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Production Report for the three months ended 30 June 2013

Overview

- Quarterly attributable silver production of 10.9Moz, (including Silverstream), up by 6.3% year on year as a result of the continued ramp-up at Saucito and increased volumes milled at Ciénega.
- Quarterly attributable silver production up 8.6% over 1Q13 as a result of regaining access to stopes with higher ore grades at Fresnillo and exploiting areas with higher than average ore grades at Saucito.
- Quarterly attributable gold production of 118,315 ounces, slightly above 1Q13 but down 6.8% year on year, due to the slower rate of recovery and reduced volume of ore deposited at Soledad-Dipolos, as well as the anticipated lower ore grade at Ciénega.
- Construction of the dynamic leaching plant at Herradura continued and remained on track for start-up in 4Q13. Meanwhile, construction at San Julián continued and detailed engineering for the processing plant at Saucito II progressed ahead of schedule.
- Encouraging exploration results were obtained at Fresnillo and Herradura Districts, where good gold grades were intersected at Centauro Deep and Mega Centauro. Interesting drilling results were also obtained at El Gigante and La Joya in the Guanajuato District.

Octavio Alvidrez, Chief Executive Officer, said:

"I am pleased to announce another strong quarter of silver and gold production. Saucito is ramping up on track, volumes at Cienega are up and the ore grades at Fresnillo will meet guidance this year. We are on track to achieve our 2013 production targets of 41 million ounces of silver. On the gold side, the ramp up at Noche Buena has been successful however we have slightly lowered gold production guidance for 2013 to 465,000 ounces reflecting the court ordered stoppage at Minera Penmont's Dipolos open pit mine.

Our growth pipeline remains robust and on track with development projects and encouraging exploration results. Fresnillo plc's Tier 1 low cost assets, strong pipeline and management's long term focus on sustainable and profitable growth positions us well through the cycle."

Total Production – Attributable

	2Q 13	2Q 12	% change	1Q 13	YTD 13	YTD 12	% change
Silver prod'n (kOz)	9,967	9,143	9.0	9,176	19,144	17,912	6.9
Silverstream prod'n (kOz)	961	1,133	-15.2	876	1,836	2,160	-15.0
Total Silver production (kOz)	10,928	10,276	6.3	10,052	20,980	20,072	4.5
Gold prod'n (Oz)	118,315	127,003	-6.8	117,512	235,827	248,795	-5.2
Lead prod'n (t)	6,657	6,580	1.2	5,764	12,421	12,844	-3.3
Zinc prod'n (t)	6,485	6,640	-2.3	5,472	11,957	13,565	-11.9

Quarterly and half year attributable silver production (including Silverstream) increased by 6.3% and 4.5% over 2Q12 and 1H12.

As previously mentioned, the lower production from the Silverstream in 2013 reflects the anticipated return to average long-term silver grade at the Sabinas mine from the unusual high levels seen previously.

Excluding the Silverstream, quarterly and year to date attributable silver production increased by 9.0% and 6.9% respectively when compared to the same periods of 2012. These increases were largely explained by: i) the ramp-up of production at Saucito, which included mining the Jarillas vein with higher ore grades, and ii) higher silver ore grade and volumes of ore processed from San Ramón satellite mine (215,495 tonnes) in Ciénega. These positive aspects were mitigated by the lower production at Fresnillo, which resulted from the expected decline in the silver ore grade and limited access to some stopes.

Quarterly silver production (excluding Silverstream) increased by 8.6% when compared to the previous quarter as a result of regaining access to stopes with higher ore grades at Fresnillo and exploiting areas with higher than average ore grade at Saucito (+11.6% and +8.9%, respectively).

Quarterly and year to date attributable gold production decreased by 6.8% and 5.2% respectively when compared to the same periods of 2012, primarily as a result of slower recovery rates at the Soledad-Dipolos and Herradura mines. However, the successful ramp-up at Noche Buena partially mitigated these effects.

Quarterly attributable gold production remained steady over the previous quarter of 2013 as a result of higher ore processed and ore grade at Ciénega which offset lower production at Soledad-Dipolos and Noche Buena.

Quarterly by-product lead production increased by 15.5% over the previous quarter due to higher ore grade and better recovery rates at Ciénega and Fresnillo. However, lead production for the first half decreased by 3.3% when compared to the same period of 2012 as a result of lower ore grade and ore processed at Fresnillo and to a lesser extent, lower ore grade at Ciénega.

