



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

The following report contains preliminary monthly data – the final quarterly production and sales results will be published in the consolidated report for the third quarter of 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-September 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 and silver production, there was also an increase recorded, respectively by 10% and 1%, compared to the corresponding period of 2020.

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

Production and sales of the KGHM Group	September 2021	September 2020	I - IX 2021	I - IX 2020
Production				
Payable copper (kt)	63.7	54.9	573.9	521.0
- including KGHM Polska Miedź S.A.*	47.3	41.8	440.1	411.9
Payable silver (t)	106.3	121.1	1 007.7	996.6
TPM (koz t)	17.8	16.2	124.3	145.3
Molybdenum (mn lbs)	1.2	0.5	7.2	7.3
Sales				
Copper (kt)	66.2	53.3	544.9	515.8
Silver (t)	113.1	119.3	974.9	1014.9
TPM (koz t)	13.5	9.3	115.1	148.8
Molybdenum (mn lbs)	0.7	0.7	6.0	7.3

* Production of electrolytic copper

Production of the KGHM Group:

- **Production of payable copper amounted to 63.7 thousand tonnes** – an increase by 8.8 thousand tonnes (+16%) compared to the corresponding month of 2020, in all segments combined.
- **Production of payable silver amounted to 106.3 tonnes**, or a decrease by 14.8 tonnes (-12%) compared to 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 17.8 thousand troy ounces**, or an increase by 1.6 thousand troy ounces (+10%) compared to the corresponding month of 2020, mainly due to higher production of gold by Sierra Gorda.
- **Production of molybdenum amounted to 1.2 million pounds**, or more than twice as much as in September 2020, due to an increase in molybdenum content and recovery as well as higher ore processing by the Sierra Gorda mine.

Sales of the KGHM Group:

- **Sales of copper amounted to 66.2 thousand tonnes** and were higher by 12.9 thousand tonnes (+24%) compared to sales in September 2020. Higher sales were recorded by nearly all of the production assets of the KGHM Group (Sierra Gorda +5.1 thousand tonnes, KGHM Polska Miedź S.A. +4.8 thousand tonnes, KGHM INTERNATIONAL LTD. +3.0 thousand tonnes).
- **Sales of silver amounted to 113.1 tonnes** and were lower by 6.2 tonnes (-5%) compared to sales in September 2020. The decrease in sales is mainly due to lower sales of silver by the Polish production assets. Sales by Sierra Gorda and KGHM INTERNATIONAL LTD. were however higher.
- **Sales of TPM amounted to 13.5 thousand troy ounces** and were higher by 4.2 thousand troy ounces (+45%) compared to sales in the corresponding period of 2020. The results were due to higher sales of gold by KGHM Polska Miedź S.A., by the Sierra Gorda mine and by KGHM INTERNATIONAL LTD.
- **Sales of molybdenum amounted to 0.7 million pounds** and were similar to the results recorded in September 2020.

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

Production and sales of KGHM Polska Miedź S.A.	September 2021	September 2020	I - IX 2021	I - IX 2020
Mine production:				
Copper in concentrate (kt)	33.6	33.5	296.1	296.8
Silver in concentrate (t)	115.0	104.6	976.9	916.9
Metallurgical production:				
Electrolytic copper (kt)	47.3	41.8	440.1	411.9
- including from own concentrate	28.7	28.7	286.0	287.1
Metallic silver (t)	103.3	118.2	982.6	975.4
TPM (koz t)	9.2	9.2	61.4	67.1
Sales				
Copper (kt)	48.5	43.7	417.1	405.0
Silver (t)	109.9	117.2	950.5	989.9
TPM (koz t)	4.4	3.2	58.5	67.4

Production of KGHM Polska Miedź S.A.:

- **Production of copper in concentrate amounted to 33.6 thousand tonnes** and was at a comparable level to that of September 2020.
- **Production of silver in concentrate amounted to 115.0 tonnes** and was higher by 10.4 tonnes (+10%) compared to September 2020, due to the higher content of this metal in ore.
- **Production of electrolytic copper amounted to 47.3 thousand tonnes** and was higher by 5.5 thousand tonnes (+13%) compared to September 2020. The increase in the production of electrolytic copper in the form of cathodes was due to the higher availability of charge material and to the higher availability of the production lines.
- **Production of metallic silver amounted to 103.3 tonnes** and was lower by 14.9 tonnes (-13%) compared to September 2020. The lower production in September 2021 was due to maintenance at the Precious Metals Plant.

