,030,000) and other professional fees of US$2,457,000 (2024: US$1,454,000).

8 Exploration expenses

	Year ended 31 December	
	2025 US$000	2024 US$000
Mine site exploration[1]		
Arcata	**–**	93
Ares	**126**	300
Inmaculada	**2,713**	4,423
Pallancata	**2,259**	2,106
San Jose	**11,883**	9,821
Mara Rosa	**1,065**	1,278
	18,046	18,021
Prospects[2]		
Peru	**1,187**	193
Chile	**(98)**	40
Brazil	**–**	1,581
	1,089	1,814
Generative[3]		
Peru	**2,934**	1,317
	2,934	1,317
Personnel (note 10)	**6,275**	5,550
Others	**276**	70
Depreciation right-of-use assets	**75**	82
Total	**28,695**	26,854

[1] Mine-site exploration is performed with the purpose of identifying potential minerals within an existing mine-site, with the goal of maintaining or extending the mine's life.
[2] Prospects expenditure relates to detailed geological evaluations in order to determine zones, which have mineralisation potential that is economically viable for exploration. Exploration expenses are generally incurred in the following areas: mapping, sampling, geophysics, identification of local targets and reconnaissance drilling.
[3] Generative expenditure is early stage exploration expenditure related to the basic evaluation of the region to identify prospects areas that have the geological conditions necessary to contain mineral deposits. Related activities include regional and field reconnaissance, satellite images, compilation of public information and identification of exploration targets.

9 Selling expenses

	Year ended 31 December	
	2025 US$000	2024 US$000
Personnel expenses (note 10)	**202**	200
Warehouse services	**2,101**	1,569
Taxes[1]	**16,628**	13,034
Transportation costs	**786**	429
Other	**2,205**	2,257
Total	**21,922**	17,489

[1] Corresponds to the export duties in Argentina.

10 Personnel expenses

	Year ended 31 December	
	2025 US$000	2024 US$000
Salaries and wages	**142,451**	124,828
Workers' profit sharing (note 28)	**23,447**	6,590
Other legal contributions	**36,179**	30,056
Statutory holiday payments	**9,461**	10,317
Long-Term Incentive Plan (note 28)	**4,157**	3,562
Termination benefits	**4,209**	4,861
Other	**1,177**	1,017
Total	**221,081**	181,231

Personnel expenses are distributed as follows:

	Year ended 31 December	
	2025 US$000	2024 US$000
Cost of sales[1]	**170,080**	133,124
Administrative expenses	**31,042**	28,586
Exploration expenses	**6,275**	5,550
Selling expenses	**202**	200
Other expenses	**9,193**	9,492
Capitalised as property, plant and equipment	**4,289**	4,279
Total	**221,081**	181,231

[1] Personnel expenses related to unallocated fixed cost accumulated as a result of excess absenteeism and idle capacity included in cost of sales amount to US$2,960,000 (2024: US$712,000).

The average number of employees for 2025 and 2024 were as follows:

	Year ended 31 December	
	2025 US$000	2024 US$000
Peru	**1,445**	1,492
Argentina	**1,387**	1,444
Chile	**4**	5
Brazil	**395**	343
United Kingdom	**11**	11
Total	**3,242**	3,295

11 Exceptional items

Exceptional items are those significant items which, due to their nature or the expected infrequency of the events giving rise to them, are disclosed separately on the face of the income statement to enable a better understanding of the financial performance of the Group and facilitate comparison with prior years. Unless stated, exceptional items do not correspond to a reporting segment of the Group.

	Year ended 31 December	
	2025 US$000	2024 US$000
Revenue		
Loss on discontinuation of hedge relationship (note 38 (a))	**(26,427)**	–
Sub total	**(26,427)**	–
Other expenses		
Listing expense and transaction costs (note 4)	**(10,158)**	–
Sub total	**(10,158)**	–
Impairment and write-off of non-current assets		
Reversal of impairment/(impairment) of non-current assets[1]	**56,845**	(13,732)
Write-off of non-current assets[2]	**–**	(3,037)
Sub total	**56,845**	(16,769)
Share of (loss)/ gain of an associate		
Reversal of impairment/ (impairment) of investment in associate (note 19)	**22,187**	(5,081)
Sub total	**22,187**	(5,081)
Income tax		
Income tax (expense)/ benefit related to the above [3]	**4,228**	2,088
Sub total	**4,228**	2,088
Total	**46,675**	(19,762)

[1] Corresponds to the reversal of impairment of the Volcan project of US$43,255,000 and San Jose mine unit of US$13,590,000 (2024: corresponds to the impairment related to the Azuca project of US$13,732,000) (refer to notes 16, 17, 18 and 24).
[2] In 2024, corresponds to the write-off of construction in progress stopped as the assets would be used by Azuca and Arcata units and they were sold (refer to note 16 and 24).
[3] Corresponds to the deferred tax expense generated by the reversal of impairment of San Jose mine unit of US$4,757,000 and deferred tax credit of US$8,985,000 generated by the loss on discontinuation of hedge relationship (2024: Corresponds to the current tax credit generated by the impairment of Azuca of US$1,192,000 and the deferred tax credit generated by the write-off of constructions in progress of US$896,000).

Except for US$202,000 of transaction costs incurred in connection with the Tiernan Transaction (note 4(a)), included within financing activities in the cash flow statement, none of the above exceptional items impacted the Group's cash flows (2024: none).

12 Other income and other expenses before exceptional items

	Year ended 31 December	
	2025 US$000	2024 US$000
OTHER INCOME		
Income from export programme in Argentina[1]	**2,979**	15,996
Logistic services	**1,608**	1,704
Gain of early settlement of deferred consideration (note 4(b))	**1,250**	–
Income from third party use of mine	**889**	–
Lease rentals	**424**	165
Gain on sale of Arcata and Azuca	**416**	–
Gain on sale of property, plant and equipment	**377**	656
Other	**2,220**	2,434
Total	**10,163**	20,955
OTHER EXPENSES		
Increase in provision for mine closure (note 28(1))	**(24,023)**	(14,717)
Care and maintenance expenses of Pallancata mine unit	**(9,431)**	(8,320)
Corporate social responsibility contribution in Argentina[2]	**(5,913)**	(4,396)
Increase in provision for legal claims [3]	**(5,861)**	(1,578)
Provision for recovery of tax credits[4]	**(4,644)**	–
Care and maintenance expenses of Ares mine unit	**(4,564)**	(2,365)
Termination benefits in Minera Santa Cruz	**(2,187)**	(2,704)
Provision of obsolescence of supplies (note 22)	**(1,745)**	(864)
Cost of recovery of expenses	**(1,378)**	(1,860)
Depreciation right-of-use assets	**(329)**	(315)
Other	**(5,168)**	(6,126)
Total	**(65,243)**	(43,245)

[1] Benefit arising from being able to access the Argentina government's Export Incentive Programme, allowing certain companies to exchange a certain proportion of US dollar sales at a preferential market exchange rate. The programme remained in force until April 2025.
[2] Relates to a contribution in Argentina to the Santa Cruz province calculated as a proportion of sales.
[3] Mainly related to contingencies related to the ISS (municipal tax on services) in Brazil, labour lawsuits in Argentina and penalties in Peru.
[4] Provision for recovery of ICMS (state tax on circulation of merchandise and transportation and communication services) credit in Brazil.

13 Finance income, finance costs and foreign exchange loss

	Year ended 31 December	
	2025 US$000	2024 US$000
FINANCE INCOME		
Interest income[1]	**2,569**	2,972
Changes in the fair value of financial instruments through profit or loss[2]	**2,911**	6,887
Gain from sale of financial asset	**2,012**	327
Debit valuation adjustment (DVA) of hedges	**1,817**	866
Gain on execution of buy-down option[3]	**1,250**	-
Change in fair value of financial liability through profit or loss (note 25(a))	**-**	233
Other[4]	**1,267**	1,812
Total	**11,826**	13,097
FINANCE COSTS		
Interest on secured bank loans (note 27(b))	(15,635)	(15,425)
Other interest	(3,179)	(3,123)
Total interest expense	**(18,814)**	(18,548)
Loss from changes in the fair value of financial instruments[5]	**(8,119)**	(2,973)
Change in fair value of financial liability through profit or loss (note 25(a))	**(7,482)**	–
Unwinding of discount on mine rehabilitation (note 28(1))	**(3,070)**	(3,110)
Loss on discount of other receivables[6]	**(1,042)**	–
Other	**(2,585)**	(2,297)
Total	**(41,112)**	(26,928)
FOREIGN EXCHANGE LOSS, NET		
Argentina	**(6,486)**	(9,133)
Peru	**679**	187
Brazil[2]	**2,640**	(2,272)
Others	**(788)**	802
Total	**(3,955)**	(10,416)

[1] Excludes interest on deposits and liquidity funds of US$248,000 (2024: US$296,000) that is directly attributable to the construction of Mara Rosa and Monte do Carmo which have been recognised in property, plant and equipment as a reduction to construction in progress and capital advances and mining properties and development costs, and evaluation and exploration assets.
[2] Gain on Argentinian mutual funds.
[3] Corresponds to the gain on the execution of the buy-down option related to the Stream Agreements with Sprott, refer to note 25(a).
[4] Mainly includes interest income related to tax claims resolved in favour of Compania Minera Ares of US$271,000 (2024: US$1,142,000).
[5] Includes the loss arising from changes in the fair value of warrants classified as derivative financial liabilities of US$7,365,000 (note 4), change in fair value of Railtown's legacy options and warrants of US$466,000 and the foreign exchange effect related to the settlement of Argentinean bonds of US$288,000 (2024: US$2,973,000).
[6] Mainly related to the effect of the discount of tax credits in Brazil.

14 Income tax expense

	Year ended 31 December 2025			Year ended 31 December 2024		
	Before exceptional items US$000	**Exceptional items US$000**	**Total US$000**	Before exceptional items US$000	Exceptional items US$000	Total US$000
Current corporate income tax						
Corporate income tax expense	**113,085**	**–**	**113,085**	35,735	–	35,735
Withholding tax	**7,662**	**–**	**7,662**	(835)	–	(835)
	120,747	**–**	**120,747**	34,900	–	34,900
Deferred taxation						
Origination and reversal of temporary differences (note 30)	**(19,727)**	**(4,228)**	**(23,955)**	16,497	(2,088)	14,409
Corporate income tax	**101,020**	**(4,228)**	**96,792**	51,397	(2,088)	49,309
Current mining royalties						
Mining royalty charge (note 37)	**14,974**	**–**	**14,974**	7,108	–	7,108
Special mining tax charge (note 37)	**13,656**	**–**	**13,656**	7,051	–	7,051
Total current mining royalties	**28,630**	**–**	**28,630**	14,159	–	14,159
Total taxation expense/(benefit) in the income statement	**129,650**	**(4,228)**	**125,422**	65,556	(2,088)	63,468

The weighted average statutory income tax rate was 30.5% for 2025 and 33.1% for 2024. This is calculated as the average of the statutory tax rates applicable in the countries in which the Group operates, weighted by the profit/(loss) before tax of the Group companies in their respective countries as included in the consolidated financial statements. The statutory tax rate in Argentina is 35%, in Peru 29.5%, in Brazil 34% and in the UK 25%.

The change in the weighted average statutory income tax rate is due to a change in the weighting of profit/(loss) before tax in the various jurisdictions in which the Group operates.

There were tax credits in relation to the cash flow hedge losses recognised in equity during the Year ended 31 December 2025 of US$51,749,000 (2024: US$28,473,000).

There was a withholding tax of US$7,662,000 with respect to dividends received in the UK from a Peruvian subsidiary.

The Group has assessed the OECD Pillar Two ('Global Minimum Tax') rules. The Group is not expected to be within the scope of the Pillar Two rules. As a result, no current or deferred tax impact has been recognised in respect of Pillar Two for the period.

The total taxation charge on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to the consolidated profits of the Group companies as follows:

	Year ended 31 December	
	2025 US$000	2024 US$000
Profit from operations before income tax	**372,824**	177,217
At average statutory income tax rate of 30.5% (2024: 33.1%)	**113,831**	58,618
Expenses not deductible for tax purposes[1]	**7,846**	1,888
Non-recognised tax losses	**3,851**	3,937
Non-taxable (gain from reversal)/loss from impairments[2]	**(17,226)**	1,270
Special mining tax and mining royalty deductible for corporate income tax	**(8,446)**	(4,177)
Permanent differences arising on special investment regime[3]	**(4,259)**	(4,939)
(Recognition of previously unrecognised deferred tax)/ unrecognised deferred tax[4]	**(741)**	6,729
Other	**(2,587)**	(2,353)
Corporate income tax at average effective income tax rate of 24.7% (2024: 34.4%) before foreign exchange effect, special mining tax and mining royalty and withholding tax	**92,269**	60,973
Foreign exchange rate effect[5]	**(3,139)**	(10,829)
Corporate income tax at average effective income tax rate of 23.9% (2024: 28.3%) before special mining tax and mining royalty and withholding tax	**89,130**	50,144
Special mining tax and mining royalty[6]	**28,630**	14,159
Corporate income tax and mining royalties at average effective income tax rate of 31.6% (2024: 36.3%) before withholding tax	**117,760**	64,303
Withholding tax	**7,662**	(835)
Total taxation charge in the income statement at average effective tax rate 33.6% (2024: 35.8%) from operations	**125,422**	63,468

[1] In 2025, US$5,151,000 mainly relates to non-deductible expenses related to Tiernan´s Reverse Takeover and Private Placement, including: listing expenses, the unrealised loss on the warrants issued in connection with the Private Placement, and transaction costs (refer to notes 4 and 11).
[2] Non-taxable reversal of impairment of the Volcan project and the investment in Aclara (refer to note 11).
[3] Argentina benefits from a special investment regime that allows for a super (double) deduction in calculating its taxable profits for all costs relating to prospecting, exploration and metallurgical analysis, pilot plants and other expenses incurred in the preparation of feasibility studies for mining projects.
[4] Mainly corresponds to the impact on deferred taxes of the changes in estimate of the mine closure provision.
[5] The foreign exchange effect is composed of a profit of US$4,271,000 (2024: US$676,000 loss) from Peru , a loss of US$2,070,000 (2024: US$7,359,000 profit) from Argentina and a profit of US$938,000 (2024: US$4,151,000 profit) from Brazil. This mainly corresponds to the foreign exchange effect of converting tax bases and monetary items from local currency to the corresponding functional currency. The main contributor of the foreign exchange effect on the tax credit in 2025 is the devaluation of the Peruvian soles (2024: devaluation of the Argentinian pesos).
[6] Corresponds to the mining royalty and special mining tax in Peru (note 37).

The amounts after offset, as presented on the face of the statement of financial position, are as follows:

	As at 31 December	
	2025 US$000	2024 US$000
Income tax receivable[1]	**795**	186
Income tax payable[2]	**(96,446)**	(21,205)
Total	**(96,651)**	(21,019)

[1] Corresponds to the tax credit of Empresa de Transmision Aymaraes of US$649,000 (2024: US$103,000).
[2] Mainly corresponds to the corporate income tax payables of Compañia Minera Ares of US$44,701,000 (2024: US$10,664,000), Minera Santa Cruz of US$40,170,000 (2024: US$5,353,000), Amarillo Mineracao do Brasil of US$Nil (2024: US$1,688,000) and mining royalties payables of Compañia Minera Ares of US$11,451,000 (US$3,459,000).

