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## **Fourth Quarter Production Report**

### **for the three months ended 31 December 2017**

#### **Overview**

- Record annual silver production of 58.7 moz (including Silverstream) up 16.6% vs. 2016, in line with guidance primarily as a result of the first complete year of San Julián (phase I) operating at full capacity and the start-up of operations at San Julián (phase II)
- 4Q17 silver production of 16.0 moz (including Silverstream) up 20.3% vs. 4Q16 due to the start-up of operations at San Julián (phase II)
- Quarterly silver production increased 10.5% vs. 3Q17 due to the first complete quarter of San Julián (phase II) operating at full capacity, higher ore grade at Fresnillo and higher volume of ore processed at Saucito
- Annual gold production of 911.1 koz exceeded guidance principally as a result of the full year operations at San Julián (phase I). Gold production slightly decreased -2.6% vs. 2016 due to the expected lower reduction of gold inventories and the anticipated lower ore grade deposited at the leaching pads at Herradura
- Quarterly gold production of 232 koz decreased -13.4% vs. 4Q16 due to a lower reduction of gold inventories at Herradura

#### **2018 Outlook**

- Silver production expected to be in the range of 67 to 70 moz including the Silverstream, in line with our long term guidance
- Gold production expected to be in the range of 870-900 koz
- Fresnillo set to increase throughput and silver ore grades
- Start-up of the first stage of the Pyrites Plant with tailings from the Saucito mine expected to be processed in 2Q18. Historical and ongoing tailings from the Fresnillo mine will also be processed at this plant once the project is completed in 2019
- Start-up of the 2<sup>nd</sup> Dynamic Leaching Plant at Herradura (Centauro Extension project), due to be commissioned in 2Q18
- 2018 exploration budget of approximately US\$200 million (including capitalised exploration expenses)

Octavio Alvídrez, Chief Executive Officer, said:

“I am pleased to report that Fresnillo has delivered a strong performance in 2017. Record silver production of 58.7 moz was in line with guidance following the first complete year of San Julián (phase I) operating at full capacity and the start of operations at San Julián (phase II). These major projects were once again delivered on budget reflecting our disciplined approach to investment.

“At the Fresnillo mine we increased silver production, though the turnaround plan is not yet complete. We have implemented a number of measures which resulted in increased access to the Candelaria and San Alberto areas which have improved throughput and silver ore grade at the mine. During the year ahead, we will remain focused on increasing throughput and ore grade at Fresnillo.

“We also achieved a solid gold production performance, exceeding our forecast range, due to the positive contribution from San Julián (phase I). Gold production was down marginally on 2016 as expected, as a result of the lower reduction of gold inventories at Herradura.

“We are making good progress with our development projects. Construction of the Pyrites Plant project continued while further progress was achieved at the Dynamic Leaching Plant at Herradura. We expect to commission both projects in 2018 and to see them contribute to our 2018 production.

“As always, safety is our priority and I am delighted to report an improvement in safety performance across the business, as a result of a number of initiatives established to further strengthen the safety culture at our mines.

“Looking ahead, our 2018 gold production is anticipated to be in the range of 870-900 koz whilst silver production is expected to be between 67-70 moz.”

## Total Production

	4Q 17	4Q 16	% change	3Q 17	YTD 17	YTD 16	% change
Silver (koz)	14,957	12,247	22.1	13,529	54,238	45,677	18.7
Silverstream (koz)	1,059	1,069	-0.9	1,084	4,435	4,625	-4.1
Total Silver (koz)	16,015	13,316	20.3	14,613	58,673	50,303	16.6
Gold (oz)	232,051	268,104	-13.4	233,311	911,132	935,513	-2.6
Lead (t)	12,836	13,003	-1.3	12,472	48,153	48,144	0.0
Zinc (t)	18,852	16,989	11.0	17,688	65,266	56,845	14.8

## Silver

2017 silver production (including Silverstream) increased 16.6% vs. 2016 mainly as a result of the full year of San Julián (phase I) operating at full capacity and the start-up of operations at San Julián (phase II). A higher volume of ore processed at Fresnillo and higher ore grades at Ciénega and San Ramón also contributed to the increase in silver production. This was partially offset by the expected lower ore grade at Saucito. In addition, the Silverstream contributed less (-4.1%) to silver production due to a lower silver ore grade at Sabinas.

