

10 May 2023

Production Report for the 3 months ended 31 March 2023

Ignacio Bustamante, Chief Executive Officer said:

"We remain on track to deliver our annual targets with an improved social situation in Peru and current mine plans delivering increased production going forward at San Jose and also at Inmaculada, subject to approval of the mine's Modified Environmental Impact Assessment which we expect in the second quarter. Finally, we continue to make encouraging progress at our Mara Rosa project in Brazil which has now reached 77% completion and is on schedule and on budget for first production in H1 2024."

Operational highlights

- Q1 2023 attributable production¹
 - 39,735 ounces of gold
 - 2.1 million ounces of silver
 - 64,514 gold equivalent ounces
 - 5.4 million silver equivalent ounces
- 2023 guidance reiterated:
 - Production of 301,000–314,000 gold equivalent ounces (25.0–26.0 million silver equivalent ounces)
 - All-in sustaining costs of \$1,370–1,450 per gold equivalent ounce (\$16.5–17.5 per silver equivalent ounce)
- Peruvian government decision on Inmaculada Modified Environmental Impact Assessment ("MEIA") expected during Q2 2023

Project & Exploration highlights

- Mara Rosa project in Brazil advancing on schedule and on budget – total project progress at 77% with first production anticipated in H1 2024
 - 27,600oz of gold hedged from March to December 2024 at a price of \$2,100 per ounce
- 2023 brownfield drilling campaign at San Jose expected in Q2; Peru exploration timing subject to Inmaculada MEIA approval

ESG highlights

- Lost Time Injury Frequency Rate of 0.96 (FY 2022: 1.37)²
- Accident Severity Index of 35 (FY 2022: 93)³
- Water Consumption of 165lt/person/day (FY 2022: 171lt/person/day)
- Domestic waste generation of 0.98 kg/person/day (FY 2022: 1.05kg/person/day)
- ECO score of 5.88 out of 6 (FY 2022: 5.27)⁴

Strong financial position

- Total cash of approximately \$103 million as at 31 March 2023 (\$144 million as at 31 December 2022)
- Net debt of approximately \$218 million as at 31 March 2023 (\$175 million as at 31 December 2022)
- Current Net Cash/LTM EBITDA of approximately 0.95x as at 31 March 2023
- 29,250 ounces of gold hedged for the remainder of 2023 at a price of \$2,047 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 Wednesday 10 May 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 Toll Free: 866 580 3963

Canada Toll Free: 866 378 3566

Password: Hochschild Q1 Production

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: www.hochschildmining.com

Overview

In Q1 2023, Hochschild delivered attributable production of 64,514 gold equivalent ounces or 5.4 million silver equivalent ounces with Inmaculada temporarily impacted by the delay in the approval of the MEIA affecting mine development, as expected, as well as further disruption from the Peruvian national protests. In addition, there have also been lower grades at San Jose in Argentina and Pallancata in Peru. The Company remains on track to meet its overall attributable production target for 2023 of 301,000–314,000 gold equivalent ounces or 25.0–26.0 million silver equivalent ounces.

The Company reiterates that its all-in sustaining cost for 2023 is on track to be in line with the guidance of between \$1,370 and \$1,450 per gold equivalent ounce (or \$16.5 and \$17.5 per silver equivalent ounce).

TOTAL GROUP PRODUCTION

	Q1 2023	Q4 2022	Q1 2022	12 mths 2022
Silver production (koz)	2,438	3,632	2,759	13,596
Gold production (koz)	46.44	68.11	53.68	244.63
Total silver equivalent (koz)	6,292	9,285	7,214	33,900
Total gold equivalent (koz)	75.81	111.87	86.92	408.43
Silver sold (koz)	2,414	3,596	2,600	13,536
Gold sold (koz)	44.50	67.40	49.64	242.89

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

ATTRIBUTABLE GROUP PRODUCTION

	Q1 2023	Q4 2022	Q1 2022	12 mths 2022
Silver production (koz)	2,057	2,931	2,424	11,003
Gold production (koz)	39.73	56.94	47.23	206.01
Silver equivalent (koz)	5,355	7,657	6,344	28,102
Gold equivalent (koz)	64.51	92.26	76.43	338.57

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

Production

Inmaculada

Product	Q1 2023	Q4 2022	Q1 2022	12 mths 2022
Ore production (tonnes treated)	278,138	323,870	329,364	1,329,177
Average grade silver (g/t)	176	182	153	156
Average grade gold (g/t)	3.78	4.29	3.75	3.81
Silver produced (koz)	1,274	1,602	1,493	5,936
Gold produced (koz)	31.21	42.36	37.81	154.85
Silver equivalent (koz)	3,864	5,118	4,632	18,788
Gold equivalent (koz)	46.56	61.66	55.80	226.36
Silver sold (koz)	1,204	1,599	1,383	5,918
Gold sold (koz)	29.29	42.15	35.16	154.93

Inmaculada's first quarter production was 31,213 ounces of gold and 1.3 million ounces of silver which amounts to gold equivalent output of 46,559 ounces. Tonnage was lower than the previous quarter, as expected, due to the anticipated delays in the approval of the MEIA impacting mine development, and to disruption from the local and national protests in late 2022 and early 2023. This was partially offset by better-than-expected grades. The operation is back to capacity and production guidance for 2023 is not affected, subject to approval of the MEIA in the second quarter.