15 Basic and diluted earnings per share

Earnings per share (EPS) is calculated by dividing profit for the year attributable to equity shareholders of the Parent by the weighted average number of ordinary shares issued during the year.

The Company does not have dilutive potential ordinary shares as at 31 December 2025.

The Group presents profit before exceptional items attributable to equity holders of the Parent and Basic and Diluted Earnings per share as alternative performance measures (APMs). These measures are not defined under IFRS and may not be comparable with similarly titled measures used by other companies. It is presented to provide additional information on the underlying performance of the Group by excluding items that management considers exceptional. The measure is calculated as profit attributable to equity holders of the Parent, adjusted to exclude exceptional items.

As at 31 December 2025 and 2024, EPS has been calculated as follows:

	Year ended 31 December	
	2025	2024
BASIC EARNINGS PER SHARE		
Before exceptional items (US$)	**0.31**	0.23
Exceptional items (US$)	**0.08**	(0.04)
Total for the year (US$)	**0.39**	0.19
Diluted earnings per share		
Before exceptional items (US$)	**0.31**	0.23
Exceptional items (US$)	**0.08**	(0.04)
Total for the year (US$)	**0.39**	0.19

Profit attributable to equity holders of the Parent is derived as follows:

	Year ended 31 December	
	2025	2024
Profit attributable to equity holders of the Parent (US$000)	**201,900**	97,005
Exceptional items after tax – attributable to equity holders of the Parent (US$000)	**(42,347)**	19,762
Profit before exceptional items attributable to equity holders of the Parent (US$000)	**159,553**	116,767

The following reflects the share data used in the basic and diluted earnings per share computations:

	Year ended 31 December	
	2025	2024
Basic weighted average number of ordinary shares in issue (thousands)	**514,458**	514,458
Weighted average number of ordinary shares in issue for the purpose of diluted earnings per share (thousands)	**514,458**	514,458

16 Property, plant and equipment

	Mining properties and development costs[1] US$000	Land and buildings US$000	Plant and equipment[2, 3] US$000	Vehicles[4] US$000	Mine closure asset US$000	Construction in progress and capital advances[1, 5] US$000	Total US$000
YEAR ENDED 31 DECEMBER 2025							
Cost							
At 1 January 2025	**1,819,515**	**582,238**	**761,172**	**18,789**	**100,928**	**13,313**	**3,295,955**
Additions	145,723	1,502	24,677	3,499	-	53,563	228,964
Change in discount rate (note 28(1))	–	–	–	–	2,074	–	2,074
Change in mine closure estimate (note 28(1))	–	–	–	–	5,061	–	5,061
Disposals	–	–	(946)	(2,510)	–	-	(3,456)
Write-offs[6]	–	(683)	(16,903)	(5,249)	–	(1,294)	(24,129)
Foreign exchange effect	(47)	185	71	2	203	-	414
Transfers and other movements[8]	101,358	18,898	14,065	649	-	(34,023)	100,947
At 31 December 2025	**2,066,549**	**602,140**	**782,136**	**15,180**	**108,266**	**31,559**	**3,605,830**
Accumulated depreciation and impairment							
At 1 January 2025	**1,298,124**	**409,293**	**433,955**	**12,025**	**71,800**	**–**	**2,225,197**
Depreciation for the year	108,556	19,630	44,052	3,209	2,923	–	178,370
Disposals	–	–	(822)	(2,569)	–	–	(3,391)
Write-offs	–	(529)	(14,330)	(5,196)	–	–	(20,055)
Reversal of impairment	(5,247)	(2,556)	(4,913)	(78)	–	–	(12,794)
Foreign exchange effect	–	1	64	–	–	–	65
Transfers and other movements[8]	–	–	(74)	74	–	–	–
At 31 December 2025	**1,401,433**	**425,839**	**457,932**	**7,465**	**74,723**	**-**	**2,367,392**
Net book value at 31 December 2025	**665,116**	**176,301**	**324,204**	**7,715**	**33,543**	**31,559**	**1,238,438**

[1] With the capitalisation rate of 6.97%, there were borrowing costs capitalised in property, plant and equipment amounting to US$1,391,000.
[2] Within plant and equipment, costs of US$479,385,000 are subject to depreciation on a unit of production basis in line with accounting policy on note 2(f) for which the accumulated depreciation is US$268,134,000 and the depreciation charge for the year is US$23,034,000.
[3] Plant and equipment include US$3,526,000 of right-of-use assets (note 26).
[4] Vehicles include US$5,874,000 of right-of-use assets (note 26).
[5] Within construction in progress and capital advances there are capital advances amounting to US$1,674,000, mainly related to Amarillo Mineracao do Brasil of US$1,665,000 (2024: US$2,027,000, mainly related to Compania Minera Ares of US$999,000).
[6] Mainly corresponds to the write-off of construction in progress and plant and equipment in the San José and Mara Rosa units (refer to note 16 and 24).
[7] During the year, the Group reassessed the depreciation method applied to certain items of equipment at Inmaculada to better reflect the life of the assets, resulting in a change in accounting estimate. This change increased depreciation expense for the year by $9,835,000 and has been applied prospectively. The change will affect depreciation expense in future periods.
[8] Mainly includes the transfer of US$100,686,000 from evaluation and exploration assets (Monte do Carmo project of 98,516,000) (note 17).

Lien granted to RG Royalties LLC. over certain Mara Rosa assets such as mineral interests and surface rights, in respect of the 1,75% NSR royalty granted over Mara Rosa´s production. The royalty obligation and the associated lien were acquired following the Group´s acquisition of Amarillo in April 2022. None of the Group's property, plant and equipment are pledged as security for borrowings.

	Mining properties and development costs US$000[1]	Land and buildings US$000	Plant and equipment US$000 [2, 3]	Vehicles[4] US$000	Mine closure asset US$000	Construction in progress and capital advances US$000 [1, 5]	Total US$000
YEAR ENDED 31 DECEMBER 2024							
Cost							
At 1 January 2024	**1,935,106**	**560,135**	**646,582**	**12,240**	**116,887**	**167,295**	**3,438,245**
Additions	132,126	620	24,065	7,068	–	68,931	**232,810**
Acquisition of assets (note 4)	–	3,927	34	27	–	–	**3,988**
Change in discount rate (note 28(1))	–	–	–	–	(3,736)	–	**(3,736)**
Change in mine closure estimate (note 28(1))	–	–	–	–	4,097	–	**4,097**
Return of disposal	–	–	845	–	–	90	**935**
Disposals	–	–	(968)	–	–	–	**(968)**
Write-offs[6]	–	–	(5,546)	(507)	–	(3,037)	**(9,090)**
Foreign exchange effect	(9,518)	(628)	(271)	(9)	(528)	(9,101)	**(20,055)**
Transfer to assets held for sale	(251,992)	(31,556)	(52,702)	(341)	(15,792)	–	**(352,383)**
Transfers and other movements[7]	13,793	49,740	149,133	311	–	(210,865)	**2,112**
At 31 December 2024	**1,819,515**	**582,238**	**761,172**	**18,789**	**100,928**	**13,313**	**3,295,955**
Accumulated depreciation and impairment							
At 1 January 2024	**1,454,537**	**416,785**	**455,040**	**9,307**	**83,703**	**20**	**2,419,392**
Depreciation for the year	95,136	23,865	33,825	3,512	3,403	–	**159,741**
Disposals	–	–	(865)	–	–	–	**(865)**
Write-offs[6]	–	–	(4,728)	(479)	–	–	**(5,207)**
Foreign exchange effect	–	(3)	(101)	(1)	–	–	**(105)**
Transfer to assets held for sale	(251,992)	(31,375)	(49,212)	(330)	(15,306)	–	**(348,215)**
Transfers and other movements[7]	443	21	(4)	16	–	(20)	**456**
At 31 December 2024	**1,298,124**	**409,293**	**433,955**	**12,025**	**71,800**	**–**	**2,225,197**
Net book value at 31 December 2024	**521,391**	**172,945**	**327,217**	**6,764**	**29,128**	**13,313**	**1,070,758**

[1] With the capitalisation rate of 6.33%, there were borrowing costs capitalised in property, plant and equipment amounting to US$6,678,000.
[2] Within plant and equipment, costs of US$557,684,000 are subject to depreciation on a unit of production basis in line with accounting policy on note 2(f) for which the accumulated depreciation is US$291,305,000 and depreciation charge for the year is US$19,897,000.
[3] Plant and equipment include US$1,564,000 of right-of-use assets (note 26).
[4] Vehicles include US$5,194,000 of right-of-use assets (note 26).
[5] Within construction in progress and capital advances there are capital advances amounting to US$2,027,000, mainly related to Compania Minera Ares of US$999,000.
[6] Mainly corresponds to the write-off of construction in progress stopped as the assets would be used by Azuca and Arcata units and they were sold (refer to notes 16 and 24).
[7] Mainly includes the transfer of US$1,656,000 from evaluation and exploration assets (Inmaculada of US$519,000, Pallancata US$30,000, Mara Rosa of US$867,000 and San Jose of US$240,000) (note 17) as they are related to conversion of resources in to reserves.

2025

In June 2025, management determined that there was a trigger of impairment in the Mara Rosa mine unit due to the operational challenges presented during the first half of the year, including heavier-than-usual rainfall and contractor performance issues. These conditions limited access to ore, particularly high-grade zones, and further compounded challenges with the filtering process. The Group suspended the processing plant for four weeks, and the measures taken resulted in a reduction to the expected production, ramping up through H1 2026 when the plant is expected to achieve full capacity. The corresponding impact on the operations 'costs was considered. The impairment test resulted in no impairment being recognised as the negative impact of the operational challenges described above was offset by strong gold prices. The recoverable value of Mara Rosa was determined using a FVLCD methodology. No indicators of impairment were identified at 31 December 2025.

In December 2025, management again determined that there was a trigger of reversal of impairment in the San Jose mine unit due to the increase in gold and silver prices, and the decrease in the post-tax discount rate from 18.3% to 12.5%. The impairment test resulted in a full reversal of the previously recognised impairment, adjusted for the depreciation that would have been recorded had the asset not been impaired, amounting to US$13,590,000 in total, allocated as follows: US$12,794,000 to Property, Plant and Equipment, US$379,000 to Exploration and Evaluation assets (note 17) and US$417,000 to Intangible assets (note 18).

The recoverable value of San Jose was determined using a FVLCD methodology. The key assumptions on which management has based its determination of FVLCD and the associated recoverable values calculated for the San Jose CGU are gold and silver prices, future capital requirements, production costs, reserves and resources (reflected in the production volume), and the discount rate.

Real prices US$ per oz.	2026	2027	2028	2029	Long-term
Gold	4,044	3,845	3,475	3,183	3,000
Silver	48.8	46.1	42.1	37.1	32.0

	San Jose
Discount rate (post-tax)	12.5%
Discount rate (pre-tax)	12.9%

The period of four years was used to prepare the cash flow projections of San Jose mine which is consistent with its estimated life of mine.

No indicators of impairment or reversal of impairment were identified in the other CGUs which includes other exploration projects, with the exception of the Volcan project (refer to note 18).

The estimated recoverable values of the Group's CGUs are equal to, or not materially different than, their carrying values.

Sensitivity analysis

Management believes that no reasonably possible change in any of the key assumptions above would cause the carrying value of the San Jose CGUs to exceed its recoverable amount. As the full amount of previous impairments has been reversed as at 31 December 2025, no reasonable change in any of the key assumptions would result in an additional reversal of impairment.

2024

In December 2024, management determined that there was a trigger of reversal of impairment in the San Jose mine unit due to the increase in gold and silver prices and the increased reserves and resources estimate. The impairment test resulted in no impairment, or impairment reversal, being recognised as the positive effect of the increased prices and additional reserves and resources was mainly offset by higher costs due to ongoing inflation in Argentina.

The recoverable value of San Jose was determined using a FVLCD methodology. The key assumptions on which management has based its determination of FVLCD and the associated recoverable values calculated for the San Jose CGU were gold and silver prices, future capital requirements, production costs, reserves and resources (reflected in the production volume), and the discount rate.

Real prices US$ per oz.	2025	2026	2027	2028	2029	Long-term
Gold	2,663	2,466	2,438	2,248	1,894	2,100
Silver	32.3	32.0	32.1	28.2	23.7	25.0

	San Jose
Discount rate (post-tax)	18.3%
Discount rate (pre-tax)	18.8%

The period of seven years was used to prepare the cash flow projections of San Jose mine which was in line with its life of mine.

No indicators of impairment or reversal of impairment were identified in the other CGUs which includes other exploration projects, with the exception of the Volcan project (note 18).

17 Evaluation and exploration assets

	Azuca US$000	Mara Rosa US$000	Monte do Carmo US$000	Volcan US$000	Other US$000	Total US$000
COST						
Balance at 1 January 2024	**84,717**	**1,422**	**–**	**65,819**	**22,907**	**174,865**
Additions[1]	366	1,351	2,891	1,073	3,344	**9,025**
Acquisition of assets (note 4(b))[1]	–		82,725	–	–	**82,725**
Foreign exchange effect	–	(83)	(2,362)	(8,054)	–	**(10,499)**
Transfers to property, plant and equipment (note 16)	–	(1,280)	–	–	(832)	**(2,112)**
Transfers to asset held for sale (note 24)	(85,083)	–	–	–	(4,011)	**(89,094)**
Balance at 31 December 2024	**–**	**1,410**	**83,254**	**58,838**	**21,408**	**164,910**
Additions[1]	–	2,828	8,942	1,823	4,607	**18,200**
Foreign exchange effect	–	–	6,320	6,023	-	**12,343**
Transfers to property, plant and equipment (note 16)	–	(2,173)	(98,516)	–	3	**(100,686)**
Balance at 31 December 2025	**–**	**2,065**	**–**	**66,684**	**26,018**	**94,767**
ACCUMULATED IMPAIRMENT						
Balance at 1 January 2024	**66,629**	**–**	**–**	**35,511**	**5,403**	**107,543**
Impairment (note 24)	13,732	–	–	–	–	**13,732**
Foreign exchange effect	–	–	–	(4,253)	–	**(4,253)**
Amortisation	–	413	–	–	–	**413**
Transfers to property, plant and equipment (note 16)	–	(413)	–	–	(43)	**(456)**
Transfers to assets held for sale	(80,361)	–	–	–	(4,011)	**(84,372)**
Balance at 31 December 2024	**–**	**–**	**–**	**31,258**	**1,349**	**32,607**
Impairment reversal[2]	–	–	–	(33,671)	(379)	**(34,050)**
Foreign exchange effect	–	–	–	2,413	–	**2,413**
Balance at 31 December 2025	**–**	**–**	**–**	**–**	**970**	**970**
Net book value as at 31 December 2024	–	1,410	83,254	27,580	20,059	**132,303**
Net book value as at 31 December 2025	**–**	**2,065**	**–**	**66,684**	**25,048**	**93,797**

[1] From the total additions, the payment in cash amounted to US$6,337,000 (2024: US$55,629,000)
[2] Impairment reversal related to Volcan amounting to US$43,255,000 in total, allocated as follows: US$33,671,000 to Exploration and Evaluation assets and US$9,584,000 to Intangible assets (note 18).

At 31 December 2024 the Group recorded an impairment with respect to evaluation and exploration assets of the Azuca project of US$13,732,000 (see note 24).