With respect to quarterly and year to date by-product zinc production, the decrease of 2.3% and 11.9% respectively over the same periods of 2012, was mainly due to lower ore grades at Ciénega and Fresnillo.

Fresnillo mine production

	2Q 13	2Q 12	% change	1Q 13	YTD 13	YTD 12	% change
Silver prod'n (kOz)	5,853	6,618	-11.6	5,343	11,197	13,366	-16.2
Gold prod'n (Oz)	6,821	7,148	-4.6	6,818	13,640	15,880	-14.1
Lead prod'n (t)	3,724	4,425	-15.8	3,441	7,165	8,702	-17.7
Zinc prod'n (t)	3,817	4,184	-8.8	3,069	6,886	8,309	-17.1

Quarterly and year to date silver production decreased by 11.6% and 16.2%, respectively compared to the same periods of last year as a result of the anticipated decline in silver ore grade to an average of 300g/t in 2013 and the temporarily lower efficiency achieved by contractors which delayed mining works and development, limiting access to several stopes. This problem has now been solved.

However quarterly silver production increased by 9.5% when compared to the previous quarter as a result of regaining access to stopes with higher ore grade (303.1g/t 2Q13; 271.7g/t 1Q13) which more than compensated for the reduced volumes of ore processed. The ore grade for 2013 is expected to average around 300g/t, which is within the previously guided band.

Quarterly and year to date by product lead, zinc and gold production decreased when compared to the corresponding periods of 2012 due to lower ore grades.

We continue to examine different alternatives for expanding the milling capacity from 8,000 to 10,000 tonnes per day at Fresnillo.

Saucito mine production

	2Q 13	2Q 12	% change	1Q 13	YTD 13	YTD 12	% change
Silver prod'n (kOz)	2,953	1,754	68.4	2,675	5,628	3,248	73.3
Gold prod'n (Oz)	10,828	10,363	4.5	11,213	22,041	21,720	1.5
Lead prod'n (t)	1,329	661	101.1	1,252	2,581	1,146	125.2
Zinc prod'n (t)	1,095	362	202.5	1,056	2,151	711	202.5

Quarterly and year to date silver production increased by 68.4% and 73.3% when compared to the corresponding periods of 2012 mainly as a result of: i) access to the Jarillas vein which has higher ore grades than the Saucito and Mezquite veins, ii) increase in ore processed as a result of the expected ramp-up of the mine, and iii) temporarily processing additional material from the development activities at the Jarillas and Mezquite veins which was not available in 2012.

Quarterly silver production increased by 10.4% over the previous quarter due to the higher than expected ore grade (350.8 g/t 2Q13; 322.3 g/t 1Q13). This resulted from the better grade encountered at one particular area at Jarillas vein which surpassed previous estimates. However, the silver ore grade is expected to decrease to more normal levels of 300g/t in the second half of the year, which we expect will result in higher than previous guidance.

Quarterly and first half gold production increased by 4.5% and 1.5% respectively over the same periods of 2012 as a result of higher ore throughput mitigated with lower ore grade.

When compared to the previous quarter 2013, gold production decreased 3.4% as a result of lower ore grade.

Quarterly and year to date lead and zinc production significantly increased when compared to the corresponding periods of 2012 as a result of higher ore grade and to a lesser extent, higher zinc recovery.

Ciénega mine production

	2Q 13	2Q 12	% change	1Q 13	YTD 13	YTD 12	% change
Gold prod'n (Oz)	31,631	33,785	-6.4	28,012	59,644	65,331	-8.7
Silver prod'n (kOz)	1,083	724	49.6	1,104	2,188	1,190	83.9
Lead prod'n (t)	1,604	1,494	7.4	1,071	2,675	2,997	-10.7
Zinc prod'n (t)	1,573	2,094	-24.9	1,346	2,919	4,545	-35.8

Quarterly and year to date gold production decreased by 6.4% and 8.7%, respectively compared to the corresponding periods of 2012 as a result of the anticipated decline in the gold ore grade and greater dilution in narrow veins. However, this adverse effect was partially compensated by the higher volumes of ore processed which resulted from improvements to the maintenance programme and milling process, and increased volumes of ore trucked and milled from San Ramón. Quarterly gold production increased 12.9% over the previous quarter due to higher ore throughput from Ciénega.

