

25 July 2023

Production Report for the 6 months ended 30 June 2023

Hochschild Mining PLC ("Hochschild" or "the Company") (LSE: HOC) (OTCQX: HCHDF) is pleased to announce its production report for H1 2023.

Ignacio Bustamante, Chief Executive Officer said:

"After a stronger second quarter, we are looking forward to production increasing throughout the remainder of 2023. With regards to Inmaculada's Modified Environmental Impact Assessment, we are continuing to work with SENACE on its final review, and therefore will update our production and cost guidance for 2023 following completion of the process. Finally, we are pleased that further promising progress has been made at our Mara Rosa development project in Brazil and that we remain on track for first production early in 2024."

Operational highlights

- Q2 2023 attributable production:¹
 - 43,622 ounces of gold
 - 2.4 million ounces of silver
 - 72,364 gold equivalent ounces
 - 6.0 million silver equivalent ounces
- H1 2023 attributable production
 - 83,357 ounces of gold
 - 4.4 million ounces of silver
 - 136,878 gold equivalent ounces
 - 11.4 million silver equivalent ounces

Project highlights

- Mara Rosa project in Brazil advancing on schedule and on budget - total project progress at 88% with first production on track for H1 2024
- H2 2023 Brownfield programme expected to commence subject to receipt of Inmaculada's MEIA

ESG highlights

- Lost Time Injury Frequency Rate of 0.84 (FY 2022: 1.37)²
- Accident Severity Index of 32 (FY 2022: 93)³
- Water Consumption of 168lt/person/day (FY 2022: 171lt/person/day)
- Domestic waste generation of 0.95 kg/person/day (FY 2022: 1.05kg/person/day)
- ECO score of 5.89 out of 6 (FY 2022: 5.27)⁴

Financial position

- Total cash of approximately \$94 million as at 30 June 2023 (\$103 million as at 31 March 2023)
- Net debt of approximately \$227 million as at 30 June 2023 (\$218 million as at 31 March 2023)
- Current Net Debt/LTM EBITDA of approximately 1.04x as at 30 June 2023
- Additional gold hedges executed in Q2 in Brazil:
 - 50,000oz of gold hedged for 2025 at \$2,117 per ounce
 - 50,000oz of gold hedged for 2026 at \$2,167 per ounce
 - 50,000oz of gold hedged for 2027 at \$2,206 per ounce

¹All equivalent figures assume the average gold/silver ratio for 2022 of 83x.

²Calculated as total number of accidents per million labour hours

³Calculated as total number of days lost per million labour hours.

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

A conference call will be held at 2.30pm (London time) on Tuesday 25 July 2023 for analysts and investors.

Dial in details as follows:

International Dial in: +44 330 551 0200

UK Toll-Free Number: 0808 109 0700

US/Canada Toll Free: 866-580-3963

Password: Hochschild – Q2 2023

Please dial into the call approximately ten minutes before the 2.30pm start time.

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

Overview

In Q2 2023, Hochschild delivered attributable production of 72,364 gold equivalent ounces or 6.0 million silver equivalent ounces with Inmaculada temporarily impacted by the ongoing delay in the decision on the MEIA affecting mine development, as expected. However, this was partially offset by increases versus the first quarter at San Jose and Pallancata. In the first half of 2023 as a whole, Hochschild produced 136,878 gold equivalent ounces or 12.4 million silver equivalent ounces (on an attributable basis).

TOTAL GROUP PRODUCTION

	Q2 2023	Q1 2023	Q2 2022	H1 2023	H1 2022
Silver production (koz)	2,955	2,438	3,346	5,393	6,105
Gold production (koz)	54.12	46.44	60.27	100.55	113.94
Total silver equivalent (koz)	7,447	6,292	8,348	13,739	15,562
Total gold equivalent (koz)	89.72	75.81	100.58	165.53	187.50
Silver sold (koz)	3,011	2,414	3,445	5,425	6,045
Gold sold (koz)	55.29	44.50	63.06	99.79	112.70