There were borrowing costs capitalised in evaluation and exploration assets of US$5,928,000 (2024: US$39,000).

18 Intangible assets

	Transmission line[1] US$000	Water permits[2] US$000	Software licences US$000	Legal rights[3] US$000	Royalty intangible assets US$000	Total US$000
COST						
Balance at 1 January 2024	**34,172**	**21,267**	**2,248**	**5,227**	**–**	**62,914**
Foreign exchange effect	(798)	(2,547)	–	(144)	–	**(3,489)**
Additions	–	–	–	19,534	–	**19,534**
Addition of royalty intangible asset (note 24)	–	–	–	–	3,967	**3,967**
Balance at 31 December 2024	**33,374**	**18,720**	**2,248**	**24,617**	**3,967**	**82,926**
Foreign exchange effect	–	1,843	–	–	–	**1,843**
Additions	–	–	165	2,447	–	**2,612**
Transfers	–	–	–	41	–	**41**
Disposals	–	–	–	(116)	–	**(116)**
Addition of royalty intangible asset (note 24)	–	–	–	–	4,715	**4,715**
Balance at 31 December 2025	**33,374**	**20,563**	**2,413**	**26,989**	**8,682**	**92,021**
Accumulated amortisation and impairment						
Balance at 1 January 2024	**19,288**	**10,150**	**2,155**	**1,338**	**–**	**32,931**
Amortisation for the year[4]	1,175	–	12	392	–	**1,579**
Foreign exchange effect	–	(1,216)	–	–	–	**(1,216)**
Balance at 31 December 2024	**20,463**	**8,934**	**2,167**	**1,730**	**–**	**33,294**
Amortisation for the year[4]	908	-	31	1,001	–	**1,940**
Impairment reversal[5]	(408)	(9,584)	(9)	–	–	**(10,001)**
Foreign exchange effect	–	650	3	1	–	**654**
Balance at 31 December 2025	**20,963**	**–**	**2,192**	**2,732**	**–**	**25,887**
Net book value as at 31 December 2024	**12,911**	**9,786**	**81**	**22,887**	**3,967**	**49,632**
Net book value as at 31 December 2025	**12,411**	**20,563**	**221**	**24,457**	**8,482**	**66,134**

[1] The transmission line in San Jose is amortised using the units of production method. At 31 December 2025 the remaining amortisation period is approximately 4 years (2024: 7 years) in line with the life of the mine. The transmission line in Mara Rosa is amortised using the units of production method.
[2] Corresponds to the acquisition of water permits of Andina Minerals Group ("Andina"). These permits have an indefinite life according to Chilean law.
[3] Legal rights correspond to expenditures required to give the Group the right to use a property for the surface exploration work, development and production.
[4] The amortisation for the period is included in cost of sales and administrative expenses in the income statement.
[5] Reversal of impairment relating to San Jose of US$417,000 (note 16) and Volcan of US$9,584,000.

As at 30 June 2025, management identified indicators for a reversal of impairment for the Volcan project driven by an increase in long-term gold price assumptions, resulting in the recognition of a partial reversal of impairment of US$30,779,000.

During the second half of 2025, additional positive market evidence became available following the completion of the reverse takeover transaction and concurrent financing on 16 December 2025, which provided an observable valuation benchmark for the Volcan project (note 4). Based on this transaction, management concluded that the recoverable amount of the Volcan CGU exceeded its carrying amount as at 31 December 2025.

Accordingly, the remaining accumulated impairment loss of US$12,476,000 was fully reversed as at 31 December 2025. Total reversal of impairment for 2025 amounts to US$43,255,000 in total, allocated as follows: US$33,671,000 to Exploration and Evaluation assets (note 17) and US$9,584,000 to Intangible assets.

In December 2024, management determined that there was a trigger of reversal of impairment in Volcan project due to the increase in gold prices. The impairment test resulted in no impairment, or impairment reversal, being recognised.

The recoverable value of the Volcan project as of 31 December 2024 was determined using a FVLCD methodology. The Group used a value in-situ methodology, which applies a realisable 'enterprise value' to unprocessed mineral resources per ounce of resources. The enterprise value used in the calculation performed as at 31 December 2024 was a risk adjusted value per in-situ gold equivalent ounce of US$3.72.

The carrying amount of the Volcan CGU, which includes the water permits, is reviewed annually to determine whether it is in excess of its recoverable amount. The estimated recoverable amount is not materially different than its carrying value.

US$000	As at 31 December 2025	As at 31 December 2024
Current carrying value Volcan CGU	**87,247**	37,366

19 Investment in an associate

The Group retains a 19.45% interest in Aclara Resources Inc. ("Aclara") (2024: 19.50%), a Toronto Stock Exchange listed company, involved in the development of two rare-earth metals projects: the Penco Module in the Bio-Bio Region of Chile and the Carina Project in the State of Goiás, Brazil.

Upon Aclara's Initial Public Offering ('IPO') on 10 December 2021, Hochschild Mining Holdings Limited ("HM Holdings") retained 20% of Aclara shares. The investment was recorded at initial recognition at fair value, based on the IPO offering price, and is accounted for using the equity method in the consolidated financial statements.

The following table summarises the financial information of the Group's investment in Aclara Resources Inc:

	As at 31 December 2025 US$000	As at 31 December 2024 US$000
Current assets	**24,908**	29,821
Non-current assets	**160,081**	123,980
Current liabilities	**(9,571)**	(6,231)
Non-current liabilities	**(1,371)**	(1,415)
Equity	**174,047**	146,155
Non-controlling interest[1]	**19,610**	18,603
Equity attributable to shareholders	**154,437**	127,552
Group's share in equity 19.45% (2024: 19.50%)	**30,038**	24,873
Fair value adjustment on initial recognition and accumulated adjustments for non-attributable changes to equity[2]	**13,334**	13,125
Accumulated impairment	**–**	(22,187)
Group's carrying amount of the investment 19.45% (2024: 19.50%)	**43,372**	15,811
Summarised consolidated statement of profit and loss		
Administrative expenses	**(7,642)**	(8,239)
Exploration expenses	**(1,985)**	(459)
Share of loss of joint venture	**(432)**	(115)
Finance income	**1,308**	1,657
Finance cost	**(303)**	(64)
Foreign exchange gain/(loss)	**107**	(193)
Loss from operations for the year	**(8,947)**	(7,413)
Loss from continuing operations attributable to shareholders	**(8,447)**	(7,223)
Group's share of loss for the year	**(1,643)**	(1,408)
Other comprehensive profit that may be reclassified to profit or loss in subsequent periods, net of tax		
Exchange differences on translating foreign operations	**10,373**	(12,780)
Total comprehensive profit/(loss) for the year	**10,373**	(12,780)
Group's share of comprehensive profit/(loss) for the year	**2,017**	(2,492)

[1] On April 17, 2024 Aclara closed a strategic financing of US$29,027,000 by the company CAP S.A. in Aclara's Chilean subsidiary which owns the Penco Module and all of Aclara's mining concessions in Chile in exchange for 20% equity participation in REE UNO Spa which had a corresponding impact on the Group's equity.

[2] Includes the 20% of the fair value adjustment, estimated by the Group, of Aclara's exploration and evaluation asset on initial recognition of US$12,307,000, and other non-attributable changes to equity of US$1,027,000 (31 December 2024: US$12,307,000 and US$818,000 respectively).

The movement of investment in associate is as follows:

	Year ended 31 December	
	2025 US$000	2024 US$000
Beginning balance	**15,811**	22,927
Impairment reversal/(impairment)	**22,187**	(5,081)
Share of loss for the period	**(1,643)**	(1,408)
Share of comprehensive profit/(loss) for the period	**2,017**	(2,492)
Capital contribution through private placement	**5,000**	–
Equity gain in Aclara from CAP strategic financing	–	1,865
Ending balance	**43,372**	15,811

2025

During 2025, both external and internal indicators of a reversal of impairment were identified for the Group's investment in Aclara. External indicators included developments in the rare earths market such as the expansion of Chinese restrictions on rare-earth exports during the year and the resulting increased focus on establishing non-China supply chains. Internal indicators included progress in project development, notably the release of the Carina pre-feasibility study and upgraded Mineral Resource Estimate, continued and positive advancement of the Penco environmental approval process, the commitment of up to US$5,000,000 in strategic funding from the U.S. International Development Finance Corporation, and the decision by the directors of Aclara to construct a heavy rare earth separation facility in Louisiana, USA. These factors resulted in a sustained uplift in Aclara's recoverable value, as reflected by a prolonged increase in the share price above the cost of the investment.

Therefore, management concluded that the recoverable amount of the investment exceeded its carrying amount, resulting in the full reversal of the previously recognised impairment charges of US$22,187,000.

2024

On 23 December 2024, Aclara announced a US$25,000,000 private placement of common shares at C$0.7 (US$0.5) per share with new and existing strategic investors: New Hartsdale Capital Inc., CAP S.A. and the Group. The subscription price represents a 41% premium over the closing price of the Common Shares on the Toronto Stock Exchange ("TSX") on the last trading day prior to the date of the announcement of the Private Placement. The private placement was completed on 20 February 2025 and the Group paid US$5,000,000.

The Group reassessed the recoverable value of its investment in Aclara, adjusting the carrying amount of the investment to reflect the value of the shares issued in the private placement. As a result, the Group determined an impairment charge of US$5,081,000 as at 31 December 2024.

The carrying amount of the investment recognised the changes in the Group's share of net assets of the associate since the acquisition date. The balance as at 31 December 2025, after recognising the changes in the Group's share of net assets of the associate and the impairment charge is US$43,372,000 (2024: US$15,811,000).

The fair value of Aclara shares, based on the market price per share, as at 31 December 2025 amounted to US$67,460,000 (2024: US$10,173,000).

No dividends were received from the associate during 2025 and 2024.

The associate had no contingent liabilities or capital commitments as at 31 December 2025 and 31 December 2024.

20 Financial assets at fair value through OCI

	Year ended 31 December	
	2025 US$000	2024 US$000
Beginning balance	**475**	460
Fair value change recorded in OCI	**96**	15
Sales of financial assets	**(485)**	–
Ending balance	**86**	475

The Group made the election at initial recognition to measure the below equity investments at fair value through OCI as they are not held for trading.

Fair value of the listed shares is determined by reference to published price quotations in an active market and they are categorised as level 1. The fair value of non-listed equity investments is determined based on financial information available of the companies and they are categorised as level 3.

21 Trade and other receivables

	As at 31 December			
	2025		2024	
	Non-current US$000	**Current US$000**	Non-current US$00	Current US$000
Trade receivables	–	**81,373**	–	37,238
Advances to suppliers	–	**8,111**	–	13,324
Tax claims	**11,369**	**4,757**	8,060	7,826
Funds in escrow[1]	–	**305**	–	14,278
Receivables from related parties (note 32(a))	–	**176**	–	121
Other[2]	**1,245**	**10,588**	3,279	11,619
Total assets classified as receivables	**12,614**	**105,310**	11,339	84,406
Prepaid expenses	**3,270**	**5,176**	2,764	11,083
Value Added Tax (VAT)[3]	**2,776**	**45,058**	4,213	40,325
Total	**18,660**	**155,544**	18,316	135,814

The fair values of trade and other receivables approximate their book value.

[1] Represents funds held in escrow in connection with Royropata easements.
[2] Includes account receivables from contractors for the sale of supplies of US$2,190,000 (2024: US$1,773,000), funds restricted in relation to ongoing employee legal claims in Minera Santa Cruz of USD$1,250,000 (2024: USD$549,000), loan to third parties of US$787,000 (2024: US$1,381,000), and , net of a provision for impairment of receivables of US$1,045,000 (2024: US$1,016,000).
[3] Primarily relates to US$19,830,000 (2024: US$18,277,000) of VAT receivable related to the San Jose project that will be recovered through future sales of gold and silver and also through the sale of these credits to third parties by Minera Santa Cruz. It also includes the VAT of Compania Minera Ares of US$6,719,000 (2024: US$6,978,000), and Amarillo Mineracao do Brasil of US$19,829,000 (2024: US$18,514,000). The VAT is valued at its recoverable amount. Recovery is effected either through cash refunds, offset against other tax liabilities or, where permitted, transfer to third parties. In Argentina, VAT balances are generally expected to be recovered within approximately six months. In Brazil, PIS and COFINS credits are offset against income tax and social contributions, while ICMS credits are expected to be realised through authorised transfers. In Peru, VAT is recoverable through cash refunds or offset against other taxes. The recovery occurs on a monthly basis given the entity's ongoing export activities.

As at 31 December 2025 and 2024, none of the financial assets classified as receivables (net of impairment) were past due.

22 Inventories

	As at 31 December	
	2025 US$000	2024 US$000
Finished goods valued at cost	**7,393**	1,874
Products in process valued at cost	**53,333**	23,623
Products in process accrual valued at cost[1]	**8,118**	8,152
Supplies and spare parts[2]	**56,150**	58,476
	124,994	92,125
Provision for obsolescence of supplies	**(6,783)**	(5,038)
Ending balance	**118,211**	87,087

[1] Corresponds to the estimated production costs from 26 to 31 December 2025 (2024: 26 to 31 December 2024).
[2] Includes in transit inventory of US$342,000 (2024: US$689,000).

Finished goods include concentrate, dore and aggregates. Products in process include stockpile and precipitates.

The Group either sells dore bars as a finished product or if it is commercially advantageous to do so, delivers the bars for refining into gold and silver ounces which are then sold. In the latter scenario, the dore bars are classified as products in process. At 31 December 2025 and 2024, the Group had no dore on hand included in products in process.

Concentrate is sold to smelters, but in addition could be used as a product in process to produce dore.

Products in process accrual valued at cost include stockpile (2024: stockpile).

As part of the Group's short-term financing policies, it acquires pre-shipment loans which are guaranteed by the sales contracts. The Group has contracts as at 31 December 2025 of US$Nil (2024: US$Nil) (note 27).

The amount of expense recognised in profit and loss related to the consumption of inventory of supplies, spare parts and raw materials in 2025 is US$147,890,000 (2024: US$140,623,000).

Movements in the provision for obsolescence comprise an increase in the provision of US$1,745,000 (2024: US$864,000) and the reversal of US$Nil related to supplies and spare parts, that had been provided for (2024: US$Nil).

23 Cash and cash equivalents

	As at 31 December	
Cash and cash equivalents	**2025 US$000**	2024 US$000
Cash in hand	**723**	679
Current demand deposit accounts[1]	**94,514**	94,167
Time deposits[2]	**221,717**	2,122
Mutual funds	**–**	5
Cash and cash equivalents considered for the statement of cash flows (note 2(y))	**316,954**	96,973

[1] Relates to bank accounts which are freely available and bear interest. The balance has checks in transit. Includes US$10,609,000 current demand deposit accounts restricted to be utilised for advancing the Volcan project and its related business expenses (2024: US$11,837,000).
[2] These deposits have an average maturity of 6 days (2024: average of 4 days).

Cash and cash equivalents comprise cash on hand and deposits held with banks that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

The fair value of cash and cash equivalents approximates their book value.