Quarterly silver production (including Silverstream) increased 20.3% vs. 4Q16 as a result of the start of operations at San Julián (phase II) and the higher ore grade at Fresnillo due to access to high grade veins at the San Alberto and San Carlos areas. This increase was partially offset by the lower ore grade at San Julián (phase I).

Quarterly silver production increased 10.5% vs. 3Q17 due to the first complete quarter of San Julián (phase II) operating at full capacity, higher ore grade at Fresnillo and higher volume of ore processed at Saucito. This was partially offset by the lower ore grade at Ciénega and the lower contribution from the Silverstream.

In 2018, silver production is expected to be in the range of 67 to 70 moz with the rise in production driven by the first year of full operations at San Julián (phase II), the increase in ore throughput from Fresnillo and the start-up of operations at the Pyrites Plant.

#### Gold

Annual gold production of 911 koz slightly decreased as anticipated (-2.6%) when compared to 2016. However this exceeded the guidance of 870-900 koz as a result of the better than expected full year of operations at San Julián (phase I) and the start of operations at San Julián (phase II). These positive effects were offset by: i) the expected lower reduction in gold inventories at Herradura and the lower ore grade of mineral deposited at the leaching pads vs. 2016, and ii) the lower speed of recovery at Noche Buena due to a longer leaching process.

Quarterly gold production decreased -13.4% vs. 4Q16 principally due to a lower reduction in inventories at Herradura, as well as lower grades at Saucito and San Julián (phase I). This reduction was partially offset by a higher speed of recovery at Noche Buena.

Gold production for the fourth quarter remained at similar levels to 3Q17 as a higher speed of recovery at Noche Buena and a higher volume of ore processed at Ciénega offset the lower grades at Herradura and San Julián (phase I).

In 2018, gold production is anticipated to be within the range of 870-900 koz as no gold inventory reduction is expected at the leaching pads at Herradura. However, this adverse effect will be offset by the start of the second line of the Dynamic Leaching Plant at Herradura (Centauro Extension Project).

#### By-products

Annual and quarterly by-product lead production remained at similar levels to 2016. 4Q17 lead production increased (+2.9%) vs. 3Q17 as a result of a higher ore grade at Fresnillo and San Julián (phase II) operating for the full quarter. This more than compensated for the lower ore grade at Saucito.

Annual by-product zinc production increased 14.8% vs. FY16 as a result of the start-up of operations at San Julián (phase II) and a higher ore grade and volume of ore processed at Fresnillo.

Quarterly by-product zinc production increased 11.0% vs. 4Q16 as a result of the contribution from the new San Julián (phase II), partially offset by the lower ore grade at Saucito.

Quarterly by-product zinc production increased 6.6% vs. 3Q17 as a result of San Julián (phase II) operating at full capacity for the quarter and a higher ore grade at Fresnillo which was partially offset by the lower ore grades at Ciénega and Saucito.

### Fresnillo mine production

	4Q 17	4Q 16	% change	3Q 17	YTD 17	YTD 16	% change
<b>Ore Processed (t)</b>	592,358	595,963	-0.6	596,544	2,447,394	2,373,092	3.1
<b>Production</b>							
Silver (koz)	4,066	3,847	5.7	3,516	16,512	15,865	4.1
Gold (oz)	9,237	10,678	-13.5	8,819	38,784	42,421	-8.6
Lead (t)	5,455	5,766	-5.4	4,905	20,514	21,326	-3.8
Zinc (t)	8,019	7,718	3.9	7,368	30,021	25,898	15.9

Ore Grades	4Q 17	4Q 16	% change	3Q 17	YTD 17	YTD 16	% change
Silver (g/t)	236	221	6.6	202	229	227	1.3
Gold (g/t)	0.64	0.73	-12.8	0.61	0.64	0.73	-11.1
Lead (%)	1.01	1.05	-3.4	0.91	0.92	0.99	-6.7
Zinc (%)	1.94	1.78	8.5	1.70	1.72	1.56	10.7

Full year silver production increased 4.1% when compared to 2016. This was as a result of higher volumes of ore processed from the Candelaria and San Alberto areas and to a lesser extent, the higher ore grade resulting from access to certain high grade veins at San Alberto and San Carlos after the measures taken to solve certain operational issues.

