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Production Report

for the three months ended 30 June 2015

Overview

- Quarterly silver production of 11.3 moz (including Silverstream), up 2.7% vs. 2Q14 and first half silver production of 23.8 moz (including Silverstream), up 10.6% vs. 1H14, due to the increased production resulting from the start of operations at Saucito II offsetting lower production at Fresnillo
- Reduction in silver production (including Silverstream) vs. 1Q15 reflected an unusually high ore grade at Saucito in 1Q15 and a decrease in ore grade at Fresnillo
- Quarterly gold production of 182 koz, up 16.8% vs. 2Q14 due to higher volumes of gold recovered which resulted from an increase in irrigation areas at Herradura and Noche Buena, increased ore deposited at Noche Buena and increased ore volume processed at Saucito
- First half gold production of 364 koz, up 37.0% vs. 1H14 mainly due to Herradura being fully operational post the temporary explosives permit suspension which affected 1H14 production, and the dynamic leaching plant at the mine being in operation for the full half post its start-up in March 2014, together with an increased contribution from Saucito and Noche Buena
- Full year 2015 gold production guidance raised to 715-730 koz from 670-685 koz (+6.6%); full year silver production remains on track (45-47 moz, including Silverstream)

Octavio Alvidrez, Chief Executive Officer, said:

“I am pleased to report strong first half production results, with nearly 24 million ounces of silver and 364 thousand ounces of gold produced across our mines and from the Silverstream. The increase in silver production was primarily driven by the ramp up of Saucito II, completed significantly ahead of the three year timeframe initially anticipated, and the increase in gold production by Herradura and its dynamic leaching plant being fully operational.

We continue to advance development rates at Fresnillo, which should result in increased production by the year end, and we continue to see good results from the management actions taken at Herradura.

Looking forward, as a result of operational progress we have raised our full year 2015 gold production guidance to 715-730 thousand ounces and we remain on track to meet our 2015 production guidance of 45-47 million ounces of silver.”

Total Production*

	2Q 15	2Q 14	% change	1Q 15	1H 15	1H 14	% change
Silver (koz)	10,322	9,957	3.7	11,309	21,630	19,288	12.1
Silverstream (koz)	1,025	1,088	-5.8	1,116	2,141	2,202	-2.8
Total Silver (koz)	11,347	11,044	2.7	12,424	23,771	21,490	10.6
Gold (oz)	181,985	155,852	16.8	182,035	364,020	265,670	37.0
Lead (t)	9,812	5,780	69.8	9,447	19,259	12,143	58.6
Zinc (t)	10,330	6,690	54.4	10,108	20,438	13,795	48.2

* All figures include 100% of production from the Penmont mines (Herradura, Soledad-Dipolos and Noche Buena)

Quarterly silver production (including Silverstream) increased 2.7% on 2Q14 and first half production increased 10.6% on 1H14 due to higher ore throughput at Saucito resulting from the ramp up of Saucito II, milling efficiencies at the Saucito plant and higher ore grades at Saucito. These factors more than offset the lower ore grade and decrease in ore volumes processed at Fresnillo due to the instability of some stopes and the previously announced development delays. We have taken actions to solve these issues. Currently the development rate has reached over 4,000 m/month vs. 3,300 m/month in 1H14 and 2,900 m/month in 1H13. We have put a team in place with specialised equipment to carry out preventive measures to protect our workers from rock instability whilst allowing for efficient development work. We believe that the measures taken will allow us to stabilise ore grades and volumes processed at Fresnillo in 3Q15 and begin to see an improvement in 4Q15.

Quarterly silver production (including Silverstream) decreased 8.7% on 1Q15, mainly as a result of the unusually high ore grade at Saucito in 1Q15 and the decrease in ore grade at Fresnillo.

Quarterly gold production increased 16.8% on 2Q14 due to a higher volume of gold recovered which resulted from an increase in irrigation areas at Herradura and Noche Buena, an increase in ore volumes deposited at Noche Buena and the increase in ore throughput at Saucito. These factors were partially offset by the expected lower gold ore grade at Ciénega due to the depletion of high grade stopes and dilution due to the narrowing of the veins as well as lower ore volumes processed at the mine.

First half gold production increased 37.0% on 1H14, mainly due to: i) an increase in ore processed at Herradura resulting from the mine being fully operational whilst the temporary explosives permit suspension affected production in 1H14; ii) the dynamic leaching plant (DLP) at Herradura being operational for the full half following its start-up in March 2014, which resulted in an increase in ore processed and higher ore grades; and iii) a higher speed of recovery at the Herradura leaching pads. In addition, higher ore throughput at Saucito and an increase in both ore deposited and irrigation areas at Noche Buena contributed to the increased gold production. These factors more than offset the expected lower gold ore grade at Ciénega due to the depletion of richer veins.