24 Assets held for sale

Azuca and Arcata projects

Prior to classifying Arcata and Azuca disposal group as assets and liabilities related to asset held for sale, as at 30 June 2024, the Group recognised an impairment of US$13,732,000. The recoverable value of the Azuca and Arcata project was determined using a FVLCD methodology, based on the proposed economic terms of sale. In November 2024, the Group entered into an agreement whereby the third party acquired the assets and liabilities of Arcata and Azuca from Compañia Minera Ares for US$1,000,000 as a non-refundable cash payment at closing, and a 1.0% and 1.5% Royalty Net Smelter Return (NSR) for Arcata and Azuca, respectively. The buyer also took over the environmental liabilities amounting to US$9,652,000. The Group has provided a guarantee for the mine closure obligations for up to US$5,778,623 with maturity in January 2026. Upon completion of the transaction on 27 February 2025, the Group derecognised the assets and liabilities directly associated with assets held for sale which amounted to US$12,660,000 and US$9,652,000, respectively as at 31 December 2024.

The cash received for the sale of Azuca and Arcata projects was US$1,000,000 net of transaction costs of US$900,000. The gain on sale amounted to US$416,000 and is recognised in other income. The 1.0% and 1.5% Royalty Net Smelter Return (NSR) for Arcata and Azuca, respectively was recognised as a contingent consideration within other rights as an intangible with a fair value of US$4,715,000 (note 18) at initial recognition and a deferred tax liability of US$1,390,000 was recognised in connection with the deferred consideration.

Crespo project

In 2023, the Group entered into an agreement with a third party whereby the third party would acquire the assets and liabilities of the Crespo project from Compañia Minera Ares which resulted in the assets and liabilities of project Crespo being classified as held for sale at 31 December 2023. In March 2024, the Group received US$15,000,000 as a non-refundable cash payment at closing, and a 1.5% Royalty Net Smelter Return (NSR) over the Crespo project, recognised as a contingent consideration within other rights as an intangible with a fair value of US$3,967,000 (note 18) at initial recognition and a deferred tax liability of US$1,170,000 was recognised in connection with the deferred consideration. The buyer also took over the environmental liabilities of the project amounting to US$711,000. Upon completion of sale, the Group derecognised the asset held for sales amounting to US$17,398,000 and the liabilities directly associated with assets held for sale amounting to US$711,000. No profit or loss was generated on the sale. The cash received for the sale of Crespo project was US$15,000,000 net of transaction costs of US$1,110,000.

25 Trade and other payables

	As at 31 December			
	2025		2024	
	Non-current US$000	**Current US$000**	Non-current US$000	Current US$000
Trade payables[1]	**–**	**112,794**	–	126,357
Salaries and wages payable[2]	**–**	**40,832**	–	37,059
Payment in advance received[3]	**–**	**21,615**	–	5,002
Taxes and contributions	**15**	**11,902**	33	10,718
Guarantee deposits[4]	**–**	**8,068**	–	7,896
Accounts payable – hedges	**–**	**9,022**	–	6,943
Mining royalties (note 37)	**–**	**1,621**	–	1,470
Accounts payable to related parties (note 32(a))	**–**	**313**	–	209
Stream Agreements (note (a))	**19,332**	**–**	25,926	–
Lease liabilities (note 26)	**6,340**	**2,647**	3,477	3,246
Deferred consideration (note 4(b))	**4,862**	**–**	13,500	–
Other[5]	**3,676**	**10,982**	3,565	9,322
Total	**34,225**	**219,796**	46,501	208,222

[1] Trade payables relate mainly to the acquisition of materials, supplies and contractors' services. These payables do not accrue interest and no guarantees have been granted.

[2] Salaries and wages payable relates to remuneration payable. At 31 December 2025, there was Board members' remuneration payable of US$Nil (2024: US$Nil) and Long-Term Incentive Plan payable of US$3,845,000 (2024: US$3,764,000).

[3] Payments in advance received, mainly related to shipments not recognised as revenue during the period, amounting to US$17,613,000 in Minera Santa Cruz.

[4] Guarantee deposits made by the contractors of the Group to guarantee the fulfilment of their tasks. The guarantee will be returned to the contractor at the end of the service and when it is verified that it has been completed correctly.

[5] Current balance includes the accrual of the production costs corresponding to six days of production from 26 to 31 December of US$5,594,000 (2024: US$7,583,000).

(a) Stream Agreements

On 7 November, 2024, the Company completed the acquisition of 100% of the Monte Do Carmo Project ("MdC") from Cerrado Gold Inc. ("Cerrado"). At Closing, the Company assumed all liabilities in connection with the Sprott Private Resource Streaming and Royalty Corp. ("Sprott") secured note and streaming contract (collectively "Stream Agreements") that Cerrado had entered into with Sprott.

The US$20,000,000 metals purchase and sale agreement ("Streaming Contract") provided for the sale and physical delivery to Sprott of 2.25% of metals produced from MdC, for the duration of the project. The price payable for the metals is calculated by reference to the London Bullion Market Association (LBMA) price for gold or silver as applicable, and amounts to 10% of the reference price. In connection with the Streaming Contract, Cerrado issued a US$20,000,000 secured Note to Sprott that bears interest at a rate of 10% per annum, calculated and payable quarterly which will mature on the earlier of the achievement of commercial production or 14 March 2031 ("Secured Note").

Under the Stream Agreements, if the Board of Directors approves the construction of a mining operation with a life-of-mine production of less than 1,049,000 ounces of payable gold, the stream percentage on Monte Do Carmo would increase linearly from its base value of 2.25% following a formula in the Streaming Contract.

Management determined that the Secured Note and Streaming Contract with Sprott are closely connected, with the option of Sprott to set off the stream payment against the Secured Note, on the commencement of production of Monte Do Carmo.

On 30 June 2025, under the terms of the Stream Agreements, the Company executed the buy down for 50% of the Streaming Contract by paying US$13,000,000 to Sprott. As a result, the Secured Note is reduced to US$10,000,000 and the stream percentage is reduced by 50%. The definitive stream percentage will be determined upon the Board of Directors' approval of the construction of the mining operation and will be based on the then available payable gold ounces in the construction mine plan.

The Group has elected to account for the obligations arising from these agreements at FVTPL. The Secured Note represents a financial liability for the contractual obligation to repay the remaining principal of US$10,000,000 and quarterly interest payments in cash. The Stream Agreements meet the definition of a derivative and are accounted at FVTPL.

The fair value of the Stream Agreements was determined using the expected cash flow approach, which uses multiple, probability weighted cash flow projections discounted to present value.

The changes in the liabilities of the Stream Agreements as at 31 December 2025 are shown below:

	US$000
At 7 November 2024	**26,159**
Unrealised change in fair value (note 13)	(233)
At 31 December 2024	**25,926**
Cash payment for the exercise of the buy-down option	(13,000)
Gain on execution of the buy-down option (note 13)	(1,250)
Unrealised change in fair value (note 13)	7,482
Change in credit risk recognised in other comprehensive income	174
At 31 December 2025	**19,332**

The key assumptions on which management has based its determination of fair value of the Stream Agreements are gold prices, and reserves and resources (reflected in the production volume). The discount rates for the Secured Note of 6.3% and 7.4% and the Stream Agreement of 8.1% and 9.7% as at 31 December 2025 and 31 December 2024, respectively, (calculated under the WACC methodology).

As at 31 December 2025:

Real prices US$ per oz.	2028	2029	Long-term
Gold	3,475	3,183	3,000

As at 31 December 2024:

Real prices US$ per oz.	2028	2029	Long-term
Gold	2,248	1,894	2,100

Reasonable possible changes to any of the key assumptions above as at 31 December 2025 would increase/(decrease) the fair value of the Stream Agreements:

US$000	US$000
Gold price (decrease by 10%)	(1,618)
Gold price (increase by 10%)	1,618
Discount rate (increase by 1%)	(871)
Discount rate (decrease by 1%)	855
Reserves and resources volume (decrease by 10%)	(1,618)
Reserves and resources volume (increase by 10%)	1,618

The fair value of trade and other payables approximate their book values.

26 Lease liabilities

The Group has lease contracts for vehicles and equipment used in its operations and administrative offices. Leases of motor vehicles generally have lease terms of three years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of assets with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the short-term lease and lease of low-value assets recognition exemptions for these leases.

The following are the amounts recognised in profit or loss related to the leases according IFRS 16 and the other leases that the Group has not capitalised:

	Year ended 31 December	
	2025 US$000	2024 US$000
Depreciation expense for right-of-use assets (included in cost of sales, administrative, exploration and other expenses)	**(4,907)**	(4,514)
Interest expense on lease liabilities (included in finance expenses)	**(581)**	(582)
Expense relating to short-term leases (included in cost of sales, administrative, exploration and other expenses)	**(1,099)**	(959)
Expense relating to leases of low-value assets (included in cost of sales, administrative, exploration and other expenses)	**(1,706)**	(769)
Variable lease payments (included in cost of sales and exploration expenses)	**(22,931)**	(18,942)
Total amount recognised in profit or loss	**(31,224)**	(25,766)

The Group had total cash outflows for leases of US$31,235,000 in 2025 (2024: US$25,714,000). There were additions to right-of-use assets and lease liabilities during the year of US$7,182,000 (2024: US$7,094,000). The future cash outflows relating to leases that have not yet commenced are US$10,423,000 (2024: US$7,716,000). Short-term leases, leases of low-value assets and variable lease payments are included in the operating cash flows.

The movement in IFRS 16 lease liabilities in the years 2025 and 2024 is as follows:

	As at 1 January 2025 US$000	Additions US$000	Repayments US$000	Interest expense US$000	As at 31 December 2025 US$000
Lease liabilities	**6,723**	7,182	(5,499)	581	**8,987**
Less: current balance	**(3,246)**				**(2,647)**
Non-current balance	**3,477**				**6,340**

	As at 1 January 2024 US$000	Additions US$000	Repayments US$000	Interest expense US$000	As at 31 December 2024 US$000
Lease liabilities	4,093	7,094	(5,046)	582	6,723
Less: current balance	(2,714)				(3,246)
Non-current balance	1,379				3,477

27 Borrowings

	As at 31 December					
	2025			2024		
	Effective interest rate	**Non-current US$000**	**Current US$000**	Effective interest rate	Non-current US$000	Current US$000
Secured bank loans (a)						
Pre-shipment and other loans in Minera Santa Cruz (note 22)	**–**	**–**	**–**	8.45% to 13.00%	–	1,558
Short-term bank loans	**4.19% to 5.55%**	**–**	**112,953**	4.58% and 4.88%	–	80,210
Medium-term bank loans	**4.40% to 6.60%**	**225,000**	**1,690**	6.82% to 10.04%	163,333	67,481
Total		**225,000**	**114,643**		163,333	149,249

(a) Secured bank loans:

Pre-shipment and other loans in Minera Santa Cruz:

- As at 31 December 2025, Minera Santa Cruz has loans of US$Nil (2024: US$1,486,000) plus interests of US$Nil (2024: US$72,000, with a maturity between January and March 2025).

Short-term bank loans:

- As at 31 December 2025, Compañia Minera Ares has one loan with Interbank amounting to US$30,000,000 plus interests of U$618,000 (maturity in December 2026) and one loan with Banco de Credito del Peru amounting to US$60,000,000 plus interests of US$2,291,000 (maturity in January 2026). Amarillo has one loan with Citibank amounting to US$20,000,000 plus interests of US$44,000 (maturity in February 2026).
- As at 31 December 2024, Compañia Minera Ares had two loans with Interbank amounting to US$45,000,000 plus interests of U$119,000 (maturity in November 2025) and one loan with BBVA amounting to US$35,000,000 plus interests of US$91,000 (maturity in February 2025).

Medium-term bank loans:

- In December 2019, a five-year credit agreement was signed between Minera Ares and Scotiabank Peru S.A.A., The Bank of Nova Scotia and BBVA Securities Inc, with Hochschild Mining PLC as guarantor amounting to US$200,000,000. In September 2021, the Group negotiated with the same counterpart a US$200,000,000 loan to replace the original loan, plus an additional US$100,000,000 optional loan ("Original Credit agreement"). The Group repaid US$25,000,000 of the loan in December 2023, and

repaid the remaining balance of US$275,000,000 during 2024, and the Credit Agreement was terminated. Financial covenants under the agreement were: (i) Consolidated Leverage Ratio <= 3 and (ii) Consolidated Interest Coverage Ratio ≥ 4.00.
- In December 2022, a credit agreement for up to US$200,000,000 was signed between Amarillo Mineracao do Brasil Ltda. and Compania Minera Ares SAC, and The Bank of Nova Scotia and BBVA Securities Inc, with Hochschild Mining PLC as guarantor. The medium-term facility was fully withdrawn as of December 2024 (US$60,000,000 in 2023, and US$140,000,000 in 2024), and is payable in equal quarterly instalments from February 2025 through November 2027, with an interest rate of three-month SOFR plus a spread of 2.05%. The Group fully repaid the US$200,000,000 in 2025. Financial covenants under the agreement were: (i) Consolidated Leverage Ratio <= 3 and (ii) Consolidated Interest Coverage Ratio ≥ 4.00.
- In October 2024, an ESG-linked credit agreement for up to US$300,000,000 was signed between Amarillo Mineracao do Brasil Ltda. and Compania Minera Ares SAC, and The Bank of Nova Scotia and BBVA Securities Inc, with Hochschild Mining PLC as guarantor (the New Credit Agreement). The medium-term facility can be withdrawn until October 2026, and is payable in equal quarterly instalments from January 2028 through October 2029, with an interest rate of three-month SOFR plus a spread of 1.95%, which may be reduced to 1.90% if certain ESG metrics are achieved. A structuring fee of US$1,950,000 was paid to the lenders and additional US$225,000 was incurred as transaction costs. In addition, a commitment fee of 0.528% are payable on quarterly instalments for any amounts remaining undrawn on the facility. During the year the Group paid $1,559,000 of commitments fees. US$30,000,000 was withdrawn in December 2024 to repay the remaining amount outstanding of the Original Credit Agreement US$300,000,000 loan, and US$90,000,000 was withdrawn in 2025. The remaining balance of US$180,000,000 was undrawn as at 31 December 2025. Financial covenants under the agreement are: (i) Consolidated Leverage Ratio <= 3 and (ii) Consolidated Interest Coverage Ratio ≥ 4.00.
There have been no breaches of the financial covenants of any interest-bearing loans and borrowing in the current period.
- As at 31 December 2025, Compañia Minera Ares has one loan with Interbank amounting to US$5,000,000 plus interests of US$104,000 (maturity in January 2027). Amarillo has one loan with JP Morgan amounting to US$40,000,000 plus interests of US$104,000 (maturity in June 2027), and one loan with BBVA amounting to US$60,000,000 plus interests of US$821,000 (maturity in April 2027).

(b) Capitalised borrowing costs:

In 2025, interest expense of US$7,567,000 that is directly attributable to the construction of Monte do Carmo (US$6,278,000), Mara Rosa (US$376,000) and Compañía Minera Ares S.A.C. (US$913,000) has been capitalised and is included in property, plant and equipment within construction in progress and capital advances (US$1,289,000) and mining property and development costs (US$116,000), and exploration and evaluation assets (US$6,162,000).

In 2024, interest expense of US$7,012,000 that is directly attributable to the construction of Mara Rosa (US$6,257,000) and Compañía Minera Ares S.A.C. (US$755,000) has been capitalised and is included in property, plant and equipment within construction in progress and capital advances (US$4,991,000) and mining property and development costs (US$1,982,000), and exploration and evaluation assets (US$39,000)).

