



## **Fresnillo plc**

Notice of Annual General Meeting 2011

Tuesday 17 May 2011 at 12:00 noon

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This document gives notice of the Fresnillo plc 2011 Annual General Meeting and sets out resolutions to be voted on at the meeting. If you are in any doubt as to the action you should take, it is recommended that you seek your own advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent professional adviser.

If you sell or have sold or otherwise transferred all your ordinary shares in Fresnillo plc ("Ordinary Shares"), you should send this document together with the accompanying documents at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you sell or have sold only part of your holding of Ordinary Shares, you should retain this document and the accompanying documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

Notice of the Fresnillo plc 2011 Annual General Meeting to be held at Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom on Tuesday, 17 May 2011 at 12:00 noon is set out on pages 5 to 6 of this document.

A Form of Proxy for use at the Annual General Meeting is enclosed and, to be valid, should be completed, signed and returned so as to be received by Fresnillo plc's Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom as soon as possible but, in any event, so as to arrive no later than 12:00 noon Sunday, 15 May 2011. Completion and return of a Form of Proxy will not prevent members from attending and voting in person should they wish to do so.

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# LETTER FROM THE CHAIRMAN



*Incorporated in England and Wales with Registered Number 6344120*

Av. Moliere 222, Piso 6  
Los Morales Seccion Palmas  
Distrito Federal 11540  
Mexico

12 April 2011

Dear Shareholder,

On behalf of the directors of Fresnillo plc (together the "Directors"), it gives me great pleasure to invite you to attend the Annual General Meeting (or "AGM") of Fresnillo plc (the "Company") which will be held at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom on Tuesday 17 May 2011 at 12:00 noon.

The formal Notice of AGM is set out on pages 5 to 6 of this document detailing the resolutions that the shareholders are being asked to vote on with explanatory notes of the business to be conducted at the AGM on pages 10 to 12. Details of the arrangements for the AGM are set out on pages 7 to 9 and 13 to 14.

The AGM provides shareholders with an opportunity to communicate with the Directors and we welcome your participation.

The Directors believe that the resolutions set out in the Notice of AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommend that shareholders vote in favour of all of the resolutions to be proposed at the AGM. The Directors who own Ordinary Shares intend to vote in favour of the resolutions to be proposed at the AGM.

If I am appointed as proxy I will, of course, vote in accordance with any instructions given to me. If I am given discretion as to how to vote, I will vote in favour of each of the resolutions to be proposed at the AGM.

The following is a brief summary of the items of business:

Resolutions 1 and 3 relate to the receiving of the reports and accounts for the year ended 31 December 2010 and the approval of the Directors' Remuneration Report.

Resolution 2 relates to the approval of the final dividend. The Directors recommend a final dividend of 35.6 US cents per Ordinary Share for the year ended 31 December 2010. If the recommended final dividend is approved, this will be paid on Friday 20 May 2011 to all ordinary shareholders who were on the register of members on Tuesday 3 May 2011.

Resolutions 4 to 13 relate to the re-election of the Directors. The Fresnillo Board has initiated a number of actions in response to the introduction of the new UK Corporate Governance Code and these resolutions are being proposed in accordance with Provision B.7.1 of that Code. Biographies for each Director can be found in the Governance (Board of Directors) section of the 2010 Annual Report.

Resolution 14 and 15 relate to the re-appointment of auditors and the authorisation of the Audit Committee to set their fees.