Pallancata

Product	Q1 2023	Q4 2022	Q1 2022	12 mths 2022
Ore production (tonnes treated)	115,842	155,530	124,782	559,799
Average grade silver (g/t)	126	139	165	151
Average grade gold (g/t)	0.49	0.68	0.74	0.69
Silver produced (koz)	386	600	581	2,368
Gold produced (koz)	1.55	2.95	2.70	10.98
Silver equivalent (koz)	514	845	805	3,279
Gold equivalent (koz)	6.20	10.18	9.70	39.50
Silver sold (koz)	427	561	577	2,315
Gold sold (koz)	1.69	2.80	2.69	10.76

In the first quarter, Pallancata produced 386,000 ounces of silver and 1,545 ounces of gold bringing silver equivalent total production to 514,000 ounces with reduced tonnage and grades in line with the current declining production profile.

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

Product	Q1 2023	Q4 2022	Q1 2022	12 mths 2022
Ore production (tonnes treated)	128,499	152,692	73,892	507,189
Average grade silver (g/t)	215	332	331	369
Average grade gold (g/t)	3.88	5.38	6.36	5.55
Silver produced (koz)	778	1,430	685	5,292
Gold produced (koz)	13.68	22.80	13.16	78.80
Silver equivalent (koz)	1,913	3,323	1,777	11,833
Gold equivalent (koz)	23.05	40.03	21.41	142.57
Silver sold (koz)	784	1,435	640.2	5,303
Gold sold (koz)	13.52	22.46	11.79	77.20

The first quarter at San Jose in Argentina is traditionally a shorter operational period due to the scheduled hourly workers' holiday which was taken during January this year. Due to mine sequencing, grades and recoveries were lower in Q1 and led to production of 0.8 million ounces of silver and 13,679 ounces of gold which makes 1.9 million silver equivalent ounces. However, the operation remains on track to meet 2023 full year guidance of between 6.1 and 6.3 million silver equivalent ounces.

Average realisable prices and sales

Average realisable precious metal prices in Q1 2023 (which are reported before the deduction of commercial discounts) were \$1,956/ounce for gold and \$23.0/ounce for silver (Q1 2022: \$1,916/ounce for gold and \$26.0/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 77% and detailed engineering 99% complete. The Company continues to expect first production in H1 2024.

Procurement

Currently purchase orders have been issued for 93% of the project equipment. Deliveries are on schedule with key equipment such as the crusher, thickeners, filters, conveyor belts, HDPE pipes, aluminium cabling for transmission lines, hydrocyclones, agitators and equipment for the wastewater treatment station already received.

Earthworks

Site clearance for the processing plant and earthworks activities is complete.

Civil work

Civil works in the processing plant area are advancing in line with schedule at 86% completion. Work on the crushers and ball mill buildings are finished whilst leaching and filtering circuits are expected to be completed in May.

Infrastructure assembly

The Electromechanical assembly contractor has been mobilised, and the work is advancing in line with schedule at 25% progress. The power supply for the mine will be provided by the building of a 67km, 138kv transmission line from the Porangatu substation with work currently 77% advanced and expected to be completed by July 2023.

Sustainability

Environmental controls to monitor construction work have been implemented to ensure compliance with applicable permits. ESG programmes are advancing as expected with over 500 people having visited the “knowledge trail” as of March 2023. Procurement from local suppliers has surpassed \$9 million and over 320 people from Mara Rosa and Amaralina towns are currently working on the project. Monthly newsletters covering project progress and sustainability initiatives are also being 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 two million injury-free working hours and year-to-date Frequency and Severity Indexes are currently at zero.

Development project: Snip

Due to the need to focus capital elsewhere in Hochschild’s portfolio, the Company terminated, on 4 April 2023, the option with Skeena Resources Limited (“Skeena”) to earn-in a 60% interest in the Snip project. Termination of the project became effective immediately and, as a result, Hochschild has no liability to complete the Aggregate Expenditure Requirement.

In addition, Hochschild provided confirmation to Skeena that it had satisfied the Minimum Annual Expenditure Requirement in respect of the 12-month period that commenced on 14 October 2022. Accordingly, no cash payment is due from Hochschild to Skeena under the terms of the option agreement.

Brownfield exploration

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

In Argentina, the programme has commenced with drilling for potential at the Ciclon project in the Santa Cruz province with results currently pending.

Financial position

Total cash was approximately \$103 million as at 31 March 2023 resulting in a net debt position of approximately \$218 million.

During the quarter, the Company executed two precious metal hedges. Firstly, a total of 29,250 ounces of gold was hedged for the remainder of 2023 at a forward price of \$2,047 per ounce. In addition, the Company has hedged a further 27,600 ounces of gold for the period between March 2024 and December 2024 at a forward price of \$2,100 per ounce.

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About Hochschild Mining PLC

Hochschild Mining PLC is a leading precious metals company listed on the London Stock Exchange (HOC.M.L / HOC.LN) 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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