The carrying value including accrued interest payable of the medium-term bank loans as at 31 December 2025 is US$226,690,000 (2024: US$230,814,000). The maturity of non-current borrowings is as follows:

	As at 31 December	
	2025 US$000	2024 US$000
Between 1 and 2 years	**105,000**	66,667
Between 2 and 5 years	**120,000**	96,666
Over 5 years	**--**	–
Total	**225,000**	163,333

The carrying amount of the pre-shipment, short-term and other loans approximates their fair value. The carrying amount and fair value of the medium-term bank loans are as follows:

	Carrying amount as at 31 December		Fair value as at 31 December	
	2025 US$000	2024 US$000	2025 US$000	2024 US$000
Medium-term bank loans	**226,690**	230,814	220,076	221,560

The movement in borrowings during the years 2025 and 2024 are as follows:

	As at 1 January 2025 US$000	Additions US$000	Repayments US$000	Reclassifications and others [1] US$000	As at 31 December 2025 US$000
CURRENT					
Pre-shipment and other loans in Minera Santa Cruz	1,486	–	(1,486)	–	**–**
Short-term bank loans	80,000	215,000	(185,000)	–	**110,000**
Medium-term bank loans	66,667	–	(66,667)	–	**–**
Accrued interest	1,096	15,635	(17,703)	5,615	**4,643**
	149,249	230,635	(270,856)	5,615	**114,643**
NON-CURRENT					
Medium-term bank loans	163,333	195,000	(133,333)	–	**225,000**
Total current and non-current borrowings	312,582	425,635	(404,189)	5,615	**339,643**

[1] Reclassifications and others of accrued interests includes capitalisation of interests of US$7,567,000 (27(b)), offset by transaction costs of US$1,742,000, and foreign exchange effect of US$210,000.

	As at 1 January 2024 US$000	Additions US$000	Repayments US$000	Reclassifications and others[1] US$000	As at 31 December 2024 US$000
CURRENT					
Pre-shipment and other loans in Minera Santa Cruz	3,870	1,607	(3,991)	–	1,486
Short-term bank loans	–	140,000	(60,000)	–	80,000
Medium-term bank loans	100,001	8,333	(275,000)	233,333	66,667
Stock market promissory note	2,000	–	(2,000)	–	–
Accrued interest	6,193	15,425	(27,074)	6,552	1,096
	112,064	165,365	(368,065)	239,885	149,249
NON-CURRENT					
Medium-term bank loans	234,999	161,667	–	(233,333)	163,333
Total current and non-current borrowings	347,063	327,032	(368,065)	6,552	312,582

[1] Reclassification and others from non-current of US$233,333,000 includes transfer from non-current to current borrowings of US$233,333,000. Reclassifications and others of accrued interests includes capitalisation of interests of US$7,012,000 (28(c)), offset by transaction costs of US$364,000, and foreign exchange effect of US$96,000.

28 Provisions

	Provision for mine closure[1] US$000	Long-Term Incentive Plan US$000	Workers profit sharing US$000	Legal claims US$000	Total US$000
At 1 January 2024	**162,716**	**–**	**3,426**	**7,971**	**174,113**
Additions	–	3,231	6,590	6,153	15,974
Accretion (note 13)	3,110	(87)	–	–	3,023
Change in discount rate	(3,727)	–	–	–	(3,727)
Change in estimates	18,805	–	–	–	18,805
Foreign exchange effect	–	–	–	(608)	(608)
Transfers to assets held for sale (note 24)	(9,652)	–	–	–	(9,652)
Transfer to other payables	–	(7,161)	–	–	(7,161)
Transfer from other reserves	–	7,954	–	–	7,954
Payments	(11,833)	–	(3,210)	(1,815)	(16,858)
At 31 December 2024	**159,419**	**3,937**	**6,806**	**11,701**	**181,863**
Less: current portion	(22,799)	–	(6,806)	(5,477)	(35,082)
Non-current portion	136,620	3,937	–	6,224	146,781
At 1 January 2025	**159,419**	**3,937**	**6,806**	**11,701**	**181,863**
Additions	–	4,157	23,447	3,476	31,080
Accretion (note 13)	3,070	107	–	–	3,177
Change in discount rate	3,713	–	–	–	3,713
Change in estimates	27,445	–	–	–	27,445
Foreign exchange effect	–	–	–	468	468
Transfer to other payables	–	(3,845)	(239)	–	(,084)
Payments	(15,829)	–	(8,845)	(1,641)	(26,315)
At 31 December 2025	**177,818**	**4,356**	**21,169**	**14,004**	**217,347**
Less: current portion	(28,880)	–	(21,169)	(5,406)	(55,455)
Non-current portion	148,938	4,356	–	8,598	161,892

1 Provision for mine closure

The provision represents the discounted values of the estimated cost to decommission and rehabilitate the mines at the expected date of closure of each of the mines. The present value of the provision has been calculated using a real pre-tax annual discount rate, based on a US Treasury bond of an appropriate tenure adjusted for the impact of inflation as at 31 December 2025 and 2024 respectively, and the cash flows have been adjusted to reflect the risk attached to these cash flows. Uncertainties on the timing for use of this provision include changes in the future that could impact the time of closing the mines, as new resources and reserves are discovered, technological changes, regulatory changes, cost increases, changes in discount rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided. The discount rate used was 1.59% (2024: 2.00%). Expected cash flows will be over a period from one to 25 years (2024: over a period from one to 25 years).

During the year the Company revised certain estimates related to its mine closure provision, mainly associated with the Sipan, Selene and Ares units, which are currently in the closure phase. The change primarily reflects updated cost assumptions and the inclusion of additional capital and operating costs related to water treatment activities.

Based on the internal and external reviews of mine rehabilitation estimates, the provision for mine closure increased by US$27,445,000 due to the change in estimates and increased by US$3,713,000 due to the change in the discount rate, as follows:

	Change in estimate		Change in discount rate		Timing of expected outflows
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	Years
Arcata	–	(1)	–	(7)	–
Ares	5,997	10,323	434	99	2026-2036
Sipan	7,405	4,242	465	25	2026-2037
Selene	8,982	144	740	(108)	2026-2033
Recognised in the consolidated income statement	**22,384**	**14,708**	**1,639**	**9**	
Pallancata	(934)	(789)	(75)	(417)	2026, 2037- 2049
Matarani	–	(30)	6	(10)	2036- 2041
Azuca	–	–	–	(2)	–
Inmaculada	724	3,229	383	(2,126)	2026-2050
San Jose	3,140	419	1,434	(613)	2027-2042
Mara Rosa	2,131	1,268	326	(568)	2037-2045
Recognised in property, plant and equipment	**5,061**	**4,097**	**2,074**	**(3,736)**	
Total	**27,445**	**18,805**	**3,713**	**(3,727)**	

A change in any of the following key assumptions used to determine the provision would have the following impact:

As at 31 December 2025	US$000
Closure costs (increase by 10%) increase of provision	**17,782**
Discount rate (increase by 0.5%) (decrease of provision)	**(6,631)**

An element of mine closure planning can be water management, which relates to the treatment of contact water. The cost of this water processing could continue for a number of years after closure activities have been completed and is therefore, potentially, exposed to long-term climate change. Mine planning for Hochschild's operating assets takes into account mine-closure activities. In the case of the now-closed Sipan mine, due to the specific characteristics of the closed mine components, contact water treatment is ongoing. According to our most recent approved Mine Closure Plan (July 2021), Sipan will be the subject of ongoing treatment until 2031 or until baseline water quality conditions have been met. As at the date of approval of these financial statements, the impact of climate change on Sipan's mine closure planning is not expected to be material.

2 Long-term incentive plan

Corresponds to the provision related to awards granted under the Long-Term Incentive Plan (LTIP) to designated personnel of the Group, and includes the 2024 awards, granted in March 2024, payable in March 2027 and the 2025 awards, granted in March 2025, payable in March 2028. The 2023 awards which are payable in 2026 have a value of US$3,845,000 and are included in trade and other payables. The effect has been recorded as administrative expenses.

The following tables list the inputs to the last Monte Carlo model used for the LTIPs:

	As at 31 December 2025		As at 31 December 2024	
	LTIP 2024 US$000	LTIP 2025 US$000	LTIP 2023 US$000	LTIP 2024 US$000
Dividend yield (%)	0	0	0	0
Expected annual volatility (%)	44.77	44.77	47.46	47.46
Risk-free interest rate (%)	3.59	3.55	4.77	4.77
Expected life (years)	1	2	1	2
Weighted average share price (pence £)	95.99	216.77	63.9	96.51

On 22 May 2024, beneficiaries of LTIPs were communicated of a change in the payment mechanism resulting in a modification of the LTIP from an equity settled to a cash settled transaction. This resulted in a recognition of liability based on the fair valuation of the cash settled LTIPs as at the date of modification and reversal of the share-based payment reserves. The effect at the date of the modification was an additional expense of US$419,000.

3 Legal Claims

The non-current balance of US$8,598,000 (2024: US$6,224,000) mainly corresponds to labour lawsuits in Minera Santa Cruz of US$5,405,000 and legal claims in Compañia Minera Ares of US$2,440,000 (2024: US$Nil); the Group expect to resolve in a period of more than one year. Current contingencies mainly includes the balance of Compañia Minera Ares of US$4,611,000 (2024: US$3,002,000) related to administrative fines.

29 Equity

(a) Share capital and share premium

Issued share capital

The issued share capital of the Company as at 31 December 2025 and 2024 is as follows:

	Issued	
Class of shares	Number	Amount
Ordinary shares (1 pence per share)	514,458,432	£5,144,584

The movement in share capital of the Company from 1 January 2024 to 31 December 2025 is as follows:

	Number of ordinary shares	Share capital US$000
Shares issued as at 31 December 2024	**514,458,432**	**9,068**
Shares issued as at 31 December 2025	**514,458,432**	**9,068**

Rights attached to ordinary shares

At general meetings of the Company, on a show of hands and on a poll, every member who is present in person or subject to the below, by proxy, has one vote for every share of which they are the holder/proxy. However, in the case of a vote on a show of hands where a proxy has been appointed by more than one member, the proxy has one vote for and one vote against if the proxy has been instructed by one or more members to vote for the resolution and by one or more members to vote against the resolution.

(b) Other reserves

Fair value reserve of financial assets at fair value through OCI

In accordance with IFRS 9, the Group made the decision to classify its investments in listed and unlisted companies as financial assets at fair value through OCI. The increase/decrease in the fair value, net of the related deferred tax liability, is taken directly to this account where it will remain until disposal, when the cumulative unrealised gains and losses are recycled through retained earnings.

Cumulative translation adjustment

The cumulative translation adjustment account is used to record exchange differences arising from the translation of the financial statements of subsidiaries with a functional currency different to the reporting currency of the Group.

Merger reserve

The merger reserve represents the difference between the value of the net assets of the Cayman Holding Companies (Ardsley, Garrison, Larchmont and Hochschild Mining (Peru)) acquired under the Share Exchange Agreement and the nominal value of the shares issued in consideration of such acquisition. In addition, a merger reserve was generated by certain share placing transactions made by the Group after the IPO. The merger reserve available for distribution is disclosed within retained earnings.

Cash flow hedges

Changes in the fair value of derivatives designated as cash flow hedges, which are held to hedge the exposure to variability in cash flows of the hedged items, are recognised in other components of equity until changes in the fair value of the hedged item are recognised in profit or loss. The Group uses cash flow hedges for hedging the exposure to variability in gold and silver prices.

Share-based payment reserve

The share-based payment reserve is used to recognise the value of equity-settled share-based payment transactions provided to employees, as a part of their remuneration. In May 2024 the award changed from an equity-settled benefit to a cash settled benefit, and the balance recorded in other reserves was transferred to provisions (note 28(2)). As at 31 December 2025 the balance is US$Nil (2024: US$Nil)

30 Deferred income tax

The net deferred income tax assets/(liabilities) are as follows:

	Year ended 31 December	
	2025 US$000	2024 US$000
Beginning of the year	**(54,827)**	(66,276)
Income statement benefit/(expense) (note 14)	**23,955**	(14,409)
Deferred tax recognised on items in other comprehensive income[1]	**51,971**	27,620
Deferred tax recognised related to Monte do Carmo acquisition	**–**	2,817
Reclassification of deferred tax to assets held for sale	**–**	(3,409)
Deferred tax recognised on disposal of Azuca and Arcata projects (note 24)	**(1,390)**	–
Deferred tax recognised on disposition of Crespo project (note 24)	**–**	(1,170)
End of the year	**19,709**	(54,827)

[1] The deferred tax recovery for items that will be subsequently reclassified to profit and loss is US$51,749,000 (2024: US$28,473,000).

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to the same fiscal authority.

The movement in deferred income tax assets and liabilities before offset during the year is as follows:

	PP&E US$000	Mine development US$000	Provisional pricing adjustment US$000	Others US$000	Total US$000
DEFERRED INCOME TAX LIABILITIES					
At 1 January 2024	**47,112**	**86,670**	**–**	**8,452**	**142,234**
Income statement expense/(benefit)	7,895	12,852	19	(2,077)	**18,419**
Reclassification to assets held for sale	–	3,262	–	–	**3,262**
At 31 December 2024	**55,007**	**102,514**	**19**	**6,375**	**163,915**
Income statement expense/(benefit)	(1,150)	8,975	(19)	(869)	**6,937**
Reclassification to assets held for sale	–	1,390	–	–	**1,390**
At 31 December 2025	**53,857**	**112,879**	**–**	**5,506**	**172,242**

	PP&E US$000	Provision for mine closure US$000	Mine development US$000	Tax losses US$000	Others[1] US$000	Total US$000
DEFERRED INCOME TAX ASSETS						
At 1 January 2024	**17,279**	**34,774**	**146**	**7,402**	**16,357**	**75,958**
Income statement benefit/(expense)	(4,261)	(8,306)	(242)	(2,933)	18,582	**2,840**
Reclassification to assets held for sale	(147)	–	-	–	–	**(147)**
Deferred tax recognised related to the Monte do Carmo acquisition	–	–	1,918	–	899	**2,817**
Deferred tax recognised on items in other comprehensive income	–	–	–	–	27,620	**27,620**
At 31 December 2024	**12,871**	**26,468**	**1,822**	**4,469**	**63,458**	**109,088**
Income statement benefit/(expense)	6,000	6,250	(719)	6,823	12,538	**30,892**
Deferred tax recognised on items in other comprehensive income	–	–	–	–	51,971	**51,971**
At 31 December 2025	**18,871**	**32,718**	**1,103**	**11,292**	**127,967**	**191,951**

[1] Credit/(charge) in the year mainly related to the balance of hedges of US$95,185,000 (2024 hedges of US$34,445,000), exchange difference credit on cash basis of US$2,752,000 (2024: credit of US$13,239,000), statutory holiday provision of US$934,000 (2024: US$875,000) and Long-Term Incentive Plan of US$2,372,000 (2024: US$2,065,000).