Resolutions 16 to 18 (inclusive) relate to the share capital of the Company:

- Resolution 16 seeks shareholder approval in order to authorise the Directors, for the purposes of section 551 of the Companies Act 2006, to allot shares or grant rights to subscribe for or convert any security into shares up to an aggregate nominal amount of US\$119,526,693. This represents the aggregate of one third of the nominal value of the Ordinary Shares in issue as at Friday 8 April 2011, being the last practicable date before publication of this Notice.
- Resolution 17 seeks shareholder approval in order to authorise the Directors, for the purposes of section 570 of the Companies Act 2006, to allot shares or grant rights to subscribe for or convert any security into shares up to an aggregate nominal amount of US\$17,929,003.50 as if section 561(1) of the Companies Act 2006 did not apply. This represents 5 per cent. of the nominal value of the Ordinary Shares in issue as at Friday 8 April 2011, being the last practicable date before publication of this Notice.
- Resolution 18 seeks shareholder approval in order to authorise the Directors, for the purposes of section 701 of the Companies Act 2006 to make market purchases of the Ordinary Shares, up to a

maximum number of 71,716,015 shares. This represents 10 per cent. of the Ordinary Shares in issue as at Friday 8 April 2011, being the last practicable date before publication of this Notice.

Resolution 19 seeks shareholder approval to renew the authority passed at the Company's AGM on 28 May 2010 for the purposes of the Companies (Shareholders' Rights) Regulations 2009 to call general meetings (other than an annual general meeting) on 14 clear days' notice, provided that facilities are available to shareholders to vote by electronic means for meetings called on such notice. The Company will not use such authority as a matter of routine, and only in circumstances where the flexibility is merited by the business of the meeting or where it would be to the advantage of the members as a whole and moreover where the proposals are not of a complexity that might require more time for consideration by members.

The business of the meeting will be conducted on a poll. I would encourage shareholders to exercise their right to vote in the following ways:

- If you will be attending the AGM, please bring the attendance slip enclosed with your Form of Proxy to the AGM when voting.
- If you are not able to attend the AGM in person, you can cast your votes by proxy by completing the enclosed Form of Proxy and returning it to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. Alternatively, you can vote using the internet at [www.eproxyappointment.com](http://www.eproxyappointment.com) using the relevant reference numbers printed on your Form of Proxy. Full details of how to vote using the Form of Proxy or via the internet can be found on page 7. Completion and return of the Form of Proxy will not prevent shareholders from attending in person and voting at the meeting should they subsequently decide to do so.
- CREST members may use the CREST electronic proxy appointment service to submit their proxy appointment in respect of the AGM as detailed in the Notes to the Notice of the AGM on page 8.
- Please note that all proxy forms and appointments, whether postal or electronic, must be received by 12:00 noon (UK time) on Sunday 15 May 2011.

The results of voting on the Resolutions will be posted on the Company's website immediately after the AGM.

I look forward to seeing you at the AGM.

Yours faithfully

**Alberto Baillères**  
*Non-executive Chairman*

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of Fresnillo plc (the "Company") will be held at 12:00 noon (UK time) on Tuesday 17 May 2011 at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom to consider and, if thought appropriate, pass the following resolutions of which Resolutions 1 to 16 will be proposed as Ordinary Resolutions and Resolutions 17 to 19 will be proposed as Special Resolutions.

## ORDINARY RESOLUTIONS

### Reports and Accounts

1. THAT, the audited accounts of the Company for the financial year ended 31 December 2010, together with the Directors' Report and Auditors' Reports thereon, be received.

### Dividend

2. THAT, a final dividend of 35.6 US cents per Ordinary Share, for the year ended 31 December 2010, be declared.

### Remuneration Report

3. THAT, the Directors' Remuneration Report for the financial year ended 31 December 2010 be approved.

### Directors

4. THAT, Mr. Alberto Baillères be re-elected as a Director of the Company.
5. THAT, Lord Cairns be re-elected as a Director of the Company.
6. THAT, Mr. Javier Fernández be re-elected as a Director of the Company.
7. THAT, Mr. Fernando Ruiz be re-elected as a Director of the Company.
8. THAT, Mr. Fernando Solana be re-elected as a Director of the Company.
9. THAT, Mr. Guy Wilson be re-elected as a Director of the Company.
10. THAT, Mr. Juan Bordes be re-elected as a Director of the Company.
11. THAT, Mr. Arturo Fernández be re-elected as a Director of the Company.
12. THAT, Mr. Rafael MacGregor be re-elected as a Director of the Company.
13. THAT, Mr. Jaime Lomelín be re-elected as a Director of the Company.