In contrast, quarterly and year to date silver production increased by 49.6% and 83.9% respectively when compared to the same period of 2012 as a result of the higher silver ore grade and increased ore volumes processed from the San Ramón satellite mine.

Year to date by product zinc and lead decreased by 35.8% and 10.7%, respectively when compared to the first half of 2012 as a result of lower ore grade and recovery rates.

Herradura mine production – Attributable

	2Q 13	2Q 12	% change	1Q 13	YTD 13	YTD 12	% change
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Gold prod'n (Oz)	45,587	47,672	-4.4	45,645	91,233	94,394	-3.3
Silver prod'n (kOz)	68	35	94.3	44	112	84	33.3

Quarterly and year to date attributable gold production decreased by 4.4% and 3.3%, respectively when compared to the corresponding periods of 2012 mainly due to slower recovery rates resulting from the higher height of the leaching pads which slowed the leaching process. Notwithstanding, the recovery rate is expected to increase gradually over the second half of the year once the construction of the first phase of the tenth leaching pad is concluded.

When including the previously reported 2012 year-end assays adjustments with Met-Mex to the second quarter 2012 figures, quarterly attributable gold production remained at similar levels. The assay differences in 2013 are within commercial acceptable ranges.

Attributable gold production for the second quarter remained at similar levels when compared to the previous quarter of 2013.

Exploration continued at the Centauro Deep project with 27,797 metres of diamond drilling and 3,254 metres of development workings in the first half of this year.

In the second quarter of the year, diamond drilling continued in order to evaluate the expansion of the Centauro pit (Mega Centauro project). However, additional exploration will be conducted to obtain further information that could better determine the potential of this area and the economic viability of this project at different gold prices.

Soledad-Dipolos mine production - Attributable

	2Q 13	2Q 12	% change	1Q 13	YTD 13	YTD 12	% change
Gold prod'n (Oz)	10,474	17,655	-40.7	11,751	22,226	38,864	-42.8
Silver prod'n (kOz)	8	9	-11.1	6	14	21	-33.3

Quarterly and first half attributable gold production decreased by 40.7% and 42.8%, respectively when compared to the same periods of 2012 mainly due to the slower recovery rate resulting from the low gold concentration in the solution. These factors, also affected attributable gold production when compared to the previous quarter.

Including the previously reported 2012 year-end assay adjustments with Met-Mex, quarterly attributable gold production decreased by 34.0% when compared to the second quarter 2012. The assay differences in 2013 are within commercial acceptable ranges.

In relation to the legal proceedings by 5 members of the El Bajio agrarian community in the state of Sonora (as outlined in the Fresnillo 2012 Annual Report), the Unitarian Agrarian Court in Hermosillo, Sonora has ruled that Minera Penmont S. de R.L. de C.V. ("Minera Penmont") vacate a certain area of surface land at the site of its Soledad-Dipolos operations. Accordingly, Minera Penmont has begun to vacate this land (approximately 1500 hectares immediately and 300 more hectares following remediation activities having been undertaken). The vacation of the surface land only impacts on the operations of the open pit gold mine at Dipolos including the beneficiation plant. In addition, legal title to the open pit mine at Soledad, the leach pads and the other Minera Penmont operations is not affected.

As a result of the foregoing, Minera Penmont has begun removing all mining equipment from the Dipolos pit and has stopped mining there. The open pit mine at Soledad will continue to operate once the plant is relocated and Fresnillo plc is currently evaluating a number of options around moving the plant. The stockpile on the leaching pads is unaffected.

This court order is likely to result in a loss of gold production of 25,000 ounces from the overall expected production for the year of 490,000 ounces and this loss of

production represents just 5.1% of the Company's total gold production. The difference between the net present values (NPV) of Fresnillo plc against the NPV of Fresnillo without Dipolos is less than 1%. Therefore, the impact on Fresnillo plc is not regarded as material.

Noche Buena mine production – Attributable

	2Q 13	2Q 12	% change	1Q 13	YTD 13	YTD 12	% change
Gold prod'n (Oz)	12,973	10,380	25.0	14,072	27,044	12,606	114.5
Silver prod'n (kOz)	2	4	-50.0	3	5	4	25.0

Quarterly and year to date attributable gold production increased by 25.0% and 114.5% respectively when compared to the same periods of 2012 as a result of the continued ramp-up of production at this mine, which commenced operations in March 2012.