The amounts after offset, as presented on the face of the statement of financial position, are as follows:

	As at 31 December	
	2025 US$000	2024 US$000
Deferred income tax assets	**105,137**	27,677
Deferred income tax liabilities	**(85,428)**	(82,504)
Total	**19,709**	(54,827)

In accordance with IAS 12, management has assessed the recoverability of the deferred tax asset with reference to projected future taxable profits. Based on this assessment, a deferred tax asset of US$95,185,000 has been recognised in respect of unrealised hedge losses (2024: US$30,506,000) and US$10,384,000 in respect of tax losses (2024: US$4,469,000) in Brazil (Amarillo Mineração do Brasil). Tax losses in Brazil may be carried forward indefinitely; however, their utilisation in any given period is limited to 30% of the taxable income for that period. Losses in 2025 amounted to $30,540,000 in Brazil, resulting from operational challenges at Mara Rosa. Remediation initiatives implemented during the year have strengthened operational processes and workforce stability, supporting more consistent operations. Based on future financial and tax projections, management considers it probable that sufficient taxable profits will be available in the relevant periods to utilise these deductible temporary differences and unused tax losses.

Tax losses expire in the following years:

	As at 31 December	
	2025 US$000	2024 US$000
RECOGNISED		
Expire in four years	**3,077**	–
Without expiration	**30,540**	13,145
	33,617	13,145
UNRECOGNISED		
Expire in one year	**766**	1,040
Expire in two years	**1,196**	766
Expire in three years	**43**	1,196
Expire in four years	–	43
Expire after four years	**217,114**	200,155
	219,119	203,200
Total	**252,736**	216,345

Other unrecognised deferred income tax assets comprise (gross amounts):

	As at 31 December	
	2025 US$000	2024 US$000
Provision for mine closure[1]	**14,399**	16,633

[1] This relates to provision for mine closure expenditure which is expected to be incurred in periods in which taxable profits are not expected to be available to offset the expenditure.

Unrecognised deferred tax liability on retained earnings

At 31 December 2025 and 2024, there was no recognised deferred tax liability for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries as the intention is that these amounts are permanently reinvested.

31 Dividends

	Year ended 31 December	
	2025 US$000	2024 US$000
DIVIDENDS PAID AND PROPOSED DURING THE YEAR		
Dividends on ordinary shares:		
Final dividend for 2024:1.94 US$ cents per share (2023: Nil US$ cents per share)	**10,050**	–
Interim dividend for 2025: 1.00 US$ cents per share (2024: Nil US$ cents per share)	**5,145**	–
Total dividends paid in cash	**15,195**	–
Proposed dividends on ordinary share		
Final dividend for 2025: 5.00 US$ cents per share (2024: 1.94 US$ cents per share)	**25,723**	10,000
Dividends declared to non-controlling interests: 0.013 US$ per share (2024: 0.002 US$ per share)	**2,246**	388
Total dividends declared to non-controlling interests	**2,246**	388

Dividends paid in 2025 to non-controlling interests amounted to US$2,246,000 (2024: US$388,000).

Dividends per share

The proposed final dividend in respect of the year ending 31 December 2025 is 5.00 US$ cents per share (2024: US$1.94).

32 Related-party balances and transactions

(a) Related-party accounts receivable and payable

The Group had the following related-party balances and transactions during the years ended 31 December 2025 and 2024. The related parties are companies owned or controlled by the main shareholder of the Parent company or associates.

	Accounts receivable as at 31 December		Accounts payable as at 31 December	
	2025 US$000	**2024 US$000**	2025 US$000	2024 US$000
CURRENT RELATED PARTY BALANCES				
Cementos Pacasmayo S.A.A.[1]	**172**	73	**105**	60
UTEC[2]	**–**	–	**202**	–
Tecsup[2]	**–**	30	**6**	149
REE UNO SpA[3]	**–**	18	**–**	–
Aclara Resources Inc. [3]	**2**	–	**–**	–
Aclara Resources Peru[3]	**2**	–	**–**	–
Total	**176**	121	**313**	209

[1] The account receivable relates to reimbursement of expenses paid by the Group on behalf of Cementos Pacasmayo S.A.A, an entity controlled by Eduardo Hochschild. The account payable relates to the rentals payments.
[2] Peruvian not-for-profit educational institutions controlled by Eduardo Hochschild.
[3] Associated companies of the Aclara Group (refer to note 19).

As at 31 December 2025 and 2024, all accounts are, or were, non-interest bearing.

No security has been granted or guarantees given by the Group in respect of these related party balances.

Principal transactions between affiliates are as follows:

	Year ended 31 December	
	2025 US$000	2024 US$000
EXPENSES		
Expense recognised for the rental and services paid to Cementos Pacasmayo S.A.A.	**(503)**	(505)
Expense donation Asociacion Amanatari[1]	**(160)**	(80)
Expense scholarship to UTEC	**(94)**	(371)
Expense sponsorships to UTEC	**(5)**	–
Expense donations to UTEC	**(202)**	–
Expense research project with UTEC	–	(19)
Expense technical services from Tecsup	**(30)**	(159)
Income from administrative services to REE UNO SpA	**22**	40
Income from reimbursement of security costs of Cementos Pacasmayo S.A.A.	**881**	676
Income from administrative services to Aclara Resources Peru	**11**	11
Revenue from sale of dore to Farragut Holdings Inc.[2]	–	72

[1] Peruvian non-for-profit institution controlled by Eduardo Hochschild.
[2] Cayman Island Company controlled by Eduardo Hochschild.

Transactions between the Group and these companies are at an arm's length basis.

(b) Compensation of key management personnel of the Group

	Year ended 31 December	
COMPENSATION OF KEY MANAGEMENT PERSONNEL (INCLUDING DIRECTORS)	**2025 US$000**	2024 US$000
Short-term employee benefits	**7,611**	6,570
Long-Term Incentive Plans	**1,888**	1,714
Total compensation paid to key management personnel	**9,499**	8,284

This amount includes the remuneration paid to the Directors of the Parent Company of the Group of US$4,601,000 (2024: US$3,482,000).

33 Auditor's remuneration

The auditor's remuneration for services provided to the Group during the years ended 31 December 2025 and 2024 is as follows:

	Amounts paid to Ernst & Young in the year ended 31 December	
	2025 US$000	2024 US$000
Audit fees pursuant to legislation[1]	**1,661**	1,561
Audit related assurance services	**341**	150
Other assurance services	**15**	24
Total	**2,017**	1,735

[1] The total fee includes audit fees of US$635,000 in respect of local statutory audits of subsidiaries (2024: US$560,000).

Audit fees might be different from those previously reported as they might include additional out of scope fees and out of pocket expenses. In 2025 and 2024, all fees are included in administrative expenses.

34 Notes to the statement of cash flows

	Year ended at 31 December	
	2025 US$000	2024 US$000
Reconciliation of loss for the year to net cash generated from operating activities		
Profit for the year	**247,402**	113,749
Adjustments to reconcile Group loss to net cash inflows from operating activities		
Depreciation (note 3(a))	**174,552**	158,649
Amortisation of intangibles (note 3(a))	**1,940**	1,579
Write-off of assets (note 16)	**4,074**	3,883
Provision of doubtful receivable	**180**	245
(Reversal of impairment)/ impairment of assets (note 11)	**(56,845)**	13,732
Share of post-tax (gain)/losses and impairment of associates (note 19)	**(20,544)**	6,489
Gain on sale of property, plant and equipment (note 12)	**(377)**	(656)
Provision for obsolescence of supplies (notes 12 and 22)	**1,745**	864
Increase of provision for mine closure (note 12)	**24,023**	14,717
Loss on discontinuation of hedge relationship (note 38(a))	**26,427**	–
Finance income (note 13)	**(11,826)**	(13,097)
Finance costs (note 13)	**41,112**	26,928
Income tax expense (note 14)	**125,422**	63,468
Other	**6,633**	3,351
Increase/(decrease) of cash flows from operations due to changes in assets and liabilities		
Trade and other receivables	**(56,257)**	(79,788)
Income tax receivable	**(1,456)**	(2,813)
Other financial assets and liabilities	**12,477**	(2,410)
Inventories	**(31,767)**	(21,161)
Trade and other payables	**(26,090)**	70,282
Provisions	**13,068**	7,029
Cash generated from operations	**473,893**	365,040

35 Commitments

(a) Mining rights purchase options

During the ordinary course of business, the Group enters into agreements to carry out exploration under concessions held by third parties. Generally, under the terms of these agreements, the Group has the option to acquire the concession or invest in the entity holding the concession. In order to exercise these options the Group must satisfy certain financial and other obligations during the term of the agreement. The options lapse in the event that the Group does not meet its financial obligations. At any point in time, the Group may cancel the agreements without penalty, except where specified below. These agreements are not under non-cancellable/irrevocable clauses. The Group has no commitments as at 31 December 2025 and 31 December 2024.

(b) Capital commitments

	As at 31 December	
	2025 US$000	2024 US$000
Peru	**7,654**	26,527
Argentina	**477**	1,733
Brazil	**9,894**	–
	18,025	28,260

36 Contingencies

The Group is subject to various claims which arise in the ordinary course of business. In addition, the Group is subject to various laws and regulations which, if not observed, could give rise to penalties. It is not practical to determine the amount of any potential claims or penalties or the likelihood of any unfavourable outcome arising from any future inspections that might be initiated by the regulators. No provision has been made in the financial statements and none of these claims are currently expected to result in any material loss to the Group.

(a) Taxation

Fiscal periods remain open to review by the tax authorities for four years in Peru, five years in Argentina and Mexico, ten years in Brazil and three years in Chile, preceding the year of review. During this time the authorities have the right to raise additional tax assessments including penalties and interest. Under certain circumstances, reviews may cover longer periods.

Because a number of fiscal periods remain open to review by the tax authorities, coupled with the complexity of the Group and the transactions undertaken by it, there remains a risk that significant additional tax liabilities may arise. As at 31 December 2025, the Group had exposures totalling US$19,520,000 (2024: US$17,077,000).

When the Tax authority challenges the deductibility of certain expenses the Group reassesses the case internally and externally, with the support of a third party professional to determine the probability of success and, depending on the result, makes the decision whether or not to continue with the claim. Notwithstanding this risk, the Directors believe that management's interpretation of the relevant legislation and assessment of taxation is appropriate and that it is probable that the Group's tax and customs positions will be sustained in the event of a challenge by the tax authorities. Consequently, the Directors consider that no tax liability is required to be recognised in respect of these claims or risks.

(b) Guarantees

The Group is required to provide guarantees in Peru in respect of environmental restoration and decommissioning obligations. The Group has provided for the estimated cost of these activities (see note 28(1)).

37 Mining royalties

Peru

In accordance with Peruvian legislation, owners of mining concessions must pay a mining royalty for the exploitation of metallic and non-metallic resources. Mining royalties have been calculated with rates ranging from 1% to 3% of the value of mineral concentrate or equivalent sold, based on quoted market prices.

In October 2011, changes came into effect for mining companies, with the following features:

(a) Introduction of a Special Mining Tax (SMT), levied on mining companies at the stage of exploiting mineral resources.
(b) Modification of the mining royalty calculation, which consists of applying a progressive scale of rates ranging from 1% to 12%, of the quarterly operating profit. The former royalty was calculated on the basis of monthly sales value of mineral concentrates. The SMT and modified mining royalty are accounted for as an income tax in accordance with IAS 12 Income Taxes.

As at 31 December 2025, the amount payable as under the new mining royalty and the SMT amounted to US$6,125,000 (2024: US$1,717,000) and US$5,326,000 (2024: US$1,742,000) respectively. The new mining royalty and SMT are reported as "Income tax payable" in the Statement of Financial Position. The amount recorded in the income statement was US$14,974,000 (2024: US$7,108,000) of new mining royalty and US$13,656,000 (2024: US$7,051,000) of SMT, both classified as income tax.

Argentina

In accordance with Argentinian legislation, Provinces (being the legal owners of the mineral resources) are entitled to collect royalties from mine operators. For San Jose, the mining royalty applicable to dore and concentrate is 3% of the pit-head value. As at 31 December 2025, the amount payable as mining royalties amounted to US$1,432,000 (2024: US$970,000). The amount recorded in the income statement as cost of sales was US$10,631,000 (2024: US$7,331,000).

Brazil

Under Brazilian law, the Government has the right to collect royalties from mine operators. For Mara Rosa, the mining royalty applicable to the dore is 1.5% on the sales made. As of 31 December 2025, the amount payable as mining royalties is US$189,000 (2024: US$500,000). The amount recorded in the income statement as cost of sales was US$2,024,000 (2024: US$2,363,000).

38 Financial risk management

The Group is exposed to a variety of risks and uncertainties which may have a financial impact on the Group and which also impact the achievement of social, economic and environmental objectives. These risks include strategic, commercial, operational and financial risks and are further categorised into risk areas to facilitate consolidated risk reporting across the Group.

The Group has made significant developments in the management of the Group's risk environment which seeks to identify and, where appropriate, implement the controls to mitigate the impact of the Group's significant risks. This effort is supported by a Risk Committee with the participation of the CEO, the Vice Presidents, and the head of the internal audit function. The Risk Committee is responsible for implementing the Group's policy on risk management and internal control in support of the Company's business objectives, and monitoring the effectiveness of risk management within the organisation.

(a) Commodity price risk

Silver and gold prices have a material impact on the Group's results of operations. Prices are significantly affected by changes in global economic conditions and related industry cycles. Generally, producers of silver and gold are unable to influence prices directly; therefore, the Group's profitability is ensured through the control of its cost base and the efficiency of its operations.

Management continuously monitors silver and gold prices and reserves the right to take the necessary action, such as entering into hedging agreements, where appropriate and within Board approved parameters, to mitigate the impact of this risk.

Derivative financial assets –Gold forwards and zero cost collars

On 12 April 2023, the Group signed agreements to hedge the sale of 27,600 ounces of gold at US$2,100 per ounce for 2024.

On 19 June 2023, the Group signed agreements to hedge the sale of 150,000 ounces of gold (50,000 ounces per year) at US$2,117.05, US$2,166.65 and US$2,205.50 per ounce in 2025, 2026 and 2027 respectively.

On 14 December 2023, the Group signed a gold collar agreement of 99,999.96 ounces of gold at strike put of US$2,000 and strike call of US$2,252 per ounce for 2024.

On 14 February 2024, the Group signed a gold collar agreement of 60,000 ounces of gold at strike put of US$2,000 and strike call of US$2,485 per ounce for 2025.

On 6 August 2025 the Group renegotiated the gold forward hedge agreement to roll forward 20,813 ounces from August to December 2025 to the first semester of 2028, at a gold price of US$2,150 per ounce (US$2,117 per ounce in the original agreement). No cashflows resulted from the renegotiation of the agreements.

The forwards and zero cost collars are being used to hedge exposure to changes in cash flows from gold commodity prices. There is an economic relationship between the hedged item and the hedging instruments due to a common underlying. In accordance with IFRS 9, the derivative instruments are categorised as cash flow hedges at the inception of the hedging relationship and, on an ongoing basis, the Group assesses whether a hedging relationship meets the hedge effectiveness requirements. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the silver and gold forwards and zero cost collars is identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the gold and silver forwards against the changes in fair value of the hedged item attributable to the hedged risk. That said, it is observed that the effectiveness tests comply with the requirements of IFRS 9 and that the hedging strategy is highly effective.

The fair values of the gold and silver forwards and zero cost collars were calculated using a discounted cash flow model applying a combination of level 1 (USD quoted market commodity prices) and level 2 inputs. The models used to value the commodity forward contracts are standard models that calculate the present value of the fixed-legs (the fixed gold and silver leg) and compare them with the present value of the expected cash flows of the flowing legs (the London metal exchange "LME" gold and silver fixing). In the case of the commodity forward contracts, the models use the LME AU and AG forward curve and the SOFR swap curve for discounting.

