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15 April 2009

Production Report and Interim Management Statement for the three months ended 31 March 2009

Overview

- Silver attributable production for the first three months of 2009 up 9% to 9.2 million ounces when compared to the first quarter 2008.
- Gold attributable production of 65,000 ounces for the first quarter 2009 was in line with the Company's budget.
- Construction at Soledad-Dipolos is progressing well and pre-stripping continues on schedule. Production is expected in Q1 2010.
- Drilling programme and construction activities at Saucito remain on track. 27,000 tonnes of ore from development works were processed at Fresnillo mill obtaining higher ore recovery than in the lab.
- Costs have been contained successfully through ongoing cost reduction efforts and efficiency initiatives.
- Annual wage negotiations successfully concluded at Fresnillo and Herradura mines.

Jaime Lomelín, Chief Executive Officer, said:

“We are very pleased with the strong start to 2009, with silver production up 9% on last year and gold production stabilising. Our development projects continue to advance on time and on budget. Costs have been reduced when expressed in US Dollars compared with Q4 2008 as a result of the exchange rate, lower input costs, the ongoing investments in cost control and efficiency improvements. We are very pleased with the successful outcome from the wage negotiations with the Mining and Metal Workers Union at the Fresnillo and Herradura mines, which underscores the solid relationship between the workers and the Company. The management remains confident of achieving its 2009 production target levels which will be slightly higher than that achieved in 2008, and remains committed to lowering costs and delivering value.”

Total Production

Fresnillo plc attributable production

	1Q 09	1Q 08	4Q 08
Silver prod'n (koz)	9,218	8,448	8,490
Gold prod'n (koz)	65	71	63
Lead prod'n (kt)	4	5	4
Zinc prod'n (kt)	5	6	5

Total attributable silver production for the first quarter 2009 increased by 9.4% and 8.6% when compared to the first and fourth quarters of 2008, respectively. This increase is primarily due to higher silver production from the Fresnillo mine which is explained in detail below.

As was expected, total attributable gold production decreased by 8.3% when compared to the first quarter of 2008 due to the lower ore grade at Ciénega. However, production

was up compared to the last quarter of 2008 as a result of higher ore deposited, grades and recoveries at Herradura, which compensated for the lower ore grade at Ciénega. Production levels of both attributable silver and gold in the quarter are in line with Fresnillo plc's 2009 budget. By-product lead and zinc production decreased by 11.3% and 12.5%, respectively, when compared to first quarter last year as a result of the lower ore grades at Ciénega, however production from both by-product lead and zinc was flat when compared with the December quarter 2008.

Fresnillo mine production

	1Q 09	1Q 08	4Q 08
Silver (kOz)	8,856	8,130	8,245
Gold (kOz)	7	6	7
Lead (kt)	2	2	2
Zinc (kt)	3	3	3

Quarterly silver production at the Fresnillo mine increased by 8.9% and 7.4% when compared to first and fourth quarters of 2008, respectively. This increase in silver production was a result of 27,000 tonnes of ore extracted from development works at Saucito which was processed in the Fresnillo mill. A further contribution to the increase in silver production over the quarter under review was from the absence of any work stoppage enabling continuous operation and the preparation of new stopes to increase productivity and control grade.

Ciénega mine production

	1Q 09	1Q 08	4Q 08
Silver (kOz)	319	287	219
Gold (kOz)	23	33	25
Lead (kt)	2	2	2
Zinc (kt)	2	3	2

Gold production at Ciénega for the first three months of 2009 decreased when compared to the same period last year as a result of the decline in the ore grades. The Company is confident that gold ore grade will stabilise around the current levels, as the benefit of the preparation of new stopes, the increased milling capacity and higher recoveries begins to take effect. The Company has begun to evaluate a new technology to mine high grade narrow veins.

Herradura mine production

Fresnillo plc attributable production

	1Q 09	1Q 08	4Q 08
Silver (kOz)	43	31	26
Gold (kOz)	35	31	31

Attributable gold production at the Herradura mine increased by 9.6%, when compared to the first quarter last year, as a result of higher ore deposited from the Centauro pit on the leaching pads and from finding more mineral where waste materials were expected. Similarly, quarterly gold and silver production were up by 9.9% and 63.0%, respectively, when compared to the previous quarter due to higher ore deposited, ore grades and recoveries.

Cost update

In response to cost pressures, a number of cost-saving initiatives have been undertaken over recent months to mitigate higher costs and to improve performance of the current operations. Over the quarter, we have seen the benefit of these actions. In addition, the Company is also beginning to gradually see the benefit from the lower unit prices for a number of inputs.

As a result of all these factors, costs for the quarter when compared with the fourth quarter last year have declined. As the year progresses management expects to see

further declines in input costs coming through and a higher expected average exchange rate for 2009 compared with 2008 which will lower costs in US Dollar terms.

Although electricity prices were below the levels budgeted by the Company for the first quarter, they are still significantly higher when compared to the first quarter of the previous year when Fresnillo plc was still obtaining electricity at a substantially lower rate under the Termoeléctrica Peñoles (“TEP”) contract.