Attributable gold production for the second quarter decreased by 7.8% when compared to the previous quarter 2013 due to slower recovery rates as a result of the higher height of the leaching pads which temporarily slowed the leaching process as a new layer was built. However, recovery rates went back to normal in the last days of June.

When including the previously reported 2012 year-end assays adjustments with Met-Mex to the second quarter figures, quarterly attributable gold production increased by 30.0%. The assay differences in 2013 are within commercial acceptable ranges.

Update on development projects

- ***Dynamic leaching plant at Herradura***

The construction of the dynamic leaching plant remains on track to be concluded in the third quarter of the year. In the second quarter, assembly of additional components at the milling area continued, the installation of the liners of the tailings dam was nearly finished, whilst the structure for the reagents warehouse was concluded and the sodium cyanide tanks were installed.

This US\$120m project is expected to increase gold production by a total of 412,000 ounces over the 2013-2020 period.

- ***Saucito II***

The Saucito II project is advancing according to schedule and is expected to be concluded in the first half of 2015. This US\$235 million project is anticipated to produce an average of 8.4 million ounces of silver and 35,000 ounces of gold per year once at full capacity.

In the second quarter of the year, further progress was made in the engineering of the Saucito II project and orders for critical equipment were placed.

In addition, we obtained permits for the construction of the tailings dam.

- ***San Julián***

The construction of the San Julián silver-gold mine continued with significant progress made in the engineering of the flotation and leaching plants. The layout for the leaching plant was defined.

This project is expected to produce an average of 9.6 million ounces of silver and 40,000 ounces of gold per year.

Update on exploration and capex

In the second quarter 2013, exploration was focused at our operating mines and advanced projects, therefore 160,900 metres of core and reverse circulation drilling

were completed with 40 rigs. Safety and community programmes were carried out satisfactorily, and no lost time accidents occurred in the period.

In the Herradura District, good gold grades over mineable widths were obtained from Centauro Deep, and additional open-pittable oxide gold mineralisation was intersected at Mega Centauro, Noche Buena, and Tajitos. Surface and underground drilling also continues on the extensions of veins in the Fresnillo District, both at the Fresnillo and Saucito mines. Meanwhile, infill and geotechnical holes at the Juanicipio project are on schedule. Exploration around the San Ramón satellite operation in the Ciénega District delivered economic intersections of silver-gold mineralisation at depth on the Porvenir and Republicana veins, and in the recently discovered El Campo and San Gregorio veins.

Interesting drilling results were obtained on three veins at El Gigante and La Joya in the Guanajuato District, and two additional silver-gold veins were delineated at San Julián. Furthermore, drilling programmes were concluded at Orisyvo, Lucerito, Coneto, and Cebadillas where metallurgical studies and analysis of the results are in process. Geological work and permitting were advanced at El Datil, Bellavista, and Guazapares in México, and at Pilarica and Amata in Perú, which is in preparation for drilling in the second half of 2013.

As we have previously mentioned, we will continue reviewing all our exploration and capital expenditure budgets, prioritising projects with the greatest potential.

Safety Performance

In the second quarter of the year, we reinforced our safety measures and continued with the follow up of the safety programmes. However, it is with regret that we report one fatal accident during this period at our Saucito mine. This resulted from a breach of safety procedures. We will continue to implement our safety campaign to ensure our workers and contractors are properly trained and all relevant safety procedures are strictly adhered to. We will not give up until we achieve our zero fatality target.

There will be a conference call for analysts and investors on Wednesday 17 July 2013 at 09.00 am BST (London time). The dial in details are as follows:

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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 seven operating mines, all of them in Mexico - Fresnillo, Saucito, Ciénega, San Ramón (satellite of the Ciénega gold mine), Herradura, Soledad and Noche Buena; three development projects - a dynamic leaching plant to treat high grade gold ore from the Herradura and Soledad mines; San Julián and Saucito II and four advanced exploration prospects - Centauro Deep, Juanicipio, Orisyvo and Las Casas Rosario as well as a number of other long term exploration prospects. In total, Fresnillo plc has mining concessions covering approximately 2.1 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 both silver and gold.

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 500,000 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 Fresnillo plc's intentions, beliefs or current expectations concerning, amongst other things, Fresnillo plc'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 Fresnillo plc's operations, financial position and liquidity, and the development of the markets and the industry in which Fresnillo plc 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 Fresnillo plc 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), Fresnillo plc'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.