This approach results in the fair value measurement categorised in its entirety as level 2 in the fair value hierarchy. The fair values of the gold forwards as at 31 December 2025 and 31 December 2024 are as follows:

	As at 31 December 2025 US$000	As at 31 December 2024 US$000
Current liabilities	**(111,567)**	(40,276)
Non-current liabilities	**(165,157)**	(61,343)
	(276,724)	(101,619)

The effect recorded is as follows:

	Year ended 31 December 2025 US$000	Year ended 31 December 2024 US$000
Income statement – revenue		
- Loss on realised hedges	**(86,048)**	(27,903)
- Loss on discontinuation of hedge relationship[1]	**(26,427)**	–
Income statement – finance income	**1,817**	866
Equity – Cashflow hedges reserve		
- Unrealised loss on hedges	**176,860**	85,560
- Loss on discontinuation of hedge relationship[1]	**(26,427)**	-

[1] In August 2025, the Group renegotiated the gold forward hedge agreement resulting in the extension of 20,813 ounces from August to December 2025 to the first semester of 2028. At the date of the roll-forward, the fair value of these instruments amounted to a liability of US$26,427,000. In accordance with IFRS 9, the accumulated loss recognised in the cash flow hedge reserve within equity, was reclassified to the income statement following the discontinuation of the original hedge relationship and the realisation of the hedged item. Given the non-recurring and non-cash nature of this hedge accounting reclassification to the income statement, and the fact that the cash settlement will occur in 2028 once the instruments mature, the resulting charge has been presented as an exceptional item within revenue.

The sensitivity of the fair value of the current hedges outstanding at 31 December 2025 to a reasonable movement in gold prices, with all other variables held constant, determined as a +/-10% change in gold prices -/+ US$50,627,000 effect on OCI.

The Group has price adjustments arising from the sale of concentrate and dore which were provisionally priced at the time the sale was recorded (refer to note 5).

The sensitivity of the fair value to an immediate 10% favourable or adverse change in the price of gold and silver (assuming all other variables remain constant), is as follows:

	Increase/ decrease in price of ounces of:	Effect on profit before tax US$000
2025	**Gold +/-10%** **Silver+/-10%**	**+/-2,243** **+/-3,310**
2024	Gold +/-10% Silver+/-10%	+/-530 +/-302

(b) Foreign currency risk

The Group produces silver and gold which are typically priced in US$ dollars. A proportion of the Group's costs are incurred in Peruvian nuevos soles, Argentinian pesos, Brazilian reais, sterling pounds, Canadian dollars, Chilean pesos, and Mexican pesos. Accordingly, the Group's financial results may be affected by exchange rate fluctuations between the US dollar and the local currency. The long-term relationship between commodity prices and currencies in the countries in which the Group operates provides a certain degree of natural protection. The Group does not use derivative instruments to manage its foreign currency risks.

The following table demonstrates the sensitivity of financial assets and liabilities, at the reporting date, denominated in their respective currencies, to a reasonably possible change in the US$ dollar exchange rate, with all other variables held constant, of the Group's profit before tax and the Group's equity.

Year	Increase/ decrease in US$/other currencies' rate	Effect on profit before tax US$000	Effect on OCI US$000
2025			
Argentinian pesos	**+/-10%**	**-/+10,135**	**–**
Mexican pesos	**+/-10%**	**+/-78**	**–**
Peruvian nuevos soles	**+/-10%**	**-/+14,703**	**–**
Reais	**+/-10%**	**-/+1,056**	**–**
Pounds sterling	**+/-10%**	**-/+104**	**–**
Canadian dollars	**+/-10%**	**+/-656**	**–**
Chilean pesos	**+/-10%**	**+/-604**	**–**
2024			
Argentinian pesos	+/-10%	-/+7,140	–
Mexican pesos	+/-10%	+/-47	–
Peruvian nuevos soles	+/-10%	-/+26,497	–
Reais	+/-10%	-/+10,035	–
Pounds sterling	+/-10%	-/+94	–
Canadian dollars	+/-10%	-/+518	+/-26
Chilean pesos	+/-10%	+/-862	–

(c) Credit risk

Credit risk arises from debtors' inability to make payment of their obligations to the Group as they become due (without taking into account the fair value of any guarantee or pledged assets). The Group is primarily exposed to credit risk as a result of commercial activities and noncompliance, by counterparties, in transactions in cash which are primarily limited to cash balances deposited in banks and accounts receivable at the statement of financial position date.

Counterparty credit exposure based on commercial activities, including trade and other receivables, embedded derivatives, hedge instruments and cash balances in banks as at 31 December 2025 and 31 December 2024:

Summary commercial partners	As at 31 December 2025 US$000	% collected as at 10 March 2026 US$000	As at 31 December 2024 US$000	% collected as at 11 March 2025 US$000
Trade receivables	**81,373**	**61%**	37,238	66%

Other receivables include advances to suppliers and receivables from contractors for the sale of supplies. There is limited credit risk on these amounts as the Group can withhold the balances that it owes the suppliers or contractors for their services.

Cash and cash equivalents – Credit/rating[1]	**As at 31 December 2025 US$000**	As at 31 December 2024 US$000
A+	**36,089**	–
A	**251,723**	343
AAA	**4,658**	–
A-	**–**	19,177
AA-	**17,187**	–
BBB+	**–**	71,810
BBB-	**2,490**	–
Not available	**4,807**	5,643
Total	**316,954**	96,973

[1] Represents the long-term credit rating as at 3 January 2026 (2023: 3 January 2025).

As at 31 December 2025, the credit rating of the counterparties of the gold hedges is A+ (2024: A- and BBB+).

To manage the credit risk associated with commercial activities, the Group took the following steps:

- Active use of prepayment/advance clauses in sales contracts
- Delaying delivery of title and/or requiring advance payments to reduce exposure timeframe (potential delay in sales recognition)
- Maintaining as diversified a portfolio of clients as possible

To manage credit risk associated with cash balances deposited in banks, the Group took the following steps:

- Increasing banking relationships with large, established and well-capitalised institutions in order to secure access to credit and to diversify credit risk
- Limiting exposure to financial counterparties according to Board approved limits
- Investing cash in short-term, highly liquid and low risk instruments (term deposits mainly)
- Increase the utilisation of UK bank accounts

Receivable balances are monitored on an ongoing basis and the result of the Group's exposure to bad debts is recognised in the consolidated income statement. The maximum exposure is the carrying amount as disclosed in notes 21, 23 and 38(e).

The Group's risk assessment procedures includes customer analysis and reviewing financial counterparties. For further details refer to the Commentary section of the Commercial Counterparty risk in the Risk management and Viability Statement.

(d) Equity risk on financial instruments

The Group acquires financial instruments in connection with strategic alliances with third parties. The Group constantly monitors the fair value of these instruments in order to decide whether or not it is convenient to dispose of these investments. The disposal decision is also based on management's intention to continue with the strategic alliance, the tax implications and changes in the share price of the investee.

The Group is not sensitive to reasonable movements in the share price of financial assets at fair value through OCI.

(e) Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 December 2025 and 2024, the Group held the following financial instruments measured at fair value:

	31 December 2025 US$000	Level 1 US$000	Level 2 US$000	Level 3 US$000
ASSETS AND LIABILITIES MEASURED AT FAIR VALUE				
Equity shares (note 20)	**86**	86		
Trade receivables (note 21)	**81,373**			81,373
Stream Agreements (note 25(a))	**(19,332)**			(19,332)
Derivative financial liabilities[1]	**(289,789)**		(289,789)	

[1] Includes US$276,724,000 related to hedging instruments, and US$13,065,000 related to the warrants issued in connection with Tiernan´s Private Placement and Railtown´s legacy options and warrants.

	31 December 2024 US$000	Level 1 US$000	Level 2 US$000	Level 3 US$000
ASSETS AND LIABILITIES MEASURED AT FAIR VALUE				
Equity shares (note 20)	**475**	475		
Trade receivables (note 21)	**37,238**			37,238
Mutual funds	**5**	5		
Bonds in Minera Santa Cruz S.A.	**2,474**	2,474		
Stream Agreements (note 25(a))	**(25,926)**			(25,926)
Derivative financial liabilities	**(101,619)**		(101,619)	

During the year ended 31 December 2025 and 2024, there were no transfers between these levels.

The reconciliation of the trade receivables categorised as level 3 is as follows:

	Trade receivables/ price adjustments US$000
Balance at 1 January 2024	**29,421**
Net change in trade receivables from goods sold	11,892
Changes in fair value of price adjustments (note 5)	8,209
Realised price adjustments during the year	(12,284)
Balance at 31 December 2024	**37,238**
Net change in trade receivables from goods sold	22,720
Changes in fair value of price adjustments (note 5)	55,528
Realised price adjustments during the year	(34,113)
Balance at 31 December 2025	**81,373**

The impact of the hedging instrument and hedge item on the statement of financial position is as follows:

	ounces	Average price US$/ounce	Line item in the statement of financial position	Carrying amount of hedging instrument US$000	Change in fair value of hedging instrument used for measuring ineffectiveness for the period US$000	Change in fair value of hedged item used for measuring ineffectiveness for the period US$000
2025						
Gold forward and zero cost collar contracts	**120,832**	**From 2,117 to 2,206**	Derivative financial liabilities	**(276,724)**	**(167,317)**	**(167,317)**
2024						
Gold forward and zero cost collar contracts	210,000	From 2,000 to 2,485	Derivative financial liabilities	(101,619)	(68,633)	(68,633)

The hedging gain recognised in OCI before tax on gold forward hedges and gold zero cost collars is equal to the change in fair value of the hedged item attributable to the hedged risk used for measuring effectiveness. There is no ineffectiveness recognised in profit or loss.

Derivative financial liabilities – Warrants and Railtown's legacy options and warrants

	As at 31 December 2025 US$000	As at 31 December 2024 US$000
Non-current liabilities - Warrants (note 4(a))	**(11,920)**	–
Non- current liabilities - Railtown's legacy options and warrants (note 4(a)	**(1,145)**	–
	(13,065)	–

The effect recorded is as follows:

	Year ended 31 December 2025 US$000	Year ended 31 December 2024 US$000
Income statement – finance cost[1]	**(7,831)**	–

[1] Represents the loss arising from changes in the fair value of warrants classified as derivative financial liabilities of US$7,365,000 (note 4) and change in fair value of Railtown's legacy options and warrants of US$466,000.

The fair value of the warrants as at 31 December 2025 was determined using the Black-Scholes option pricing model, based on the following key assumptions: exercise price of C$6.50, expiry date of 16 December 2027, risk-free interest rate of 2.58%, country risk premium of 0.83%, expected volatility of 61.44%, dividend yield of 0%, and share price of C$7.15.

The reconciliation of the warrants issued in Tiernan in connection with the Treasury Offering and the Secondary Offering (note 4(a)) is as follow:

	Derivative financial liabilities US$000
Balance at 1 January 2025	–
Warrants issued due to the Treasury Offering and Secondary Offering	4,542
Fair value adjustment	7,365
Foreign exchange effect	13
Balance at 31 December 2025	**11,920**

The sensitivity of the value of the warrants is as follows:

	US$000
Annual volatility (increase by 5%)	681
Annual volatility (decrease by 5%)	(724)

Share price (increase by 5%)	1,107
Share price (decrease by 5%)	(1,107)

Impact of hedging on equity

Set out below is the reconciliation of each component of equity and the analysis of other comprehensive income:

	Gold hedges US$000
Balance at 1 January 2024	**(11,546)**
Reclassification adjustments for items included in the income statement on realisation:	
Transfer to sales (revenue)	27,903
Revaluation arising on the year	(113,463)
Movement in deferred tax	28,473
Balance at 31 December 2024	**(68,633)**
Reclassification adjustments for items included in the income statement on realisation:	
Transfer to sales (revenue)	86,048
Revaluation arising on the year	(262,908)
Loss on discontinuation of hedge relationship[1]	26,427
Movement in deferred tax	51,749
Balance at 31 December 2025	**(167,317)**

[1] In August 2025, the Group renegotiated the gold forward hedge agreement resulting in the extension of 20,813 ounces from August to December 2025 to the first semester of 2028. At the date of the roll-forward, the fair value of these instruments amounted to a liability of US$26,427,000. In accordance with IFRS 9, the accumulated loss recognised in the cash flow hedge reserve within equity, was reclassified to the income statement following the discontinuation of the original hedge relationship and the realisation of the hedged item. Given the non-recurring and non-cash nature of this hedge accounting reclassification to the income statement, and the fact that the cash settlement will occur in 2028 once the instruments mature, the resulting charge has been presented as an exceptional item within revenue.

(f) Liquidity risk

Liquidity risk arises from the Group's inability to obtain the funds it requires to comply with its commitments, including the inability to sell a financial asset quickly enough and at a price close to its fair value. Management constantly monitors the Group's level of short- and medium-term liquidity, and their access to credit lines, in order to ensure appropriate financing is available for its operations.

The table below categorises the undiscounted cash flows of Group's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position to the contractual maturity date. Interest cash flows have been calculated using the spot rate at year-end.

	Less than 1 year US$000	Between 1 and 2 years US$000	Between 2 and 5 years US$000	Over 5 years US$000	Total US$000
At 31 December 2025					
Trade and other payables	199,826	15,016	20,000	–	234,842
Derivative financial liabilities	112,863	115,638	51,437	–	279,938
Borrowings	127,353	114,767	126,684	–	368,804
Total	**440,042**	**245,421**	**198,121**	**–**	**883,584**
At 31 December 2024					
Trade and other payables	189,608	17,043	5,000	–	211,651
Derivative financial liabilities	40,276	29,155	32,188	–	101,619
Borrowings	163,558	75,865	103,307	–	342,730
Total	**393,442**	**122,063**	**140,495**	**–**	**656,000**

(g) Interest rate risk

The Group has financial assets and liabilities which are exposed to interest rate risk. Changes in interest rates primarily impact loans and borrowings by changing either their fair value (fixed rate debt) or their future cash flows (variable rate debt). The Group does not have a formal policy of determining how much of its exposure should be at fixed or at variable rates. However, at the time of taking new loans or borrowings, management applies its judgement to decide whether it believes that a fixed or variable rate borrowing would be more favourable to the Group over the expected period until maturity.

	As at 31 December 2025				
	Less than 1 year US$000	Between 1 and 2 years US$000	Between 2 and 5 years US$000	Over 5 years US$000	Total US$000
FIXED RATE					
Assets	**221,717**[1]	**–**	**–**	**–**	**221,717**
Liabilities	**(90,000)**	**(5,000)**	**–**	**–**	**(95,000)**
FLOATING RATE					
Liabilities	**(20,000)**	**(100,000)**	**(120,000)**	**–**	**(240,000)**

[1] The increase is explained due to higher time deposits held in Minera Santa Cruz and Compañia Minera Ares (note 23).

	As at 31 December 2024				
	Less than 1 year US$000	Between 1 and 2 years US$000	Between 2 and 5 years US$000	Over 5 years US$000	Total US$000
FIXED RATE					
Assets	2,122	–	–	–	2,122
Liabilities	(81,486)	–	–	–	(81,486)
FLOATING RATE					
Liabilities	(66,667)	(66,667)	(96,666)	–	(230,000)

Interest on financial instruments classified as floating rate is re-priced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument. The other financial instruments of the Group that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

The sensitivity to a reasonable movement in the interest rate, with all other variables held constant, of the financial instruments with a floating rate, determined as a +/-200bps change in interest rates has a -/+US$4,700,000 effect on profit before tax (2024: -/+US$5,660,000). The Group is exposed to fluctuations in market interest rates.