Quarterly by-product lead production increased 69.8% on 2Q14 as a result of an increase in volumes processed and a higher ore grade at Saucito, and higher ore grade and recovery rates at Fresnillo and Ciénega. Similarly, production for 2Q15 increased 3.9% when compared to the previous quarter as a result of a higher ore grade at Fresnillo which more than offset the lower ore grade and decrease in ore processed at Ciénega.

First half lead production increased 58.6% over 1H14 as a result of an increase in the volume of ore processed and a higher ore grade at Saucito and higher ore grades at Fresnillo and Ciénega.

Quarterly and first half by-product zinc production increased 54.4% and 48.2% respectively when compared to the same periods in 2014 due to increased ore volumes processed and a higher ore grade at Saucito and a higher ore grade at Fresnillo which more than offset the decrease in the volume of ore processed and a lower recovery rate at Ciénega.

Fresnillo mine production

	2Q 15	2Q 14	% change	1Q 15	1H 15	1H 14	% change
Ore Processed (t)	596,945	697,838	-14.5	609,496	1,206,441	1,382,347	-12.7
Production							
Silver (koz)	3,652	5,401	-32.4	4,180	7,831	10,547	-25.8
Gold (oz)	7,549	7,796	-3.2	7,543	15,092	15,879	-5.0
Lead (t)	3,796	3,146	20.7	3,208	7,005	6,672	5.0
Zinc (t)	4,334	3,444	25.8	3,872	8,206	7,409	10.8
Ore Grades							
Silver (g/t)	208	264	-21.0	231	220	258	-14.9
Gold (g/t)	0.52	0.45	15.3	0.49	0.50	0.46	10.0
Lead (%)	0.71	0.52	37.5	0.59	0.65	0.54	19.5
Zinc (%)	1.10	0.86	28.1	0.98	1.04	0.92	13.4

Quarterly and half year silver production decreased 32.4% and 25.8% when compared to the respective periods in 2014. This was mainly as a result of a lower silver ore grade reflecting limited access to higher ore grade areas, and lower ore volumes processed due to the instability of some stopes and the previously announced development delays at the San Carlos and San Alberto areas and the subsequent ramp-up.

Similarly, quarterly silver production decreased 12.6% on 1Q15 as a result of the lower silver ore grade and the decrease in the volume of ore processed.

During the quarter we advanced development rates further to reach 4,150 m/month in June, helped by enhanced supervision of contractors and additional contractors being introduced, as well as measures to manage development on the less stable stopes. These factors will allow us to maintain development rates at around 4,000 m/month, advancing declines in order to access higher grade veins at lower levels and regain flexibility at our operating stopes, thus helping to stabilise ore grades and volumes processed in 3Q15 and begin to see an improvement in 4Q15.

Quarterly and first half by-product gold production decreased when compared to the same periods of 2014 as a result of the decrease in ore processed, partly offset by a higher gold ore grade.

Quarterly and first half by-product lead production increased when compared to the same periods of 2014 due to a higher ore grade which more than offset the effect of the decrease in ore volume processed. Similarly, quarterly lead production increased on 1Q15 as a result of the higher ore grade.

Quarterly and first half by-product zinc production increased when compared to the same periods of 2014 as a result of a higher ore grade and higher recovery rates. Quarterly by-product zinc production increased on 1Q14 mainly as a result of a higher ore grade.

Saucito mine production

	2Q 15	2Q 14	% change	1Q 15	1H 15	1H 14	% change
Ore Processed (t)	594,766	344,968	72.4	564,020	1,158,786	661,737	75.1
Production							
Silver (koz)	5,442	3,213	69.4	5,947	11,389	6,315	80.3
Gold (oz)	24,542	15,912	54.2	20,131	44,673	26,823	66.5
Lead (t)	4,816	1,592	202.5	4,822	9,638	3,084	212.5
Zinc (t)	4,591	1,793	156.1	4,841	9,432	3,427	175.2
Ore Grades							
Silver (g/t)	320	313	2.3	363	341	321	6.3
Gold (g/t)	1.62	1.69	-4.3	1.38	1.50	1.49	0.6
Lead (%)	0.94	0.55	72.7	0.98	0.96	0.55	73.9
Zinc (%)	1.49	0.98	52.1	1.62	1.55	0.98	57.6

Quarterly silver production increased 69.4% on 2Q14, and first half silver production increased 80.3% on 1H14 mainly as a result of an increase in the volume of ore processed due to the start of operations at Saucito II, a higher silver ore grade resulting from increased ore throughput from the West and Central Jarillas higher ore grade veins, as well as improved control of dilution, and milling efficiencies.

