



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

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 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 July 2022 - y/y:

Production and sales of the KGHM Group	July 2022	July 2021	I - VII 2022	I - VII 2021
Production				
Payable copper (kt)	60.0	64.9	437.6	445.7
- including KGHM Polska Miedź S.A.*	49.5	49.7	345.8	343.0
Payable silver (t)	119.9	115.7	803.1	791.9
TPM (koz t)	11.7	13.3	102.9	91.9
Molybdenum (mn lbs)	0.2	0.3	2.2	5.0
Sales				
Copper (kt)	51.5	57.7	416.4	422.6
Silver (t)	117.3	121.7	849.1	756.2
TPM (koz t)	8.4	9.2	92.0	84.1
Molybdenum (mn lbs)	0.3	0.1	2.4	4.5

* Production of electrolytic copper

Production of the KGHM Group:

- **Production of payable copper amounted to 60.0 thousand tonnes** - a decrease compared to July 2021 by 4.9 thousand tonnes (-8%) and was in respect of all operating segments, including mainly the Sierra Gorda mine (-26%), due to lower copper content in ore compared to the corresponding month of 2021. The decrease in production by KGHM INTERNATIONAL LTD. (-39%) was mainly due lower recovery of copper by the Robinson mine and to the sale of the assets of the Franke mine in April 2022.
- **Production of payable silver amounted to 119.9 tonnes**, or by 4.2 tonnes (+4%) more than in the corresponding month of 2021.
- **Production of TPM amounted to 11.7 thousand troy ounces** and was 12% below the level recorded in the prior year.
- **Production of molybdenum amounted to 0.2 million pounds**, or a decrease by 0.1 million pounds (-33%) compared to July 2021. The substantial decrease in production was mainly 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-July 2022 production of all of the main metals by the Group was above the levels set in the budget.

Sales of the KGHM Group:

- **Sales of copper amounted to 51.5 thousand tonnes** and were lower by 6.2 thousand tonnes (-10%) compared to July 2021. Higher copper sales were recorded in July 2022 by KGHM Polska Miedź S.A., with lower sales by KGHM INTERNATIONAL LTD. and by the Sierra Gorda mine.
- **Sales of silver amounted to 117.3 tonnes** and were lower by 4.4 tonnes (-4%) compared to the corresponding period of 2021. KGHM INTERNATIONAL LTD. recorded higher silver sales than in the corresponding period of 2021, while silver sales by KGHM Polska Miedź S.A. and by the Sierra Gorda mine were lower.
- **Sales of TPM amounted to 8.4 thousand troy ounces** and were lower by 0.8 thousand troy ounces (-9%) compared to sales in July 2021. KGHM Polska Miedź S.A. recorded higher TPM sales in July 2022 while lower sales were recorded by the Group's international segments.
- **Sales of molybdenum amounted to 0.3 million pounds** and were higher by 0.2 million pounds compared to July 2021. The increase in molybdenum sales was in respect of the Sierra Gorda mine. The result was also impacted by an adjustment of molybdenum sales in the previous year by KGHM INTERNATIONAL LTD. for July.

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

Production and sales of KGHM Polska Miedź S.A.	July 2022	July 2021	I - VII 2022	I - VII 2021
Mine production				
Copper in concentrate (kt)	32.3	33.9	231.2	229.1
Silver in concentrate (t)	108.8	111.7	771.0	752.0
Metallurgical production				
Electrolytic copper (kt)	49.5	49.7	345.8	343.0
- including from own concentrate	29.6	31.9	207.3	224.1
Metallic silver (t)	117.6	112.9	786.2	772.3
TPM (koz t)	6.0	6.7	46.9	44.8
Sales				
Copper (kt)	42.6	41.8	335.2	326.8
Silver (t)	114.8	118.4	828.3	737.6
TPM (koz t)	3.6	3.4	45.4	41.5

Production of KGHM Polska Miedź S.A.:

- **Production of copper in concentrate amounted to 32.3 thousand tonnes** and was lower by 1.6 thousand tonnes (-5%) compared to July 2021. The decrease in production was due to the processing of lower-quality ore from the mines.
- **Production of silver in concentrate amounted to 108.8 tonnes** and was lower by 2.9 tonnes (-3%) compared to July 2021, due to lower silver content in processed feed.
- **Production of electrolytic copper amounted to 49.5 thousand tonnes** and was lower by 200 tonnes (-0.4%) compared to July 2021. In July 2022 the Company registered an increase in production of electrolytic copper from own feed compared to prior months, i.e. April, May and June 2022. Cathode production in July 2022 results from the production targets adopted for 2022.
- **Production of metallic silver amounted to 117.6 tonnes** and was higher by 4.7 tonnes (+4%) compared to July 2021. The increase in production of metallic silver was due to the higher availability of feed materials in the Precious Metals Plant.

Sales of KGHM Polska Miedź S.A.:

- **Sales of copper amounted to 42.6 thousand tonnes** and were higher by 0.8 thousand tonnes (+2%) than sales in July 2021.
- **Sales of silver amounted to 114.8 tonnes** and were lower by 3.6 tonnes (-3%) compared to sales in July 2021.
- **Sales of TPM amounted to 3.6 thousand troy ounces** and were higher by 0.2 thousand troy ounces (+6%) compared to sales in July 2021.