This assumes that the amount remains unchanged from that in place at 31 December 2025 and 2024 and that the change in interest rates is effective from the beginning of the year. In reality, the floating rate will fluctuate over the year and interest rates will change accordingly.

(h) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. Management considers as part of its capital, the financial sources of funding from shareholders and third parties (notes 27 and 29).

In 2025 the Group received proceeds from borrowings of US$410,000,000 (2024: US$311,607,000) whilst US$386,486,000 (2024: US$340,991,000) was repaid. In 2024 the Group closed a US$300,000,000 medium-term committed debt facility with Scotiabank and BBVA and used US$90,000,000 in 2025.

Management also retains the right to fund operations (fully owned and with joint venture partners) with a mix of equity and joint venture partners' debt.

Profit by Operation[1]

(Segment report reconciliation) as at 31 December 2025

Group (US$000)	Inmaculada	San Jose	Mara Rosa	Consolidation adjustment and others	Total/HOC
Revenue	**667,913**	**436,522**	**77,562**	**151**	**1,182,148**
Cost of sales (pre consolidation)	(312,697)	(252,238)	(108,189)	(4,815)	(677,939)
Consolidation adjustment	2,545	(106)	(7,254)	4,815	–
Cost of sales (post consolidation)	**(310,152)**	**(252,344)**	**(115,443)**	**–**	**(677,939)**
Production cost excluding depreciation and amortisation	(199,360)	(206,007)	(102,657)	–	(508,024)
Depreciation in production cost	(103,575)	(50,569)	(19,433)	–	(173,577)
Workers profit sharing	(15,512)	–	–	–	(15,512)
Other items	–	–	(16,312)	–	(16,312)
Change in inventories	8,295	4,232	22,959	–	35,486
Gross profit/(loss)	**355,216**	**184,284**	**(30,627)**	**(4,664)**	**504,209**
Administrative expenses	–	–	–	(55,604)	(55,604)
Exploration expenses	–	–	–	(28,695)	(28,695)
Selling expenses	(657)	(20,225)	(1,040)	-	(21,922)
Other expenses, net	–	–	–	(65,238)	(65,238)
Operating profit/(loss) before impairment	**354,559**	**164,059**	**(31,667)**	**(154,201)**	**332,750**
Impairment reversal of non-current assets, net	–	–	–	52,771	52,771
Share of post-tax losses from associate	–	–	–	20,544	20,544
Finance income	–			11,826	11,826
Finance costs	–	–	–	(41,112)	(41,112)
Foreign exchange loss	–	–	–	(3,955)	(3,955)
Profit/(loss) from operations before income tax	**354,559**	**164,059**	**(31,667)**	**(114,127)**	**372,824**
Income tax expense	–	–	–	(125,422)	(125,422)
Profit/(loss) for the year from operations	**354,559**	**164,059**	**(31,667)**	**(239,549)**	**247,402**

[1]On a post-exceptional basis.

RESERVES AND RESOURCES

Ore reserves and mineral resources estimates

Hochschild Mining PLC reports its mineral resources and reserves estimates in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 edition ("the JORC Code"). This establishes minimum standards, recommendations and guidelines for the public reporting of exploration results and mineral resources and reserves estimates. In doing so it emphasises the importance of principles of transparency, materiality and confidence. The information on ore reserves and mineral resources on 86 to 88 were prepared by or under the supervision of Competent Persons (as defined in the JORC Code). Competent Persons are required to have sufficient relevant experience and understanding of the style of mineralisation, types of deposits and mining methods in the area of activity for which they are qualified as a Competent Person under the JORC Code. The Competent Person must sign off their respective estimates of the original mineral resource and ore reserve statements for the various operations and consent to the inclusion of that information in this report, as well as the form and context in which it appears.

Hochschild Mining PLC internally employs a Competent Person who has estimated reserves and mineral resources as at 31 December 2025 for the operating mines as shown in this report. The 2024 estimates were audited by Competent Persons provided by independent consultants, P&E Consulting. The frequency and depth of an audit depends on the risks and/or uncertainties associated with that particular ore reserve and mineral resource, the overall value thereof and the time that has lapsed since the previous independent third-party audit.

The JORC Code requires the use of reasonable economic assumptions. These include long-term commodity price forecasts (which, in the Group's case, are prepared by ex-house specialists largely using estimates of future supply and demand and long-term economic outlooks).

Ore reserve estimates are dynamic and are influenced by changing economic conditions, technical issues, environmental regulations and any other relevant new information and therefore these can vary from year-to-year. Mineral resource estimates can also change and tend to be influenced mostly by new information pertaining to the understanding of the deposit and secondly the conversion to ore reserves.

The estimates of ore reserves and mineral resources are shown as at 31 December 2025. Mineral resources that are reported include those mineral resources that have been modified to produce ore reserves. All tonnage and grade information has been rounded to reflect the relative uncertainty in the estimates; there may therefore be small differences. The prices used for the reserves calculation were: Au Price: US$2,250 per ounce and Ag Price: US$27.0 per ounce for Inmaculada and Mara Rosa; Au Price: US$2,750 per ounce and Ag Price: US$31.0 per ounce for San Jose. The prices used for resources calculation were: Au: $2,900/oz and Ag: $32.0/oz and Ag/Au ratio of 83x.

ATTRIBUTABLE METAL RESERVES AS AT 31 DECEMBER 2025

Reserve category	Proved and probable (t)	Ag (g/t)	Au (g/t)	Ag (moz)	Au (koz)	Ag Eq (moz)	Au Eq (koz)
OPERATIONS							
Inmaculada							
Proved	2,356,147	90	2.30	6.8	174.5	21.3	256
Probable	3,136,223	92	2.11	9.3	213.1	27.0	325
Total	**5,492,370**	**91**	**2.19**	**16.1**	**387.5**	**48.3**	**581**
San Jose							
Proved	513,932	199	3.72	3.3	61.5	8.4	101
Probable	372,956	175	3.69	2.1	44.3	5.8	70
Total	**886,888**	**189**	**3.71**	**5.4**	**105.7**	**14.2**	**171**
Mara Rosa							
Proved	5,009,170	–	1.06	–	170.5	14.1	170
Probable	24,446,843	–	0.95	–	746.9	62.0	747
Total	**29,456,013**	**–**	**0.97**	**–**	**917.4**	**76.1**	**917**
GROWTH PROJECTS							
Monte Do Carmo[1]							
Proved	2,015,000	–	1.68	–	109.0	9.0	109
Probable	14,780,000	–	1.66	–	787.0	65.3	787
Total	**16,795,000**	**–**	**1.66**	**–**	**896.0**	**74.4**	**896**
GRAND TOTAL							
Proved	9,894,249	32	1.62	10.1	515.4	52.9	637
Probable	42,736,022	8	1.30	11.4	1,791.2	160.1	1,928
TOTAL	**52,630,270**	**13**	**1.36**	**21.5**	**2,306.6**	**212.9**	**2,565**

Note: Where reserves are attributable to a joint venture partner, reserve figures reflect the Company's ownership only. Includes discounts for ore loss and dilution.
[1]The prices used for Monte Do Carmo reserves calculation were from 2024 Reserve statement assumptions: Au: $1,750/oz

ATTRIBUTABLE METAL RESOURCES AS AT 31 DECEMBER 2025[1]

Resource category	Tonnes (t)	Ag (g/t)	Au (g/t)	Ag Eq (g/t)	Ag (moz)	Au (koz)	Ag Eq (moz)	Au Eq (koz)
OPERATIONS								
Inmaculada								
Measured	4,984,000	98	2.46	302	15.7	394.3	48.5	584
Indicated	6,151,000	100	2.29	290	19.8	452.4	57.3	691
Total	**11,135,000**	**99**	**2.37**	**296**	**35.5**	**846.7**	**105.8**	**1,275**
Inferred	19,868,000	93	2.39	292	59.6	1,525.4	186.2	2,244
Pallancata								
Measured	1,052,000	293	1.26	397	9.9	42.6	13.4	162
Indicated	2,858,000	466	1.53	593	42.8	140.4	54.5	657
Total	**3,910,000**	**420**	**1.46**	**540**	**52.7**	**183.0**	**67.9**	**819**
Inferred	11,898,000	409	1.57	539	156.3	601.8	206.2	2,485
San Jose								
Measured	868,530	341	5.73	817	9.5	160.1	22.8	275
Indicated	595,170	242	4.55	619	4.6	87.1	11.8	143
Total	**1,463,700**	**301**	**5.25**	**737**	**14.2**	**247.2**	**34.7**	**418**
Inferred	1,359,660	222	3.81	538	9.7	166.7	23.5	283
Mara Rosa								
Measured	5,965,000	–	0.98	81	–	187.9	15.6	188
Indicated	31,993,000	–	0.87	72	–	898.1	74.5	898
Total	**37,958,000**	**–**	**0.89**	**74**	**–**	**1,086.0**	**90.1**	**1,086**
Inferred	9,353,000	–	0.72	60	–	217.1	18.0	217
GROWTH PROJECTS								
Monte Do Carmo[2]								
Measured	2,056,000	-	1.73	144	-	115.0	9.5	115
Indicated	16,302,000	-	1.71	142	-	897.0	74.5	897
Total	**18,358,000**	**-**	**1.72**	**143**	**-**	**1,012.0**	**84.0**	**1,012**
Inferred	1,053,000	-	1.95	162	-	66.0	5.5	66
Volcan								
Measured	123,979,000	–	0.700	53	–	2,792.0	209.4	2,792
Indicated	339,274,000	–	0.643	48	–	7,013.0	526.0	7,013
Total	**463,253,000**	**–**	**0.658**	**49**	**–**	**9,804.0**	**735.3**	**9,804**
Inferred	75,018,000	–	0.516	39	–	1,246.0	93.5	1,246
GRAND TOTAL								
Measured	138,904,530	8	0.83	76	35.2	3,692.0	341.6	4,116
Indicated	397,173,170	5	0.74	67	67.3	9,487.9	854.8	10,298
Total	**536,077,700**	**6**	**0.76**	**69**	**102.4**	**13,178.9**	**1,196.3**	**14,413**
Inferred	118,549,660	59	1.00	142	225.6	3,823.0	542.9	6,541

[1]Tables represents 100% of the Mineral Resources. Resources are inclusive of Reserves.
[2]The prices used for Monte Do Carmo resources calculation were from 2024 Resource statement assumptions: Au: $2,100/oz

CHANGE IN ATTRIBUTABLE RESERVES AND RESOURCES

Ag equivalent content (million ounces)	Category	Percentage attributable December 2025	December 2024 Att.[1]	December 2025 Att.[1]	Net difference	% change
Inmaculada	Resource	100%	271.6	**292.0**	20.4	7.5%
	Reserve		47.1	**48.3**	1.1	2.4%
Pallancata	Resource	100%	191.8	**274.2**	82.4	43.0%
	Reserve		-	**-**	-	-
San Jose	Resource	51%	69.8	**58.2**	(11.7)	(16.7%)
	Reserve		13.1	**14.2**	1.0	7.9%
Mara Rosa	Resource	100%	105.9	**108.2**	2.3	2.2%
	Reserve		71.8	**76.1**	4.4	6.1%
Monte Do Carmo	Resource	100%	89.5	**89.5**	–	–
	Reserve		74.4	**74.4**	–	–
Volcan	Resource	69.8%	917.2	**917.2**	–	–
	Reserve		–	**–**	–	–
Total	**Resource**		**1,645.7**	**1,739.2**	**93.5**	**5.7%**
	Reserve		**206.4**	**212.9**	**6.6**	**3.2%**

[1] Attributable reserves and resources based on the Group's percentage ownership of its joint venture projects. 2024 silver equivalent figures have been re-presented using a Ag/Au ratio of 83x (previously calculated at Ag/Au ratio of 75x).

SHAREHOLDER INFORMATION

Company website

Hochschild Mining PLC Interim and Annual Reports and results announcements are available via the internet on our website at www.hochschildmining.com. Shareholders can also access the latest information about the Company and press announcements as they are released, together with details of future events and how to obtain further information.

Registrars

The Registrars, MUFG Corporate Markets (the new name for Link Group), can be contacted as follows for information about the AGM, shareholdings, dividends and to report changes in personal details:

By post

MUFG Corporate Markets,
Central Square,
29 Wellington Street,
Leeds LS1 4DL.

By email

Email: shareholderenquiries@cm.mpms.mufg.com

By telephone

Telephone: (+44 (0)) 371 664 0300

(Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9am – 5:30pm, Monday to Friday excluding public holidays in England and Wales).

Currency option and dividend mandate

Shareholders wishing to receive their dividend in US dollars should contact the Company's registrars to request a currency election form. This form should be completed and returned to the registrars by 26 May 2026 in respect of the 2025 final dividend. The Company's registrars can also arrange for the dividend to be paid directly into a shareholder's UK bank account. This arrangement is only available in respect of dividends paid in UK pounds sterling. To take advantage of this facility in respect of the 2025 final dividend, a dividend mandate form, also available from the Company's registrars, should be completed and returned to the registrars by 26 May 2026. Alternatively, you can register your bank details via Investor Centre, a secure online site where you can manage your shareholding quickly and easily. To register for Investor Centre visit uk.investorcentre.mpms.mufg.com or use the Investor Centre app. You will need your investor code, which can be found on your share certificate or a previous dividend confirmation voucher. Shareholders who have already completed one or both of these forms need take no further action.

Dividend information

Issuer/Company Name	Hochschild Mining PLC
Security/Securities	Ordinary Shares of 1p each
ISIN(s)	GB00B1FW5029
TIDM(s)	HOC
Ex-Date	7 May 2026
Record Date	8 May 2026
Pay Date	16 June 2026
Dividend Type	Final
Dividend Amount and Currency	5.00 US cents per share
Currency of Dividend payment	GBP
Is there a Dividend option?	Yes
Type of Election	Currency Election to receive dividend in USD
Last day for receipt of Elections	26 May 2026

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FORWARD LOOKING STATEMENTS

The Annual Report contains certain forward looking statements, including such statements within the meaning of Section 27A of the US Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In particular, such forward looking statements may relate to matters such as the business, strategy, investments, production, major projects and their contribution to expected production and other plans of Hochschild Mining PLC and its current goals, assumptions and expectations relating to its future financial condition, performance and results.

Forward looking statements include, without limitation, statements typically containing words such as “intends”, “expects”, “anticipates”, “targets”, “plans”, “estimates” and words of similar import. 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 be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Factors that could cause or contribute to differences between the actual results, performance or achievements of Hochschild Mining PLC and current expectations include, but are not limited to, legislative, fiscal and regulatory developments, competitive conditions, technological developments, exchange rate fluctuations and general economic conditions. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

The forward looking statements reflect knowledge and information available at the date of preparation of this Annual Report. Except as required by the Listing Rules and applicable law, 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 Annual Report. Nothing in this Annual Report should be construed as a profit forecast.

Non-IFRS Financial Performance Measures

The Company has included certain non-IFRS measures in this news release. The Company believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. The non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardised meaning prescribed under IFRS, and therefore may not be comparable to other issuers.