2017 silver production was below guidance principally as a result of limited access to higher ore grade areas due to the delays in development, lower productivity from on site contracting personnel and mining equipment failures which impeded long-hole drilling activities. Fresnillo is implementing a decisive plan to stabilise the mine's ore grade and throughput. This includes: i) accelerating the development of deeper ramps; ii) preparation of stopes; iii) improving equipment maintenance; iv) operation of the vertical conveyor reducing truck haulage; and iv) tightening supervision to improve contractors' performance.

The Company has hired two new contractors, which together with the operational changes described above, we expect will result in an increase in the development rate.

These measures are starting to produce results. Grades for 2017 were marginally above our revised guidance of 220-225 g/t and we expect the silver ore grade to be around 235 g/t in 2018.

Quarterly silver production increased vs. 4Q16 due to the higher ore grade resulting from the implementation of the turnaround plan and better contractor performance at the development areas.

When compared to the previous quarter, 4Q17 silver production increased 15.6% primarily as a result of the higher ore grade (+16.7%) resulting from regaining access to high grade veins at San Alberto and San Carlos.

Annual and quarterly by-product gold production decreased vs. 2016 and 4Q16 mainly as a result of lower ore grade. 4Q17 gold production increased 4.7% vs. 3Q17 as a result of the higher ore grade.

2017 by-product lead production decreased when compared to 2016 as a result of a lower ore grade which was partially offset by the higher volume of ore processed. Quarterly by-product lead production decreased vs. 4Q16 due to the lower ore grade and recovery rate.

Quarterly by-product lead production increased 11.2% vs. 3Q17 as a result of a higher ore grade.

Annual by-product zinc production increased 15.9% vs. 2016 as a result of the higher ore grade and increased volume of ore processed. Quarterly by-product zinc production increased vs. 4Q16 as a result of a higher ore grade. Similarly, by-product zinc production for 4Q17 increased vs. 3Q17 as a result of a higher ore grade, which was offset by the lower recovery rate.

For 2018, lead and zinc ore grades are expected to be 0.96% and 1.77% respectively.

## Saucito mine production

	4Q 17	4Q 16	% change	3Q 17	YTD 17	YTD 16	% change
<b>Ore Processed (t)</b>	722,237	709,261	1.8	693,269	2,753,876	2,635,093	4.5
<b>Production</b>							
Silver (koz)	5,378	5,336	0.8	5,016	21,215	21,946	-3.3
Gold (oz)	17,599	25,160	-30.1	18,490	69,948	86,198	-18.9
Lead (t)	3,903	5,802	-32.7	4,368	17,714	20,935	-15.4
Zinc (t)	4,930	7,379	-33.2	5,357	20,348	23,498	-13.4
<b>Ore Grades</b>							
Silver (g/t)	271	287	-5.6	264	280	303	-7.6
Gold (g/t)	1.08	1.53	-29.0	1.12	1.09	1.39	-21.2
Lead (%)	0.66	1.02	-34.8	0.76	0.77	0.93	-17.2
Zinc (%)	1.06	1.68	-36.8	1.26	1.21	1.49	-18.9

Annual silver production decreased when compared to the same period 2016 as a result of the expected lower ore grade due to: i) the higher grade development ore from the West and Central areas at the Jarillas vein extracted in 2016; and ii) the restricted access to high grade sectors in the Jarillas West area resulting from the anchoring activities to avoid rock instability. The latter was the main reason for not reaching the silver ore grade guidance of 290 g/t.

A higher volume of ore processed from the Mezquite and Saucito veins partially offset the expected lower annual silver ore grade.

In 2018, the expected silver ore grade will be around 285 g/t due to the regained access to higher ore grade areas at the Jarillas West zone now the rock stability issue has been resolved.

Quarterly silver production remained at similar levels vs. 4Q16 as a higher recovery rate and higher volume of ore processed offset the unfavorable effect of a lower ore grade. Quarterly silver production increased 7.2% vs. 3Q17 as a result of a higher volume of ore processed due to the additional ore mined from development areas and a higher ore grade.