Sales of KGHM Polska Miedź S.A.:

- **Sales of copper amounted to 48.5 thousand tonnes** and were higher by 4.8 thousand tonnes (+11%) compared to sales in September 2020. The level of sales achieved results from higher production of electrolytic copper by the Polish metallurgical plants compared to September 2020, the evident high demand for copper both in Europe and in Asia and to the schedule of deliveries to customers.
- **Sales of silver amounted to 109.9 tonnes** and were lower by 7.3 tonnes compared to September 2020. This was mainly due to lower production of silver.
- **Sales of TPM amounted to 4.4 thousand troy ounces** and were higher by 1.2 thousand troy ounces compared to September 2020. The increase was due to the schedule of customer orders.

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

Production and sales of KGHM INTERNATIONAL LTD.	September 2021	September 2020	I - IX 2021	I - IX 2020
Production				
Payable copper (kt)	6.7	5.9	55.4	49.2
TPM (koz t)	4.8	4.4	39.9	54.4
Sales				
Copper (kt)	8.4	5.4	51.1	54.2
TPM (koz t)	5.8	4.5	34.1	58.5
Silver (t)	0.5	0.4	1.8	6.1

Production of KGHM INTERNATIONAL LTD.:

- **Production of copper amounted to 6.7 thousand tonnes** and was higher by 0.8 thousand tonnes (+14%) compared to September 2020, mainly due to higher production by the Robinson mine (+0.9 thousand tonnes – higher copper content in ore and higher recovery).
- **Production of TPM amounted to 4.8 thousand troy ounces** and was higher by 0.4 thousand troy ounces (+9%) compared to September 2020 due to higher production by the Robinson mine (+0.4 thousand troy ounces - higher recovery), which offset lower production by the Sudbury Basin (-0.1 thousand troy ounces – lower extraction).

Sales of KGHM INTERNATIONAL LTD.:

- **Sales of copper amounted to 8.4 thousand tonnes** and were higher by 3.0 thousand tonnes (+56%) compared to sales in September 2020. The main reason was higher sales of copper recorded by the Robinson mine, due to a higher amount of copper concentrate sold by approx. 9.5 thousand tonnes dry weight and higher copper content in sold concentrate. Moreover, sales in September 2021 were determined by the schedule of deliveries agreed with customers. The Carlota and Franke mines recorded comparable levels of copper sales to those achieved in September 2020. Lower sales results were recorded by the Sudbury Basin (lower copper content in ore).
- **Sales of TPM amounted to 5.8 thousand troy ounces** and were higher by 1.3 thousand troy ounces (+29%) compared to the corresponding period of 2020. This result was mainly due to a higher volume of sales of copper concentrate in the analysed period and to higher gold content in copper concentrate from the Robinson mine in the USA.
- **Sales of silver amounted to 0.5 tonnes** and were higher by 0.1 tonnes (+25%) compared to September 2020, due to higher sales and the higher content of this metal in copper concentrate.

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

Production and sales of Sierra Gorda (on a 55% basis)	September 2021	September 2020	I - IX 2021	I - IX 2020
Production				
Payable copper (kt)	9.7	7.2	78.4	59.9
Molybdenum (mn lbs)	1.2	0.5	7.0	6.9
Payable silver (t)	2.9	2.8	23.4	20.0
TPM (koz t)	3.9	2.6	22.9	23.8
Sales				
Copper (kt)	9.3	4.2	76.7	56.6
Molybdenum (mn lbs)	0.7	0.7	5.9	6.8
Silver (t)	2.7	1.7	22.6	18.9
TPM (koz t)	3.3	1.6	22.5	22.9

Production of Sierra Gorda (55%):

- **Production of payable copper amounted to 9.7 thousand tonnes** and was higher by 2.5 thousand tonnes (+35%) compared to September 2020. The increase in payable copper production in September 2021 compared to September 2020 was due to higher copper content in mined ore and a higher volume of ore processed. The increase in payable copper production in the period January-September 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 1.2 million pounds** and was higher by 0.7 million pounds (+140%) compared to September 2020. The increase in molybdenum production in September 2021 compared to September 2020 was due to higher metal content in mined ore, higher metal recovery and a higher volume of ore processed. The decrease in molybdenum production in the period January-September 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 9.3 thousand tonnes** and were higher by 5.1 thousand tonnes (+121%) compared to sales in September 2020. This was due to a higher volume of copper concentrate sold in September 2021 (by approx. 35.4 thousand tonnes dry weight) due to higher copper production and the schedule of planned deliveries.
- **Sales of molybdenum amounted to 0.7 million pounds**, and were similar to the level recorded in the corresponding period of 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 2.7 tonnes** and were higher by 1.0 tonne (+59%) compared to sales in September 2020. The main reason was a higher volume of copper concentrate sold by the Sierra Gorda mine.
- **Sales of TPM amounted to 3.3 thousand troy ounces** and were higher by 1.7 thousand troy ounces (+106%) compared to sales in September 2020. The increase in silver and TPM sales was mainly due to the higher volume of copper concentrate sold.