### Auditors

14. THAT, Ernst & Young LLP be re-appointed as auditors of the Company (the "Auditors") to hold office until the conclusion of the next general meeting of the Company at which the accounts are laid before the Company.
15. THAT, the Audit Committee of the Company be authorised to agree the remuneration of the Auditors.

### Directors' authority to allot shares

16. THAT, the Directors of the Company be and are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of US\$119,526,693, such authority to apply in substitution for all previous authorities pursuant to section 551 of the Act and provided that this authority shall expire on the date of the next annual general meeting of the Company or on 30 June 2012, whichever is the earlier, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or to convert securities into shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

## SPECIAL RESOLUTIONS

### Disapplication of pre-emption rights

17. THAT, subject to the passing of Resolution 16 above, the Directors of the Company be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) wholly for cash pursuant to the authority conferred by Resolution 16 or where the allotment constitutes an allotment of equity securities by virtue of section 560(3) of the Act as if

section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

- (i) the allotment of equity securities in connection with an offer of such securities by way of rights issue, open offer or other *pro rata* offering open for acceptance for a period fixed by the Directors in favour of (a) ordinary shareholders (other than the Company) on the register on a record date fixed by the Directors where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares held by them and (b) other persons so entitled by virtue of the rights attaching to any other equity securities held by them, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, treasury shares or any legal or practical problems arising in any overseas territory, by virtue of the requirements of any applicable regulatory body or any stock exchange or any other matter; and
- (ii) (other than pursuant to sub-paragraph (i) above) the allotment of equity securities having, in the case of relevant shares an aggregate nominal value (or, in the case of other equity securities, giving the right to subscribe for or convert into relevant shares having an aggregate nominal value) of US\$17,929,003.50.

This power shall expire on the earlier of the conclusion of the next annual general meeting of the Company after the passing of this resolution and 30 June 2012 save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

#### **Authority to purchase own shares**

18. THAT, the Company be and is hereby generally and unconditionally authorised for the purpose of section 701 of the Act to make market purchases (as defined in section 693(4) of that Act) of Ordinary Shares each in the capital of the Company, provided that:

- (a) the maximum number of Ordinary Shares that may be purchased is 71,716,015;
- (b) the minimum price that may be paid for an Ordinary Share shall be not less than the nominal value of such share;
- (c) the maximum price to be paid for each Ordinary Share shall be the higher of (i) an amount equal to five per cent. above the average of the middle market quotation for the Company's Ordinary Shares as derived from the London Stock Exchange's Daily Official List for the five business days prior to the purchase being made and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange at the time the purchase is carried out;
- (d) this authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier 30 June 2012, unless such authority is previously renewed, varied or revoked by the Company in a general meeting; and
- (e) the Company may enter into a contract to purchase its Ordinary Shares under this authority prior to its expiry, which contract will or may be executed wholly or partly after such expiry, and may purchase its Ordinary Shares in pursuance of any such contract.

#### **Notice of general meetings**

19. THAT, a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice, provided that facilities are available to shareholders to vote by electronic means for meetings called at such notice.

By order of the Board

#### **Prism Cossec Limited**

*Company Secretary*

12 April 2011

*Registered Office:*

Fresnillo plc  
28 Grosvenor Street  
London W1K 4QR  
United Kingdom  
Company No: 6344120

## NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING:

### Proxies

1. A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the Annual General Meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
2. A Form of Proxy is enclosed with this Notice. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person. In the case of joint holders, any one holder may vote. If more than one holder is present at the meeting, only the vote of the senior will be accepted, seniority being determined in the order in which the names appear on the register. A space has been included in the Form of Proxy to allow members to specify the number of shares in respect of which that proxy is appointed. Shareholders who return the Form of Proxy duly executed but leave this space blank will be deemed to have appointed the proxy in respect of all of their shares. Shareholders who wish to appoint more than one proxy in respect of their shareholding should contact the Company's Registrars, Computershare Investor Services PLC on +44 (0) 870 707 1724 for additional Forms of Proxy, or you may photocopy the Form of Proxy provided with this document indicating on each copy the name of the proxy you wish to appoint and the number of Ordinary Shares in the Company in respect of which the proxy is appointed. All Forms of Proxy should be returned together in the same envelope.
3. To appoint a proxy either (a) the Form of Proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be deposited with the Company's Registrars, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom or (b) the proxy appointment must be lodged using the CREST Proxy Voting Service in accordance with Note 10 below, in each case so as to be received no later than 48 hours before the time of the holding of the AGM or any adjournment thereof.

### Nominated persons

4. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the company in accordance with section 146 of the Companies Act 2006 ("nominated persons"). Nominated persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.

### Online voting

5. The website address for online voting is [www.eproxyappointment.com](http://www.eproxyappointment.com). Online voting requires an internet-enabled computer with minimum web browser of Internet Explorer 4 or Netscape4. Shareholders will need to enter the Shareholder Reference Number (SRN), Control Number and Personal Identification Number (PIN) as printed on the Form of Proxy, and to agree to certain terms and conditions.

### Total voting rights

6. Holders of Ordinary Shares are entitled to attend and vote at general meetings of the Company. Each Ordinary Share confers one vote on a poll. The total number of issued Ordinary Shares in the Company on Friday 8 April 2011, which is the latest practicable date before the publication of this document is 717,160,159. Therefore, the total number of votes exercisable as at Friday 8 April 2011 is 717,160,159.

As at Friday 8 April 2011, there have been no further changes in the Substantial Shareholdings notified to the Company since 28 February 2011 (being the date on which the Directors' Report for the year ended 31 December 2010 was approved). Similarly, there have been no further changes in the interests of Directors in the Company's issued share capital since 28 February 2011.

### Record date

7. Entitlement to attend and vote at the meeting, and the number of votes which may be cast at the meeting, will be determined by reference to the Company's register of members at 12:00 noon on Sunday 15 May 2011 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded.



### **Attendance at the AGM**

8. To facilitate entry to the meeting, members are requested to bring with them the attendance slip, which is enclosed with the Form of Proxy.

### **CREST proxy instructions**

9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by following the procedures described in the CREST Manual (available via [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)). CREST Personal Members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) by the latest time(s) for receipt of proxy appointments specified in Note 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him/her by other means.
11. CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

### **Automatic poll voting**

13. Each of the resolutions to be put to the meeting will be voted on by poll and not by show of hands. A poll reflects the number of voting rights exercisable by each member and so the board considers it a more democratic method of voting. It is also in line with recommendations made by the Shareholder Voting Working Group and Paul Myners in 2004. Members and proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the meeting. The results of the poll will be published on the Company's website and notified to the UK Listing Authority once the votes have been counted and verified.

### **Publication of audit concerns**

14. Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

**Questions**

15. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

**Conduct of the meeting**

16. We ask all those present at the AGM to facilitate the orderly conduct of the meeting and reserve the right, if orderly conduct is threatened by a person's behaviour, to require that person to leave. For security reasons, all hand luggage may be subject to examination prior to the entry to the AGM. Cameras, tape recorders, laptop computers and similar equipment may not be taken into the AGM.

**Documents on display**

17. Copies of the Letters of Appointment between the Company and its Non-Executive Directors and copies of any Executive Directors' service contracts will be available at the registered office of the Company during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) until the date of the AGM and also at the place of the AGM from 15 minutes prior to the commencement of the meeting until the conclusion thereof.

**Information available on the website**

18. A copy of this notice and other information required by section 311A of the Companies Act 2006 can be found at [www.fresnilloplc.com](http://www.fresnilloplc.com).

# EXPLANATORY NOTES ON RESOLUTIONS

## **Report and Accounts (Resolution 1)**

The first item of business is the receipt by shareholders of the audited accounts for the financial year ended 31 December 2010 together with the Directors' Report and the Auditors' Report (the "Annual Report").