Annual and quarterly by-product gold production decreased when compared to 2016 primarily as a result of a lower ore grade which was partially offset by the higher volume of ore processed. Similarly, quarterly by-product gold production decreased -4.8% vs. 3Q17 as a result of a lower recovery rate and ore grade. This reduction was partially compensated for by the higher volume of ore processed. The gold grade for 2018 is expected to increase to 1.2 g/t.

Annual by-product lead production decreased vs. 2016 as a result of lower ore grade and to a lesser extent, lower recovery rate which were partially offset by the higher ore processed. Quarterly by-product lead production decreased vs. 4Q16 and 3Q17 due to the lower ore grade.

Annual and quarterly by-product zinc production decreased vs. 2016, 4Q16 and 3Q17 as a result of the lower ore grade.

## Ciénega mine production

	4Q 17	4Q 16	% change	3Q 17	YTD 17	YTD 16	% change
<b>Ore Processed (t)</b>	339,347	327,416	3.6	326,381	1,302,409	1,274,939	2.2
<b>Production</b>							
Gold (oz)	18,194	17,583	3.5	17,395	71,947	72,851	-1.2
Silver (koz)	1,272	1,298	-2.0	1,335	5,394	5,131	5.1
Lead (t)	1,541	1,435	7.4	1,537	6,328	5,883	7.6
Zinc (t)	1,336	1,892	-29.4	1,682	7,048	7,450	-5.4
<b>Ore Grades</b>							
Gold (g/t)	1.76	1.74	1.4	1.75	1.82	1.84	-1.1
Silver (g/t)	137	143	-3.8	148	151	143	5.6
Lead (%)	0.70	0.66	5.2	0.72	0.74	0.68	9.5
Zinc (%)	0.81	0.99	-18.1	0.95	0.98	1.00	-2.7

Full year gold production slightly decreased when compared to 2016 due to the expected lower ore grade as higher ore grade veins at this mine are depleted. However, this was partially offset by the higher volume of ore processed resulting from improved equipment availability following the efficiencies achieved in the maintenance programme. Quarterly gold production increased vs. 4Q16 and 3Q17 as a result of an increase in the volume of ore processed.

In 2018, the average gold ore grade is expected to remain stable at 1.8 g/t.

Annual silver production increased when compared to 2016 as a result of the higher ore grade at Taspana and San Ramón which more than exceeded the silver ore grade guidance of 140 g/t. Taspana is an area located 3 km away from the main Ciénega mine and its contribution is expected to continue rising in the future, thereby becoming another satellite mine.

The 2018 average silver ore grade is expected be around 160 g/t as further development takes place at the Taspana and San Ramón veins. Additionally, a higher volume of ore processed also contributed to the increase in silver production.

Quarterly silver production decreased slightly vs. 4Q16 and 3Q17 as a result of a lower ore grade offset by the higher volume of ore processed.

Annual and quarterly by-product lead production increased when compared to the corresponding periods of 2016 as a result of a higher ore grade and volume of ore processed which offset the lower recovery rates.

Full year and quarterly by-product zinc production decreased when compared to the same periods of 2016 and 3Q17 due to the lower recovery rate and lower ore grade.

## Herradura total mine production

	4Q 17	4Q 16	% change	3Q 17	YTD 17	YTD 16	% change
<b>Ore Processed (t)</b>	6,373,732	6,325,705	0.8	6,337,573	26,027,466	25,158,600	3.5
<b>Total Volume Hauled (t)</b>	34,620,672	29,821,575	16.1	33,433,070	130,025,439	118,841,295	9.4
<b>Production</b>							
Gold (oz)	117,891	148,549	-20.6	131,738	473,638	520,366	-9.0
Silver (koz)	172	173	-0.6	157	551	638	-13.6
<b>Ore Grades</b>							
Gold (g/t)	0.68	0.68	-1.1	0.75	0.68	0.71	-4.4
Silver (g/t)	1.28	1.13	13.6	1.20	1.07	1.16	-7.1

Full year gold production decreased -9.0% vs. 2016 due to: i) the expected lower reduction in gold inventories at the leaching pads compared to the larger reduction in inventory levels during 2016; and ii) the expected lower ore grade of mineral deposited at Herradura. These factors were partially offset by the higher volume of ore processed. For 2018, the average gold ore grade is expected to be around 0.75 g/t.