We have successfully ramped up the Saucito II plant, significantly ahead of the three year timeframe initially anticipated, and now Saucito I and II are operating at full capacity. In 1H16 we expect to optimise the capacity of the Saucito II plant by installing vibrating screens similar to those installed at the Saucito I plant in 1Q15. The total nominal capacity of Saucito is expected to increase to 7,200 tonnes per day following the installation of the screens.

Quarterly silver production decreased 8.5% on 1Q15 due to the unusually high ore grade during 1Q15, however, this was partly offset by an increase in the volume of ore processed.

Quarterly and first half by-product gold production increased on the same periods of 2014 due to the increase in ore volumes processed, however, this was partly offset by lower recovery rates. Quarterly by-product gold production increased on 1Q15 as a result of a higher ore grade and increased ore volumes processed.

Quarterly and first half by-product lead production increased when compared to the same periods of 2014 as a result of a higher ore grade and higher volumes of ore processed.

Quarterly and first half by-product zinc production increased on the same periods of 2014 as a result of an increased volume of ore processed and higher ore grades. However, quarterly by-product zinc production decreased on 1Q15 due to a decrease in ore grade.

Ciénega mine production

	2Q 15	2Q 14	% change	1Q 15	1H 15	1H 14	% change
Ore Processed (t)	320,699	335,115	-4.3	332,884	653,583	663,365	-1.5
Production							
Gold (oz)	21,565	24,897	-13.4	24,180	45,745	53,984	-15.3
Silver (koz)	1,092	1,075	1.6	1,057	2,148	2,072	3.7
Lead (t)	1,199	1,042	15.1	1,417	2,616	2,387	9.6
Zinc (t)	1,404	1,454	-3.4	1,396	2,800	2,959	-5.4
Ore Grades							
Gold (g/t)	2.16	2.39	-9.5	2.34	2.25	2.62	-14.0
Silver (g/t)	121	114	6.0	113	117	111	5.2
Lead (%)	0.56	0.49	13.0	0.63	0.59	0.55	8.6
Zinc (%)	0.77	0.69	11.8	0.73	0.75	0.73	3.5

Quarterly gold production decreased 13.4% on 2Q14 as a result of the expected lower ore grade due to the depletion of higher gold ore grade areas with wider veins at the Ciénega main mine, as well as a decrease in ore volume processed due to plant maintenance delays in June during which a mill engine was replaced. Quarterly gold production decreased 10.8% on 1Q15 and first half production decreased 15.3% on 1H14 due to the above effects.

Quarterly silver production remained at similar levels to those in 2Q14 as a result of the expected higher silver ore grade due to richer veins at the San Ramón satellite mine offset by a decrease in volumes of ore processed. Quarterly silver production increased 3.3% on 1Q15 and first half production increased 3.7% due to the above effects.

Quarterly and first half by-product lead production increased when compared to the same periods in 2014 due to higher ore grades and recovery rates which more than offset the lower volumes of ore processed. Quarterly lead production decreased on 1Q15 as a result of a lower ore grade and lower volumes of ore processed.

Quarterly by-product zinc production decreased on 2Q14 mainly as a result of lower recovery rates and ore volumes processed, partly offset by a higher ore grade. Similarly, first half production decreased on 1H14, mainly due to lower recovery rates.

Herradura total mine production (100%)*

	2Q 15	2Q 14	% change	1Q 15	1H 15	1H 14	% change
Ore Processed (t)	5,043,352	7,071,265	-28.7	5,894,219	10,937,571	9,075,963	20.5
Total Volume Hauled (t)	28,461,326	37,278,003	-23.7	29,199,844	57,661,169	53,219,929	8.3
Production							
Gold (oz)	89,691	76,212	17.7	98,359	188,050	104,521	79.9
Silver (koz)	118	239	-50.6	101	219	304	-28.1
Ore Grades							
Gold (g/t)	0.71	0.72	-0.9	0.76	0.74	0.71	3.2
Silver (g/t)	1.29	1.45	-10.9	1.23	1.26	1.38	-8.7

* All figures include 100% of production from the Penmont mines (Herradura, Soledad-Dipolos and Noche Buena)

Quarterly gold production including the DLP throughput increased 17.7% on 2Q14 mainly as a result of a higher overall average speed of recovery (78.02% 2Q15 vs. 46.85% 2Q14) as the ramp up to steady state at Herradura progresses, and an increase in irrigated areas on the leaching pads. These factors more than offset the decrease in ore

processed resulting from our strategy to control the planned increase in inventory levels at the pads appropriately given the temporary solution processing constraints, which will be resolved by 4Q15.

During the quarter we determined that gold inventory levels of around 170,000 ounces (vs. 200,000 ounces originally planned) at Herradura would allow us to optimise the balance between the efficiency of the leaching process and production costs. Gold inventory levels on the leaching pads at Herradura are expected to move towards this level in the second half, once steady state is reached.