## **Declaration of final dividend (Resolution 2)**

This resolution seeks shareholder approval of the final dividend recommended by the Directors. The Directors are proposing a final dividend of 35.6 US cents per Ordinary Share in the Company. If approved, the final dividend will be payable on Friday 20 May 2011 to those shareholders on the register at the close of business on Tuesday 3 May 2011.

## **Directors' Remuneration Report (Resolution 3)**

Shareholders are invited to approve the Directors' Remuneration Report for the year ended 31 December 2010, which is included in the Annual Report (at pages 100 to 105). The vote on this resolution is advisory and no Director's remuneration is conditional upon the passing of this resolution.

## **Re-appointment of Directors (Resolutions 4 to 13)**

Provision B.7.1 of the new UK Corporate Governance Code requires that all the directors of FTSE 350 companies should seek re-election by shareholders on an annual basis. The Board has decided to adopt this provision, on a voluntary basis, and all Directors currently in office will therefore seek re-election at the AGM. Separate resolutions are proposed for each of these re-elections. Biographical details of the Directors are provided on pages 84 to 86 of the Annual Report. The Letters of Appointment of the non-executive directors are being amended in line with this provision.

## **Re-appointment of Auditors (Resolution 14)**

The Company is required, at each general meeting at which accounts are presented, to appoint auditors to hold office until the conclusion of the next such meeting and Ernst & Young LLP has advised its willingness to stand for re-appointment. The Board, on the recommendation of the Audit Committee, recommends the re-appointment of Ernst & Young LLP as auditors to hold office until the conclusion of the next annual general meeting of the Company (the "Auditors").

## **Remuneration of Auditors (Resolution 15)**

This resolution seeks shareholder consent for the Audit Committee of the Company to set the remuneration of the Auditors.

## **Directors' authority to allot shares (Resolution 16)**

Under the Companies Act 2006, the directors of a company may only allot new shares (or grant rights over shares) if authorised to do so by the shareholders in a general meeting. The authority which is sought in respect of this is dealt with in Resolution 16. The authority in paragraph (i) will allow the Directors to allot new shares and to grant rights to subscribe for or convert any security into shares up to a nominal value of US\$119,526,693, which is equivalent to approximately 33 per cent. of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at Friday 8 April 2011, being the last practicable date before publication of this Notice. The Company does not currently hold any of its Ordinary Shares in treasury.

The Directors have no present intention to allot shares or grant rights to subscribe for or convert any security into shares pursuant to this authority (other than in connection with the grant of awards under the Company's share incentive plans), however the Directors consider it desirable to have the flexibility to respond to market developments and to enable allotments to take place in appropriate circumstances. Given the Company's current capital structure, the Directors do not consider it necessary to seek the additional authority to allot up to a total of approximately 66 per cent. of the total issued ordinary share capital of the Company, in connection with a rights issue, as permitted by the guidance of the Association of British Insurers.

If this resolution is passed the authority will expire on the conclusion of the next annual general meeting or on 30 June 2012, whichever is the earlier.

### **Disapplication of pre-emption rights (Resolution 17)**

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme) company law requires that these shares are offered first to shareholders in proportion to their existing holdings.

There may be circumstances, however, when it is in the interests of the Company to be able to allot new equity securities for cash other than on a pre-emptive basis. The Board considers the authority in Resolution 17 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions.

The purpose of Resolution 17 is to authorise the Directors to allot new shares pursuant to the authority given therein, or sell treasury shares, for cash (a) in connection with a pre-emptive offer or rights issue or (b) otherwise up to a nominal value of US\$17,929,003.50 equivalent to five per cent. of the total issued ordinary share capital of the Company as at Friday 8 April 2011, in each case without the shares first being offered to existing shareholders in proportion to their existing holdings.

Such authority, if given, will expire at the conclusion of the next annual general meeting or on 30 June 2012, whichever is the earlier. Following the implementation of The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003, this extends to any subsequent sale of equity securities which have been held in treasury.