When compared to 4Q16, quarterly gold production decreased -20.6% as a result of the lower reduction in gold inventories.

Quarterly gold production decreased when compared to the previous quarter (-10.5%) as a result of the expected lower ore grade in the mined area, in line with the mining plan.

### Noche Buena total mine production

	4Q 17	4Q 16	% change	3Q 17	YTD 17	YTD 16	% change
<b>Ore Processed (t)</b>	4,445,313	4,380,536	1.5	4,362,684	17,820,817	17,431,718	2.2
<b>Total Volume Hauled (t)</b>	20,921,652	20,521,024	2.0	20,918,713	85,233,001	81,422,716	4.7
<b>Production</b>							
Gold (oz)	49,098	41,769	17.5	33,409	172,282	182,280	-5.5
Silver (koz)	12	11	9.1	6	31	33	-6.1
<b>Ore Grades</b>							
Gold (g/t)	0.54	0.53	1.3	0.53	0.52	0.51	2.5
Silver (g/t)	0.14	0.14	1.5	0.07	0.10	0.11	-13.4

Annual gold production decreased -5.5% when compared to 2016 as a result of the lower overall speed of recovery due to the ore processed from a new zone where the recovery process is slower due to the ore's kinetic characteristics. This was partially offset by the higher volume of ore processed due to the optimisation of the haulage routes resulting in shorter distances and to a lesser extent, a higher ore grade. Quarterly gold production increased 17.5% vs. 4Q16 and 47.0% vs. 3Q17 as a result of higher overall speed of recovery.

In 2018, the average ore grade is expected to be around 0.48 g/t.

### San Julián mine production

	4Q 17	4Q 16	% change	3Q 17	YTD 17	YTD 16	% change
<b>Ore Processed Phase I Veins (t)</b>	325,032	301,235	7.9	333,674	1,273,129	423,069	200.9
<b>Ore Processed Phase II JM (t)</b>	496,907	-	N/A	448,150	945,057	-	N/A
<b>Production Phase I Veins</b>							
Gold (oz)	19,248	24,365	-21.0	22,493	82,782	31,397	163.7
Silver (koz)	1,462	1,581	-7.5	1,494	5,936	2,066	187.3
<b>Production Phase II JM</b>							
Gold (oz)	784	-	N/A	967	1,750	-	N/A
Silver (koz)	2,595	-	N/A	2,004	4,598	-	N/A
Lead (t)	1,937	-	N/A	1,661	3,598	-	N/A
Zinc (t)	4,567	-	N/A	3,282	7,849	-	N/A
<b>Ore Grades Phase I Veins</b>							
Gold (g/t)	1.92	2.67	-28.2	2.12	2.10	2.47	-14.9
Silver (g/t)	153.43	181.33	-15.4	148.09	157.21	172.46	-8.8

Ore Grades Phase II JM	4Q 17	4Q 16	% change	3Q 17	YTD 17	YTD 16	% change
Gold (g/t)	0.11	-	N/A	0.13	0.12	-	N/A
Silver (g/t)	190.32	-	N/A	169.26	180.33	-	N/A
Lead (%)	0.51	-	N/A	0.52	0.52	-	N/A
Zinc (%)	1.23	-	N/A	1.13	1.18	-	N/A

### San Julián (Phase I – veins)

Full year silver production at San Julián Veins (phase I) increased significantly over 2016 as a result of the first complete year operating at full capacity and reaching a milling capacity of over 3,800 tpd. However, quarterly silver production decreased -7.5% vs. 4Q16 as a result of the lower ore grade which was partially offset by the higher volume of ore processed.

Silver production for 4Q17 slightly decreased (-2.2%) vs. 3Q17 as a result of the lower recovery rate and volume of ore processed, which was partially offset by the higher ore grade.

In 2018, silver ore grade is expected to average around 150 g/t.