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

ATTRIBUTABLE GROUP PRODUCTION

	Q2 2023	Q1 2023	Q2 2022	H1 2023	H1 2022
Silver production (koz)	2,386	2,057	2,641	4,442	5,065
Gold production (koz)	43.62	39.73	49.13	83.36	96.36
Silver equivalent (koz)	6,006	5,355	6,719	11,361	13,063
Gold equivalent (koz)	72.36	64.51	80.96	136.88	157.38

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

Production

Inmaculada

Product	Q2 2023	Q1 2023	Q2 2022	H1 2023	H1 2022
Ore production (tonnes treated)	257,768	278,138	327,837	535,905	657,202
Average grade silver (g/t)	181	176	137	178	145
Average grade gold (g/t)	3.92	3.78	3.47	3.85	3.61
Silver produced (koz)	1,300	1,274	1,322	2,573	2,815
Gold produced (koz)	30.64	31.21	34.86	61.85	72.67
Silver equivalent (koz)	3,843	3,864	4,215	7,707	8,846
Gold equivalent (koz)	46.30	46.56	50.78	92.86	106.58
Silver sold (koz)	1,357	1,204	1,422	2,561	2,805
Gold sold (koz)	32.10	29.29	37.56	61.39	72.72

Inmaculada's second quarter production was 30,639 ounces of gold and 1.3 million ounces of silver which amounts to a gold equivalent output of 46,297 ounces. Tonnage was lower than the previous quarter, as expected, due to the ongoing delays in the decision on the MEIA impacting mine development although this was offset by higher grades. Overall, in the first half of 2023, Inmaculada produced 92,856 gold equivalent ounces (H1 2022: 106,584 ounces).

Hochschild continues to work with SENACE, Peru's National Service of Environmental Certification for Sustainable Investments, to complete the final review of Inmaculada's Modified Environment Impact Assessment.

Pallancata

Product	Q2 2023	Q1 2023	Q2 2022	H1 2023	H1 2022
Ore production (tonnes treated)	123,782	115,842	134,276	239,624	259,058
Average grade silver (g/t)	147	126	154	137	159
Average grade gold (g/t)	0.60	0.49	0.69	0.55	0.72
Silver produced (koz)	493	386	586	879	1,167
Gold produced (koz)	2.06	1.55	2.69	3.61	5.39
Silver equivalent (koz)	664	514	809	1,179	1,615
Gold equivalent (koz)	8.00	6.20	9.75	14.20	19.46
Silver sold (koz)	497	427	584	923	1,161
Gold sold (koz)	2.06	1.69	2.66	3.75	5.36

In the second quarter, Pallancata produced 0.5 million ounces of silver and 2,062 ounces of gold bringing the silver equivalent total to 0.7 million ounces, an increase versus the first quarter. Overall, in H1 2023, Pallancata's output was 1.2 million silver equivalent ounces (H1 2022: 1.6 million ounces). Reduced tonnage and grades versus H1 2022 are in line with the current declining production profile.

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

Product	Q2 2023	Q1 2023	Q2 2022	H1 2023	H1 2022
Ore production (tonnes treated)	143,563	128,499	131,467	272,063	205,359
Average grade silver (g/t)	288	215	383	254	365
Average grade gold (g/t)	5.40	3.88	6.09	4.68	6.19
Silver produced (koz)	1,163	778	1,438	1,941	2,123
Gold produced (koz)	21.42	13.68	22.72	35.09	35.88
Silver equivalent (koz)	2,940	1,913	3,324	4,854	5,101
Gold equivalent (koz)	35.42	23.05	40.05	58.48	61.46
Silver sold (koz)	1,157	784	1,440	1,941	2,080
Gold sold (koz)	21.14	13.52	22.83	34.66	34.62

Q2 production at San Jose was 1.2 million ounces of silver and 21,416 ounces of gold which is 2.9 million silver equivalent ounces with grades improving from the first quarter when mine sequencing and annual holidays impacted production. This brings the total for the first half of the year to 4.9 million silver equivalent ounces (H1 2022: 5.1 million ounces).

Average realisable prices and sales

Average realisable precious metal prices in Q2 2023 (which are reported before the deduction of commercial discounts) were \$1,958/ounce for gold and \$23.4/ounce for silver (Q2 2022: \$1,843/ounce for gold and \$22.0/ounce for silver). For H1 2023, average realisable precious metal prices were \$1,957/ounce for gold and \$23.3/ounce for silver (H1 2022: \$1,875/ounce for gold and \$23.7/ounce for silver).