The Board intends to adhere to the provisions in the Pre-emption Group's Statement of Principles regarding cumulative use of authorities within a rolling three-year period such that shares should not be allotted on a non pre-emptive basis (other than pursuant to a rights issue or pre-emptive offer) in excess of an amount equal to 7.5 per cent. of the total issued ordinary share capital of the Company without prior consultation with the Company's shareholders.

Resolution 17 will be proposed as a special resolution.

### **Authority to purchase own shares (Resolution 18)**

The effect of this resolution is to renew the authority granted to the Company to purchase its own Ordinary Shares, up to a maximum of 71,716,015 Ordinary Shares until the earlier of the next annual general meeting and 30 June 2012. This represents 10 per cent. of the current Ordinary Shares of the Company in issue and the Company's exercise of this authority is subject to the stated upper and lower limits on the price payable, which reflect the requirements of the Listing Rules.

Pursuant to the Companies Act 2006 (as amended), the Company can hold the shares which have been repurchased as treasury shares and either resell them for cash, cancel them, either immediately or at a point in the future, or use them for the purposes of its employee share schemes. The Directors believe that it is desirable for the Company to have this choice and therefore intend to hold any shares purchased under this authority as treasury shares. Holding the repurchased shares as treasury shares will give the Company the ability to re-sell or transfer them in the future, and so provide the Company with additional flexibility in the management of its capital base. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares.

The authority will only be used after careful consideration, taking into account market conditions prevailing at the time, other investment opportunities, appropriate gearing levels and the overall financial position of the Company. Shares held as treasury shares will not automatically be cancelled and will not be taken into account in future calculations of earnings per share (unless they are subsequently resold or transferred out of treasury). If any shares repurchased by the Company are held in treasury and used for the purposes of its employee share schemes, the Company will count those shares towards the limits on the number of new shares which may be issued under such schemes.

As at Friday 8 April 2011, being the last practicable date before publication of this Notice, there were no options or warrants outstanding to subscribe for shares in the Company.

Resolution 18 is proposed as a special resolution.

### **Notice of general meetings (Resolution 19)**

The Companies (Shareholders' Rights Regulations) 2009 (the "Shareholders' Rights Regulations") requires that the notice period for general meetings of the Company should be 21 days unless certain requirements are satisfied. The Company is currently able to call general meetings (other than an annual general meeting) on 14 clear days' notice and would like to preserve this ability. In order to be able to do so, shareholders must have approved the calling of meetings on 14 clear days' notice. This resolution seeks to renew the approval given at

the Company's last annual general meeting and this approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed. In the event that a general meeting is called on less than 21 days' notice, then the Company will meet the requirements for electronic voting under section 8 of the Shareholders' Rights Regulations in order to be able to call a general meeting on 14 clear days' notice. CREST voting will be permitted to fulfil these requirements.

The Company will not use the authority to call a general meeting on 14 clear days' notice as a matter of routine, and only in circumstances where the flexibility is merited by the business of the meeting or where it would be to the advantage of the members as a whole and moreover where the proposals are not of a complexity that might require more time for consideration by members.