Annual gold production at San Julián Veins (phase I) increased significantly over 2016 as a result of the first complete year operating at full capacity and due to the optimisation of the leaching process. These factors offset the lower ore grade processed due to the depletion of higher ore grades at the Atanasio and Emiliano veins which contained higher gold grades.

Quarterly gold production decreased 21.0% vs. 4Q16 as a result of the lower ore grade, however, this was partially offset by the higher volume of ore processed and a higher recovery rate. Quarterly gold production decreased -14.4% when compared to 3Q17 due to lower ore grade and a lower recovery rate caused by a reduction in oxygenation at the agitation area. This issue is expected to be resolved in January 2018 through the installation of a new agitation tank providing additional oxygen to the process.

Gold ore grade is expected to average 1.7 g/t in 2018.

### San Julián (Phase II – JM disseminated ore body)

Quarterly silver production increased vs. 3Q17 (29.5%) due to the higher ore grade, ore processed and recovery due to the first complete quarter operating at full capacity.

Quarterly gold production at San Julián JM (phase II) decreased vs. 3Q17 as a result of lower ore grade due to the depletion of high gold ore grade from the stock pile and a lower recovery rate.

Quarterly by-product lead production increased 16.6% vs. 3Q17 as a result of a higher recovery rate and volume of ore processed. Quarterly zinc production increased 39.2% vs. 3Q17 as a result of a higher recovery rate, ore grade and volume of ore processed.

In 2018, San Julián JM (phase II) gold ore grade is expected to average around 0.10 g/t and silver ore grade to be around 185 g/t.

## Update on development projects

### Pyrites Plant

Construction of the Pyrites Plant in the Fresnillo district remains on track. The leaching plant is expected to be commissioned in 2Q18 and will process tailings from the Saucito mine while the historical and ongoing tailings from Fresnillo are expected to start being processed in 2019.



Further progress was achieved with the construction of the vertical mills and the electrical installation in the milling building.

The plant is expected to improve overall recoveries of both gold and silver by processing historical and ongoing tailings from the Fresnillo and Saucito mines.

This US\$155 million project is expected to contribute an annual production of c. 3.5 moz of silver and c. 13 koz of gold once it reaches full capacity in 2019.

### **Second Dynamic Leaching Plant**

Construction of the second line of the Dynamic Leaching Plant at Herradura is on track and on budget. The project will enable sulphides occurring deeper in the pit to be processed more efficiently. The construction of the crushing building is now complete.

The US\$110 million project is expected to be commissioned in 2Q18 extending the life of mine at Herradura to 12 years with an average life of mine annual gold production of 390 koz.

### **Juanicipio**

Progress at the Juanicipio project continues on track and we expect to conclude the updated feasibility study in 1Q18.

### **Update on exploration**

In 4Q17, 116,000 metres of drilling was completed at our six operating mines and 98,000 metres were drilled at 19 of our exploration projects. The cumulative drilling for the year at our operating mines and exploration projects was 494,000 and 398,000 metres respectively. Resources were increased at all the mines and at the Guanajuato, San Juan and Candameña projects. The audited results will be published in 1Q18. Our regional offices in Mexico, Peru and Chile are currently evaluating several new areas with potential.

### **Safety Performance**

We are pleased to report that there were no fatal accidents at our operations during the fourth quarter of 2017. Safety remains our main priority and we continue to reinforce our safety measures in order to fulfil our zero fatalities commitment on an ongoing basis.

### **Full Year Financial Results**

Fresnillo will announce its full year 2017 results on 27<sup>th</sup> February 2018.

For further information, please visit our website [www.fresnilloplc.com](http://www.fresnilloplc.com) or contact:

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**About Fresnillo plc**

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

Fresnillo plc has seven operating mines, all of them in Mexico - Fresnillo, Saucito, Ciénega (including the San Ramón satellite mine), Herradura, Soledad-Dipolos<sup>1</sup>, Noche Buena and San Julián (phase I and II), two development projects - the Pyrites Plant, and second line of DLP at Herradura, and four advanced exploration projects – 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 1.8 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 per year by 2018, having already surpassed the gold target of 750,000 ounces.

<sup>1</sup> Operations at Soledad-Dipolos are currently suspended.

**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 exchange 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.

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