



Preliminary production and sales data of the KGHM Polska Miedź S.A. Group for October 2021

The following report contains preliminary monthly data – the final quarterly and annual production and sales results will be published in the consolidated annual report for 2021. Data of the KGHM Polska Miedź S.A. Group contain the results of Sierra Gorda reflecting the 55% share held by KGHM Polska Miedź S.A.

In the period January-October 2021 the production of all of the main metals by the Group was above the levels set forth in the budget for this period. In terms of copper, production was also 9% higher versus the corresponding period of 2020.

Results of the KGHM Group in October 2021 - y/y:

Production and sales of the KGHM Group	October 2021	October 2020	I - X 2021	I - X 2020
Production				
Payable copper (kt)	61.7	61.1	635.7	582.1
- including KGHM Polska Miedź S.A.*	48.9	48.9	489.0	460.8
Payable silver (t)	95.7	125.4	1 103.3	1 122.0
TPM (koz t)	11.0	16.6	135.3	161.8
Molybdenum (mn lbs)	0.3	0.6	7.6	7.9
Sales				
Copper (kt)	58.0	57.1	602.9	572.9
Silver (t)	106.2	123.5	1081.1	1138.4
TPM (koz t)	8.3	19.0	123.4	167.8
Molybdenum (mn lbs)	0.8	0.8	6.8	8.2

* Production of electrolytic copper

Production of the KGHM Group:

- **Production of payable copper amounted to 61.7 thousand tonnes**, or an amount slightly higher than that recorded in the corresponding month of 2020.
- **Production of payable silver amounted to 95.7 tonnes**, or 29.7 tonnes (-24%) less than in the corresponding month of 2020, mainly due to maintenance at the Precious Metals Plant of the Głogów Copper Smelter and Refinery.
- **Production of TPM amounted to 11.0 thousand troy ounces**, or a decrease by 5.6 thousand troy ounces (-34%) compared to October 2020, mainly due to lower production of gold by the segment KGHM Polska Miedź S.A.
- **Production of molybdenum amounted to 0.3 million pounds**, or 50% less than in October 2020 due to the lower molybdenum content in ore processed by the Sierra Gorda mine.

Sales of the KGHM Group:

- **Sales of copper amounted to 58.0 thousand tonnes** and were higher by 0.9 thousand tonnes (+2%) compared to sales in October 2020. The decrease in copper sales by the Sierra Gorda mine by 0.6 thousand tonnes (-8%) and lower sales by KGHM INTERNATIONAL LTD. by 2.1 thousand tonnes (-37%) combined with the increase in sales recorded by KGHM Polska Miedź S.A. by 3.7 thousand tonnes (+8%) led to the 2% difference in the result for the entire KGHM Group.
- **Sales of silver amounted to 106.2 tonnes** and were lower by 17.3 tonnes (-14%) compared to sales in October 2020. The decrease is mainly due to lower sales of silver by the Polish production assets and by KGHM INTERNATIONAL LTD.
- **Sales of TPM amounted to 8.3 thousand troy ounces** and were lower by 10.7 thousand troy ounces (-56%) compared to sales in October 2020. The decrease in TPM sales by the Group was due to a decrease in sales of TPM recorded by KGHM Polska Miedź S.A. by 8.5 thousand troy ounces and to a decrease in sales by KGHM INTERNATIONAL LTD.
- **Sales of molybdenum amounted to 0.8 million pounds** and were similar to the results recorded in October 2020.

Results of KGHM Polska Miedź S.A. in October 2021 - y/y:

Production and sales of KGHM Polska Miedź S.A.	October 2021	October 2020	I - X 2021	I - X 2020
Mine production:				
Copper in concentrate (kt)	34.2	34.7	330.2	331.5
Silver in concentrate (t)	117.0	109.8	1 093.9	1 026.7
Metallurgical production:				
Electrolytic copper (kt)	48.9	48.9	489.0	460.8
- including from own concentrate	37.0	41.2	323.0	328.3
Metallic silver (t)	93.3	122.9	1 075.9	1 098.3
TPM (koz t)	4.8	10.6	66.2	77.7
Sales				
Copper (kt)	48.0	44.4	465.1	449.4
Silver (t)	104.4	120.4	1054.9	1110.3
TPM (koz t)	3.4	11.9	61.9	79.3

Production of KGHM Polska Miedź S.A.:

- **Production of copper in concentrate amounted to 34.2 thousand tonnes** and was lower by 0.5 thousand tonnes (-1%) compared to October 2020. The decrease in production was due to lower extraction of ore by the mines and its processing by the Concentrators.
- **Production of silver in concentrate amounted to 117.0 tonnes** and was higher by 7.2 tonnes (+7%) compared to October 2020, due to the higher content of this metal in ore.
- **Production of electrolytic copper amounted to 48.9 thousand tonnes** and was at the same level as compared to October 2020.
- **Production of metallic silver amounted to 93.3 tonnes** and was lower by 29.6 tonnes (-24%) compared to October 2020. The lower production was due to planned maintenance at the Precious Metals Plant.

Sales of KGHM Polska Miedź S.A.:

- **Sales of copper amounted to 48.0 thousand tonnes** and were higher by 3.6 thousand tonnes (+8%) compared to sales in October 2020. The level of sales achieved results from high demand for copper both in Europe and in Asia and to the schedule of deliveries to customers.
- **Sales of silver amounted to 104.4 tonnes** and were lower by 16 tonnes (-13%) compared to October 2020. This was due to lower production and to the schedule of customer orders compared to October 2020.
- **Sales of TPM amounted to 3.4 thousand troy ounces** and were lower by 8.5 thousand troy ounces (-71%) compared to sales in October 2020. The level of sales was due to production in the given period as well as to the schedule of customer orders.

