



Preliminary production and sales data of the KGHM Polska Miedź S.A. Group for May 2022

The following report contains preliminary monthly data – the final quarterly production and sales results will be published in the consolidated report for the first half of 2022. 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.

Results of the KGHM Group in May 2022 - y/y:

Production and sales of the KGHM Group	May 2022	May 2021	I - V 2022	I - V 2021
Production				
Payable copper (kt)	64.3	65.3	319.5	315.6
- including KGHM Polska Miedź S.A.*	50.4	50.0	249.6	244.8
Payable silver (t)	126.2	129.9	559.9	558.5
TPM (koz t)	17.3	12.9	76.0	63.1
Molybdenum (mn lbs)	0.4	0.9	1.7	3.9
Sales				
Copper (kt)	58.2	62.3	301.1	299.2
Silver (t)	107.6	122.3	593.7	513.0
TPM (koz t)	15.4	12.1	71.4	63.9
Molybdenum (mn lbs)	0.5	0.5	1.9	3.6

* Production of electrolytic copper

Production of the KGHM Group:

- **Production of payable copper amounted to 64.3 thousand tonnes** - a decrease compared to May 2021 by 1.0 thousand tonnes (-2%), mainly due to lower copper content in ore processed by the Sierra Gorda mine and to lower copper recovery by this mine. Production of copper by KGHM Polska Miedź S.A. was slightly higher than the level recorded in May 2021, while in KGHM INTERNATIONAL LTD. production was lower by 6% compared to May 2021 due to the sale of the assets of the company S.C.M. Franke – the transaction occurred on 26 April 2022.
- **Production of payable silver amounted to 126.2 tonnes**, which was 3.7 tonnes (-3%) less than in the corresponding month of 2021 due to the lower availability of feed materials in the Precious Metals Plant at the Głogów Copper Smelter and Refinery.
- **Production of TPM amounted to 17.3 thousand troy ounces** and was higher by 4.4 thousand troy ounces (+34%) compared to May 2021, mainly due to the processing of ore with higher gold content and higher recovery of this metal in the Robinson mine.
- **Production of molybdenum amounted to 0.4 million pounds**, or a decrease by 0.5 million pounds (-56%) compared to May 2021. The substantial decrease in production was due to the planned extraction from mining zones (Sierra Gorda) with a lower content of this metal compared to the situation in 2021.

In the period January-May 2022 production of all of the main metals by the Group was above the levels set in the budget. In the case of copper, silver and other precious metals, production was also higher as compared to the level recorded in the period January-May 2021.

Sales of the KGHM Group:

- **Sales of copper amounted to 58.2 thousand tonnes** and were lower by 4.1 thousand tonnes (-7%) compared to sales in May 2021. Higher copper sales were recorded by the Sierra Gorda mine in May 2022, with lower sales by KGHM Polska Miedź S.A. and KGHM INTERNATIONAL LTD.
- **Sales of silver amounted to 107.6 tonnes** and were lower by 14.7 tonnes (-12%) than in the corresponding period of 2021. This was mainly due to lower silver sales by KGHM Polska Miedź S.A.
- **Sales of TPM amounted to 15.4 thousand troy ounces** and were higher by 3.3 thousand troy ounces (+27%) compared to sales in the corresponding period of 2021. This result was due to higher gold sales by KGHM INTERNATIONAL LTD. and by the Sierra Gorda mine as well as to sales of gold by KGHM Polska Miedź S.A. remaining at the same level.
- **Sales of molybdenum amounted to 0.5 million pounds** and were at the same level as in May 2021.

Results of KGHM Polska Miedź S.A. in May 2022 - y/y:

Production and sales of KGHM Polska Miedź S.A.	May 2022	May 2021	I - V 2022	I - V 2021
Mine production				
Copper in concentrate (kt)	34.5	33.2	165.8	162.1
Silver in concentrate (t)	116.4	111.0	551.8	531.1
Metallurgical production				
Electrolytic copper (kt)	50.4	50.0	249.6	244.8
- including from own concentrate	28.5	30.8	152.2	162.0
Metallic silver (t)	123.6	127.5	547.0	544.6
TPM (koz t)	6.7	6.5	33.5	30.2
Sales				
Copper (kt)	46.3	50.1	239.2	234.0
Silver (t)	104.1	121.3	578.1	501.2
TPM (koz t)	6.6	6.6	36.5	32.6

Production of KGHM Polska Miedź S.A.:

- **Production of copper in concentrate amounted to 34.5 thousand tonnes** and was higher by 1.3 thousand tonnes (+4%) compared to May 2021. The increase in production was due to higher extraction and processing of ore from the mines.
- **Production of silver in concentrate amounted to 116.4 tonnes** and was higher by 5.4 tonnes (+5%) compared to May 2021, due to the higher amount of processed feed.
- **Production of electrolytic copper amounted to 50.4 thousand tonnes** and was higher by 0.4 thousand tonnes (+1%) compared to May 2021. Cathode production in May 2022 results from the production targets adopted for 2022.
- **Production of metallic silver amounted to 123.6 tonnes** and was lower by 3.9 tonnes (-3%) compared to May 2021. The decrease in production of metallic silver was due to the lower availability of feed materials in the Precious Metals Plant.

Sales of KGHM Polska Miedź S.A.:

- **Sales of copper amounted to 46.3 thousand tonnes** and were lower by 3.8 thousand tonnes (-8%) compared to sales in May 2021. The main reason for the decrease in sales was the logistical aspect of marine transport – congestion in European and Asian ports led to delays in ship sailings, which in turn resulted in later sales dates. It should however be noted that despite the aforementioned difficulties, in the first months of the year a higher level of sales was recorded than in the corresponding period of 2021.
- **Sales of silver amounted to 104.1 tonnes** and were lower by 17.2 tonnes (-14%) compared to sales in May 2021. This level of sales was due to the schedule of sales to customers.
- **Sales of TPM amounted to 6.6 thousand troy ounces** and were at the same level as sales in May 2021.