First half gold production increased 79.9% on 1H14 due to: i) an increase in ore processed resulting from the mine being fully operational whilst the temporary explosives permit suspension affected production in 1H14; ii) the DLP being operational for the full half following its start-up in March 2014, which resulted in an increase in ore processed and higher ore grades; iii) a higher overall average speed of recovery at the leaching pads; and iv) an increase in the gold ore grade.

Quarterly gold production decreased 8.8% on 1Q15 due to a decrease in ore processed as we controlled inventory levels at the pads, as well as a lower ore grade. However, these effects were partly offset by a higher overall average speed of recovery (78.02% 2Q15 vs. 68.05% 1Q15) and increased irrigation areas resulting from the new pumping system at the Merrill Crowe plant.

Noche Buena total mine production (100%)*

	2Q 15	2Q 14	% change	1Q 15	1H 15	1H 14	% change
Ore Processed (t)	4,476,291	3,882,766	15.3	4,214,249	8,690,540	7,462,553	16.5
Total Volume Hauled (t)	20,788,574	22,981,263	-9.5	21,493,338	42,281,912	45,123,306	-6.3
Production							
Gold (oz)	38,638	31,035	24.5	31,822	70,460	64,462	9.3
Silver (koz)	19	28	-34.2	24	43	50	-14.5
Ore Grades							
Gold (g/t)	0.47	0.54	-13.8	0.50	0.48	0.54	-11.0
Silver (g/t)	0.22	0.37	-41.8	0.32	0.26	0.38	-29.9

* All figures include 100% of production from the Penmont mines (Herradura, Soledad-Dipolos and Noche Buena)

Quarterly gold production increased 24.5% on 2Q14 and 21.4% on 1Q15 and first half gold production increased 9.3% on 1H14. This was due to a higher volume of gold recovered, driven by an increased irrigation area and higher volumes of ore deposited on the leaching pads resulting from a lower than expected stripping ratio at the mined areas. These factors were partly offset by a lower ore grade as ore was deposited from higher banks to reduce haulage costs as planned, rather than deeper higher ore grade areas.

Soledad-Dipolos total mine production (100%)

As previously announced, operations at the mine remain suspended as a result of the court ruling to vacate the area at the site of the Soledad-Dipolos mine.

Development projects and exploration

Given the proximity to our interim results, due to be announced on 4 August 2015, we will provide an update on our development projects and exploration programme alongside these results.

Safety Performance

We are pleased to report that no fatal accidents occurred at our operations during the first half of 2015. We continue to reinforce our safety efforts in order to fulfil our zero fatalities commitment on an ongoing basis.

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About Fresnillo plc

Fresnillo plc is the world's largest primary silver producer and Mexico's second largest gold producer, listed on the London and Mexican Stock Exchanges under the symbol FRES.

Fresnillo plc has six operating mines, all of them in Mexico - Fresnillo, Saucito, Ciénega (including the San Ramón satellite mine), Herradura, Soledad-Dipolos¹ and Noche Buena, two development projects - San Julián and the Pyrites plant, and four advanced exploration prospects – Orisyvo, Juanicipio, Las Casas Rosario & Cluster Cebollitas and Centauro Deep, as well as a number of other long term exploration prospects. In total, Fresnillo plc has mining concessions covering approximately 2 million hectares in Mexico.

Fresnillo plc has a strong and long tradition of mining, a proven track record of mine development, reserve replacement, and production costs in the lowest quartile of the cost curve for silver.

Fresnillo plc's goal is to maintain the Group's position as the world's largest primary silver company, producing 65 million ounces of silver and 750,000 ounces of gold by 2018.

Forward Looking Statements

Information contained in this announcement may include 'forward-looking statements'. All statements other than statements of historical facts included herein, including, without limitation, those regarding the Fresnillo Group's intentions, beliefs or current expectations concerning, amongst other things, the Fresnillo Group's results of operations, financial position, liquidity, prospects, growth, strategies and the silver and gold industries are forward-looking statements. Such forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of the Fresnillo Group's operations, financial position and liquidity, and the development of the markets and the industry in which the Fresnillo Group operates, may

differ materially from those described in, or suggested by, the forward-looking statements contained in this document. In addition, even if the results of operations, financial position and liquidity, and the development of the markets and the industry in which the Fresnillo Group operates are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, commodity prices, changes in regulation, currency fluctuations (including the US dollar and Mexican Peso exchanges rates), the Fresnillo Group's ability to recover its reserves or develop new reserves, including its ability to convert its resources into reserves and its mineral potential into resources or reserves, changes in its business strategy and political and economic uncertainty.

¹ Operations at Soledad-Dipolos are currently suspended.