Results of KGHM INTERNATIONAL LTD. in October 2021 - y/y:

Production and sales of KGHM INTERNATIONAL LTD.	October 2021	October 2020	I - X 2021	I - X 2020
Production				
Payable copper (kt)	5.8	5.7	61.2	54.9
TPM (koz t)	4.1	3.7	44.1	58.1
Sales				
Copper (kt)	3.6	5.1	54.7	59.9
TPM (koz t)	2.7	4.6	36.8	63.1
Silver (t)	-0.2	0.6	1.6	6.7

Production of KGHM INTERNATIONAL LTD.:

- **Production of copper amounted to 5.8 thousand tonnes** and was higher by 0.1 thousand tonnes (+2%) compared to October 2020, mainly due to higher production by the Sudbury Basin (+81 tonnes – higher copper content in ore) and by the Robinson mine (+65 tonnes – higher copper content in ore).
- **Production of TPM amounted to 4.1 thousand troy ounces** and was higher by 0.4 thousand troy ounces (+11%) compared to October 2020 due to higher production by the Robinson mine (+1.0 thousand troy ounces – higher gold content in ore and higher recovery), which offset lower production by the Sudbury Basin (-0.5 thousand troy ounces – lower precious metals content in ore, with lower extraction).

Sales of KGHM INTERNATIONAL LTD.:

- **Sales of copper amounted to 3.6 thousand tonnes** and were lower by 1.5 thousand tonnes (-29%) compared to sales in October 2020. The main reason was lower sales of copper from Robinson mine concentrate, which was due to delays in a ship's departure originally planned for the last days of October. As a result of bad weather and port interruptions, the ship left port in the first days of November. Copper sales were also lower in the case of the Franke mine (lower cathode production). Slightly higher copper sales were however recorded by the Carlota mine (cathodes). The higher level of copper content in ore was reflected in the higher sales of copper from the Sudbury Basin (0.1 thousand tonnes).
- **Sales of TPM amounted to 2.7 thousand troy ounces** and were lower by 1.9 thousand troy ounces (-41%) compared to sales in October 2020. This result was mainly due to lower gold content in concentrate from the Robinson mine and to the lower volume of concentrate sold in the given month. Lower sales were also recorded by the Sudbury Basin.
- The recorded volume of **silver sales** is the result of the adjustment in October 2021 of the provisional amount of silver in Robinson concentrate with respect to previous shipments. A decrease in silver sales by approx. 0.1 tonnes was recorded by the Sudbury Basin (a lower sales volume and lower silver content in ore).

Results of Sierra Gorda S.C.M. in October 2021 - y/y:

Production and sales of Sierra Gorda (on a 55% basis)	October 2021	October 2020	I - X 2021	I - X 2020
Production				
Payable copper (kt)	7.0	6.5	85.5	66.4
Molybdenum (mn lbs)	0.3	0.6	7.4	7.5
Payable silver (t)	2.3	2.3	25.7	22.3
TPM (koz t)	2.1	2.3	25.0	26.0
Sales				
Copper (kt)	6.4	7.0	83.1	63.6
Molybdenum (mn lbs)	0.8	0.8	6.7	7.6
Silver (t)	2.0	2.5	24.6	21.4
TPM (koz t)	2.2	2.5	24.7	25.4

Production of Sierra Gorda (55%):

- **Production of payable copper amounted to 7.0 thousand tonnes** and was higher by 0.5 thousand tonnes (+8%) compared to October 2020. The increase in payable copper production in October 2021 compared to October 2020 was due to higher copper content in mined ore, higher metal recovery and a higher volume of ore processed. The increase in payable copper production in the period January-October 2021 compared to the corresponding period of 2020 was due to higher copper content in mined ore, higher metal recovery and a higher volume of ore processed.
- **Production of molybdenum amounted to 0.3 million pounds** and was lower by 0.3 million pounds (-50%) compared to October 2020. The decrease in molybdenum production in October 2021 compared to October 2020 was due to lower metal content in mined ore, which was partially offset by higher metal recovery and a higher volume of ore processed. The decrease in molybdenum production in the period January-October 2021 compared to the corresponding period of 2020 was due to lower metal content in mined ore, which was partially offset by higher metal recovery and a higher volume of ore processed.

Sales of Sierra Gorda (55%):

- **Sales of copper amounted to 6.4 thousand tonnes** and were lower by 0.6 thousand tonnes (-9%) compared to sales in October 2020. The reason for the decrease was a lower volume of copper concentrate sold in October 2021 (by approx. 7.1 thousand tonnes dry weight) due to the schedule of planned deliveries.
- **Sales of molybdenum amounted to 0.8 million pounds** and were at the same level as compared to October 2020. The level of sales of molybdenum reflects the schedule of processing molybdenum concentrate and the return of molybdenum oxides designated for sale as well as the planned and achieved level of molybdenum production by the Sierra Gorda mine.
- **Sales of silver amounted to 2.0 tonnes** and were lower by 0.5 tonnes (-20%) compared to sales in October 2020. The main reason was lower sales of copper concentrate.
- **Sales of TPM amounted to 2.2 thousand troy ounces** and were lower by 0.3 thousand troy ounces (-12%) compared to sales in October 2020. The lower TPM content in copper concentrate combined with lower sales of copper concentrate was the reason for the lower sales compared to October 2020 by twelve percent.