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

Production and sales of KGHM INTERNATIONAL LTD.	July 2022	July 2021	I - VII 2022	I - VII 2021
Production				
Payable copper (kt)	3.6	5.9	40.5	42.2
TPM (koz t)	3.4	4.2	38.2	30.4
Sales				
Copper (kt)	2.3	5.5	30.5	36.6
TPM (koz t)	2.6	3.1	29.5	25.8
Silver (t)	0.7	0.4	4.9	0.8

Production of KGHM INTERNATIONAL LTD.:

- **Production of payable copper amounted to 3.6 thousand tonnes** and was lower by 2.3 thousand tonnes (-39%) compared to July 2021, mainly due to lower production by the Robinson mine (-1.35 thousand tonnes: lower recovery) and due to the lack of production for this month by the Franke mine (a year-on-year difference of -0.89 thousand tonnes) – the sale of this asset took place on 26 April 2022).
- **Production of TPM amounted to 3.4 thousand troy ounces** and was lower by 0.8 thousand troy ounces (-19%) compared to July 2021, due to lower gold production by the Robinson mine (-1.1 thousand troy ounces – lower recovery), which was not offset by higher TPM production by the Sudbury Basin (+0.3 thousand troy ounces – higher extraction and TPM content in ore).

Sales of KGHM INTERNATIONAL LTD.:

- **Sales of copper amounted to 2.3 thousand tonnes** and were lower by 3.2 thousand tonnes (-58%) compared to July 2021. The main reason was the volume of sales of concentrate by the Robinson mine – a lack of local sales in July 2022 along with logistical restrictions in land transport to the port meant that in July 2022 only a single lot of concentrate was sold (approx. 9.7 thousand tonnes), whereas in July 2021 two lots were sold (approx. 19.6 thousand tonnes). Moreover, the concentrate sold in 2022 was of a slightly lower copper content (approx. 1-1.5 percentage points less than the amount of copper in concentrate sold in July 2021). At the same time, sales of polymetallic ore from the Sudbury Basin were slightly higher while sales of cathodes by the Carlota mine were lower.
- **Sales of TPM amounted to 2.6 thousand troy ounces** and were lower by 0.5 thousand troy ounces (-16%) compared to July 2021. This sales result was impacted by lower sales of copper concentrate, which was partially offset by higher content of gold in Robinson concentrate as well as higher TPM sales from Sudbury Basin ore.
- **Sales of silver amounted to 0.7 tonnes** and were higher by 0.3 tonnes (+75%) compared to July 2021. This was the result of a substantially higher (compared to 2021) level of silver contained in copper concentrate from the Robinson mine as well as higher sales of silver from the Sudbury Basin.

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

Production and sales of Sierra Gorda (on a 55% basis)	July 2022	July 2021	I - VII 2022	I - VII 2021
Production				
Payable copper (kt)	6.9	9.3	51.3	60.5
Molybdenum (mn lbs)	0.2	0.3	2.1	4.9
Payable silver (t)	2.0	2.7	15.9	18.3
TPM (koz t)	2.2	2.4	17.8	16.7
Sales				
Copper (kt)	6.6	10.4	50.7	59.2
Molybdenum (mn lbs)	0.3	0.2	2.3	4.4
Silver (t)	1.8	2.9	15.9	17.8
TPM (koz t)	2.2	2.7	17.1	16.8

Production of Sierra Gorda (55%):

- **Production of payable copper amounted to 6.9 thousand tonnes** and was lower by 2.4 thousand tonnes (-26%) compared to July 2021. The decrease in payable copper production in July 2022 compared to July 2021 was due to the lower content of this metal in extracted ore and lower metal recovery, which was partially offset by a higher volume of ore processed. The decrease in payable copper production in the period January-July 2022 compared to the corresponding period of 2021 was due to lower copper content in extracted ore and lower metal recovery, which was partially offset by a higher volume of ore processed. July was another month of work in areas which produced feed of higher hardness, a characteristic feature for the first seven months of 2022. Moving into areas with potentially lower hardness, in combination with an increase in the throughput of the conveyor belt, should enable higher compensation by the volume of processed ore of lower copper content.
- **Production of molybdenum amounted to 0.2 million pounds** and was lower by 0.1 million pounds (-33%) compared to July 2021. The decrease in molybdenum production in July 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. The decrease in molybdenum production in the period January-July 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 6.6 thousand tonnes** and were lower by 3.8 thousand tonnes (-37%) compared to sales in July 2021. The level of sales in July 2022 reflects the level of production of copper concentrate by Sierra Gorda.
- **Sales of molybdenum amounted to 0.3 million pounds** and were higher by 0.1 million pounds (+50%) compared to July 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 1.8 tonnes** and were lower by 1.1 tonnes (-38%) compared to sales in July 2021.
- **Sales of TPM amounted to 2.2 thousand troy ounces** and were lower by 0.5 thousand troy ounces (-19%) compared to sales in July 2021.
- The main reason for the lower sales of silver and TPM was the lower volume of copper concentrate sold in July 2022.