# INFORMATION ON THE 2011 ANNUAL GENERAL MEETING

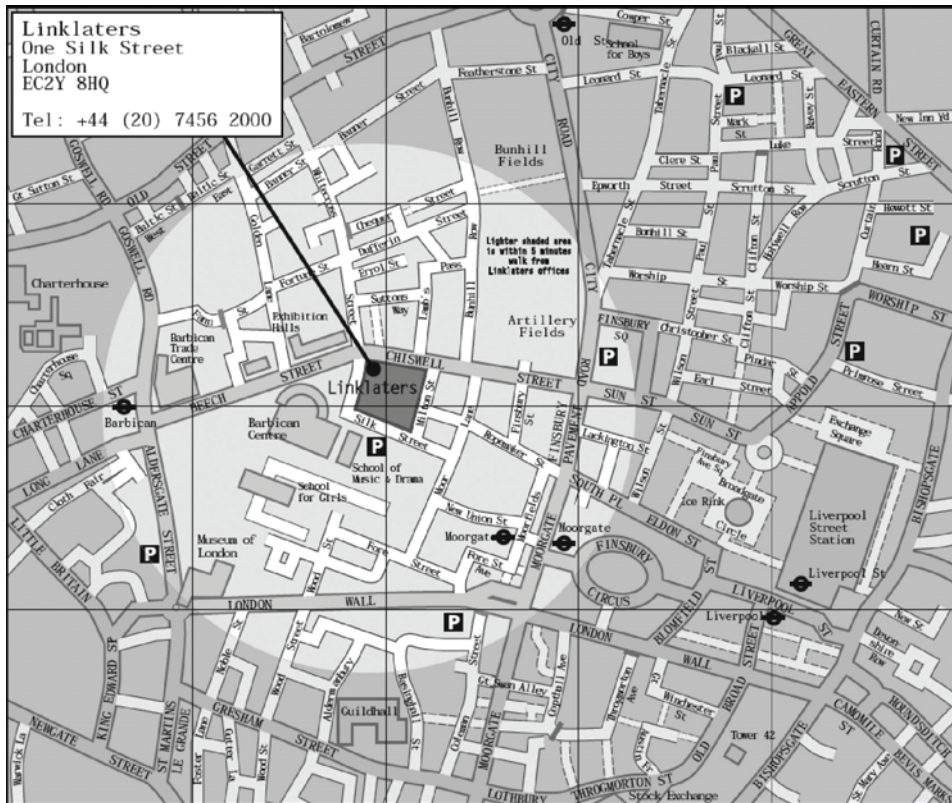
## Fresnillo plc – Annual General Meeting

Tuesday 17 May 2011 at 12:00 noon

### Location

The 2011 AGM is being held at the offices of Linklaters LLP, the location of which is shown on the map below:

Linklaters LLP  
One Silk Street  
London  
EC2Y 8HQ



### Transport details: How to get there by tube, train and car

#### Nearest tube station

Moorgate or Barbican

#### Nearest train station

Liverpool Street

#### Airports

##### **London/Heathrow – LHR**

Leave Heathrow Airport precinct in the direction of the M4. At the M4 turn left away from London and at the next junction leave the M4 and join the M25 heading North. At junction 16 of the M25 leave the M25 and join the M40/A40 going towards London. Follow the A40 along Marylebone Road, Euston Road and at Kings Cross interchange follow signs for the City along Pentonville Road and City Road. At Finsbury Square turn right into Chiswell Street and Silk Street is the fourth turning on the left.

##### **London/Gatwick – LGW**

Leave Gatwick precinct heading towards the M23. Follow the M23/A23 towards London and at the Oval cricket ground join the A3. At the Elephant & Castle roundabout go on to Newington Causeway and continue straight on to cross London Bridge. Fork right into Gracechurch Street and then turn left into London Wall, right into Moorgate and left into Chiswell Street. Silk Street is the fourth turning on the left.

**London/City Airport – LCY**

From City Airport, follow the sign for Docklands. Pass the docks and follow the River. Drive west towards Westminster. At the Tower of London, turn right into the Minories then first left into Dukes Place and follow the road onto London Wall. Turn right into Moorgate and left into Chiswell Street. Silk Street is the fourth turning on the left.

**Security**

Please note that, for security reasons, all hand luggage may be subject to examination prior to entry to the Annual General Meeting. Certain items will not be permitted in the meeting room. These include cameras, recording equipment, items of any nature with potential to cause disorder and such other items as the Chairman of the meeting may specify.

Persons who are not shareholders of the Company will not be admitted to the Annual General Meeting unless prior arrangements have been made with the Company.

We ask all those present at the Annual General Meeting to facilitate the orderly conduct of the meeting and reserve the right, if orderly conduct is threatened by a person's behaviour, to require that person to leave.

Shareholders should note that the doors to the Annual General Meeting will open at 11.30 a.m.

Fresnillo plc  
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