Results of KGHM INTERNATIONAL LTD. in May 2022 - y/y:

Production and sales of KGHM INTERNATIONAL LTD.	May 2022	May 2021	I - V 2022	I - V 2021
Production				
Payable copper (kt)	6.2	6.6	31.5	29.3
TPM (koz t)	6.9	4.3	29.4	21.3
Sales				
Copper (kt)	4.5	5.3	23.7	27.5
TPM (koz t)	5.7	4.1	22.6	20.4
Silver (t)	1.0	-0.6	3.3	0.1

Production of KGHM INTERNATIONAL LTD.:

- **Production of payable copper amounted to 6.2 thousand tonnes** and was lower by 0.4 thousand tonnes (-6%) compared to May 2021, mainly due to the exclusion of production for this month by the Franke mine (a year-on-year difference of -0.8 thousand tonnes) as a consequence of the sale of this asset on 26 April 2022. Higher copper production was recorded by the Robinson mine (+0.4 thousand tonnes – higher copper content in ore) and by the Sudbury Basin (+0.02 thousand tonnes – higher copper content in ore and higher extraction), with slightly lower production (by -0.02 thousand tonnes – the processing of ore with lower copper content in solution (PLS grade)) by the Carlota mine.
- **Production of TPM amounted to 6.9 thousand troy ounces** and was higher by 2.6 thousand troy ounces (+60%) compared to May 2021 due to higher gold production by the Robinson mine (+1.8 thousand troy ounces – higher gold content in ore and higher recovery) and higher TPM production by the Sudbury Basin (+0.8 thousand troy ounces – higher TPM content in ore and higher extraction).

Sales of KGHM INTERNATIONAL LTD.:

- **Sales of copper amounted to 4.5 thousand tonnes** and were lower by 0.8 thousand tonnes (-15%) compared to sales in May 2021. The main factor was the lack of cathode sales by the Franke mine (on 26 April 2022 an agreement was signed by KGHM to sell its shares in the company SCM Franke, the owner of the Franke mine). The amount of copper concentrate sold by the Robinson mine was at a similar level to that of the prior year. A slight increase in sales of copper from polymetallic ore from the Sudbury Basin was recorded, as well as a slight decrease in sales of cathodes by the Carlota mine.
- **Sales of TPM amounted to 5.7 thousand troy ounces** and were higher by 1.6 thousand troy ounces (+39%) compared to the corresponding period of 2021. This result was mainly impacted by higher gold content in concentrate from the Robinson mine and by higher sales of gold, platinum and palladium in ore from the Sudbury Basin.
- The negative volume of silver sales presented for May 2021 was due to the provisional adjustment of silver content in concentrate from the Robinson mine compared to previous shipments. It should also be noted that the provisional amount of silver in copper concentrate shipped in May 2022 substantially exceeds the level of silver in shipments in May 2021. A lower level of silver sales compared to the corresponding period of 2021 was recorded by the Sudbury Basin.

Results of Sierra Gorda S.C.M. in May 2022 - y/y:

Production and sales of Sierra Gorda (on a 55% basis)	May 2022	May 2021	I - V 2022	I - V 2021
Production				
Payable copper (kt)	7.7	8.7	38.4	41.5
Molybdenum (mn lbs)	0.4	0.9	1.7	3.8
Payable silver (t)	2.5	2.2	12.2	13.0
TPM (koz t)	3.7	2.1	13.1	11.6
Sales				
Copper (kt)	7.4	6.9	38.2	37.7
Molybdenum (mn lbs)	0.5	0.5	1.8	3.4
Silver (t)	2.5	1.6	12.3	11.7
TPM (koz t)	3.1	1.4	12.3	10.9

Production of Sierra Gorda (55%):

- **Production of payable copper amounted to 7.7 thousand tonnes** and was lower by 1.0 thousand tonnes (-11%) compared to May 2021. The decrease in payable copper production in May 2022 compared to May 2021 was due to the lower content of this metal in extracted ore and lower metal recovery. The lower production of payable copper was partially offset by a higher volume of ore processed. The decrease in payable copper production in the period January-May 2022 compared to the corresponding period of 2021 was due to lower copper content in extracted ore. This result was partially offset by a higher volume of ore processed.
- **Production of molybdenum amounted to 0.4 million pounds** and was lower by 0.5 million pounds (-56%) compared to May 2021. The decrease in molybdenum production in May 2022 compared to the corresponding period of 2021 was due to lower metal content in mined ore and lower metal recovery. The decrease in molybdenum production in the period January-May 2022 compared to the corresponding period of 2021 was due to lower metal content in mined ore and lower metal recovery, which was partially offset by a higher volume of ore processed.

Sales of Sierra Gorda (55%):

- **Sales of copper amounted to 7.4 thousand tonnes** and were higher by 0.5 thousand tonnes (+7%) compared to sales recorded in May 2021. This increase was due to a higher volume of sales (by approx. 10 thousand tonnes of copper concentrate, dry weight), in connection with the agreed schedule of shipments.
- **Sales of molybdenum amounted to 0.5 million pounds** and were at the same level as that recorded in May 2021. 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 2.5 tonnes** and were higher by 0.9 tonnes (+56%).
- **Sales of TPM amounted to 3.1 thousand troy ounces** and were higher by 1.7 thousand troy ounces (+121%). The increase in silver and TPM sales was mainly due to the higher volume of copper concentrate sold in May 2022.