Advanced Project: Mara Rosa

The Mara Rosa project is progressing according to schedule and budget with total project progress now standing at 88% and with the Company continuing to expect first production in H1 2024.

Procurement

Currently purchase orders have been issued for 97% of the project equipment. Deliveries are on schedule with key equipment received including the crusher, belt conveyors, the secondary substation, electrocentres, filters, HDPE piping, aluminium cables for the transmission lines, hydrocyclones, agitators, wastewater treatment station, thickeners and the ball mills. In addition, the drilling service contract was signed during the period and the contractor is already mobilised.

Mine and Pre-Stripping:

The pre-stripping contractor has begun blasting work and 365kt of ore has already moved according to schedule. The target is to guarantee a stockpile for use during the plant ramp-up period. Construction of the waste dumps and ore stockpiles are also underway.

Civil works

Civil works in the processing plant area have advanced in line with schedule and are mostly complete which allowed electromechanical assembly to start on time. Assembly work is advancing slightly ahead of schedule on the crushing, screening and belt conveyor areas with commissioning on this circuit expected towards the end of Q3. The grinding area is also advancing

well (84% completion), and mechanical completion is expected to finish in the quarter, whilst the thickening and leaching areas are expected to have mechanical completion in Q4.

Infrastructure assembly

The Electromechanical assembly contractor has been mobilised, and the work is advancing in line with schedule at 42% progress. The power supply for the mine is being provided by the building of a 67km, 138kv transmission line from the Porangatu substation with work currently 97% advanced and expected to be completed very shortly.

Earthworks

The water reservoir is fully operational and already at 95% of storage capacity with water from the pit area whilst dry stacking construction started during the quarter and is expected to finish in the fourth quarter.

Permitting

Preparations are underway for the operational license from local authorities whilst the license for the crusher/screening circuit (dry circuit) has already been submitted and it is expected to be received in the third quarter. The remaining licenses for the processing plant (wet circuit) are expected to be submitted in this quarter whilst the operational permit for the transmission line was submitted last month and is expected in September.

Sustainability

Environmental controls to monitor construction work have been implemented to ensure compliance with applicable permits. ESG programmes are advancing as expected with almost 900 people having visited the "knowledge trail" as of June 2023. On 5 June, the trail received the "Goiás Sustainability Award" in the Innovation, Science and Education category.

During May, the project hosted over 70 stakeholders including local mayors, politicians and community members, who inspected the site progress and gave some very positive feedback. Also in May, the team helped to promote "Traffic Week" involving 2,600 people from schools in Mara Rosa as well as on the main street in Mara Rosa itself. Monthly newsletters covering project progress and sustainability initiatives are continuing to be distributed to local communities.

Health and Safety

Hochschild's health and safety corporate standards have been implemented at the project, including the introduction of the Company's Seguscore safety indicator. The project has recently surpassed three million injury-free working hours and year-to-date Frequency and Severity Indexes are currently at zero.

Brownfield exploration

Although the brownfield team is planning a busy half of drilling, the budget for the exploration programme in Peru is subject to the Inmaculada MEIA approval.

Financial position

Total cash was approximately \$94 million as at 30 June 2023 resulting in a net debt position of approximately \$227 million.

During the quarter, the Company executed several precious metal hedges for production from Brazil

- 50,000oz of gold hedged for 2025 at \$2,117 per ounce
- 50,000oz of gold hedged for 2026 at \$2,167 per ounce
- 50,000oz of gold hedged for 2027 at \$2,206 per ounce

These were in addition to the previous announced hedges:

- 29,250 ounces of gold hedged for the remainder of 2023 at \$2,047 per ounce in Peru
- 27,600 ounces of gold hedged between March and December 2024 at \$2,100 per ounce in Brazil

Enquiries:

Hochschild Mining PLC

Charles Gordon

Head of Investor Relations

+44 (0)20 3709 3264

Hudson Sandler

Charlie Jack

Public Relations

+44 (0)207 796 4133

About Hochschild Mining PLC

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