The construction of the sewage water treatment plant at Fresnillo is on schedule and it is expected to be concluded during the third quarter of the year. This project will lower the cost of water as the Company will use sewage water from the city of Fresnillo in its processes. This new sewage water treatment plant will also bring environmental benefits to the community.

Optimization of the leaching circuit at Ciénega is progressing according to schedule and is expected to be complete by year end. Construction at this project has already begun and it is expected to increase gold and silver recoveries by 2.2% and 0.8% respectively. The instalment of the Knelson gravimetric concentrator remains on track and will provide an additional 0.3% gold recovery.

At Herradura, the engineering for the seventh leaching pad advanced according to the Company’s mine plan. The expansion of Herradura’s beneficiation plant to increase flow to 1,600 m³ per hour is also progressing well and it is expected to be concluded by year end.

Update on development projects

Soledad and Dipolos

Preparation of the land and of the dirt roads for the maintenance workshop, the Merrill-Crowe plant and the warehouse at Soledad-Dipolos were concluded over the quarter under review. Additionally, pre-stripping continued, environmental permits are in place and the engineering of the administrative offices is almost finished. Taking into account the progress at this development project so far, it is expected that Soledad-Dipolos will start production during the first quarter of 2010, as planned.

Saucito

Construction of ramps and cross-cuts at Saucito is progressing according to the Company’s mine development plan. So far, the ramps have reached 4,400 metres, the raisebore holes 1,550 metres, and the cross-cuts and drifts 2,820 metres. The mining works at the Saucito shaft were concluded over the quarter and the engineering for the concentrator plant and the tailings dam was started. 27,000 tonnes of ore from the development works at Saucito were put through the Fresnillo mill and resulted in higher recoveries than the lab bench tests.

Update on exploration

Drilling continues at the Saucito development project and 5,916 metres were completed in the first quarter of the year on the Santa Natalia, Jarillas, Mezquite, Saucito and Valdecañas East veins. High grade assay results have been obtained on the Mezquite and Saucito veins both in diamond drilling and the development drifts.

At the Juanicipio joint venture exploration project (owned 56% by Fresnillo Plc and 44% by Mag Silver), 5,405 metres of core were drilled to infill on the Valdecañas vein and test the Juanicipio vein.

An additional seven holes, for a total of 3,401 metres of core, have been drilled on the JM disseminated silver deposit at the San Julian project. Mineralization has been

outlined along an additional 100 metres strike length, which now totals 500 metres and potential remains open at strike.

1,600 metres were drilled at the San Ramon property near the Ciénega mine. To date, five of eight holes have intersected good economic silver-gold values along 800 metres vein strike and potential is open at depth. A second drill rig has been moved to the site to accelerate the programme.

Drilling was initiated at the La India gold project, a joint venture with International Northair Mines Ltd in the state of Durango, where Fresnillo plc can earn up to an 80% interest. Geological studies are in process at the Noche Buena gold project (56% Fresnillo plc and 44% Newmont Mining Corporation) near the Herradura mine in Sonora.

Force Majeure at Met-Mex

During the first week of March, Fresnillo plc announced that Peñoles officially declared force majeure at the Met-Mex metallurgical complex with respect to the doré, precipitates and lead concentrates purchase agreements. As a result, Fresnillo plc has been selling the production of doré from Herradura and precipitates from Ciénega to other refineries at similar terms and conditions to those with Met-Mex. The Company has also been able to negotiate similar overall conditions albeit on the spot market with regards to the lead and zinc concentrates produced at the Fresnillo mine and expects to ship these concentrates in April. As circumstances may change at any time, Fresnillo plc will continue monitoring this situation and will provide further information as necessary.

Union relationships

Wage negotiations with the Mining and Metal Workers Union for both the Herradura and Fresnillo mine were successfully concluded by the end of March and early April respectively. The main agreements resulted in a 6% wage increase, a 1% fringe benefits increase and a one-off bonus payment as a bonus of 1% of salary. Negotiations at Ciénega will commence in May. Fresnillo plc is pleased with the spirit in which these negotiations were conducted as well as with the outcome, illustrating the sound relationships between the workers and the Company.

Mag Silver update

On 1 December 2008, Fresbal Investments Ltd (“Fresbal”), a subsidiary of Fresnillo plc, announced its intention to make a formal offer to Mag Silver Corp (“Mag Silver”) shareholders [for US\$4.54 per share in cash] and requested that a valuation be prepared, pursuant to applicable Canadian law. On 1 February 2009, Mag Silver informed Fresbal that its Independent Committee had instructed its independent valuator to suspend all work on the formal valuation. In March 2009, the Ontario Securities Commission (“OSC”) requested that Fresbal provide certain information pertaining to the Saucito project. Fresbal is currently in the process of compiling the requested documentation by the OSC and expects to deliver the information as soon as is practicable after which time Fresbal expect the independent valuation of Mag Silver to recommence.

There will be a conference call for analysts and investors on Wednesday 15 April at 9.00am BST (London time). Dial in details are as follows:

Participants’ dial in number: +44 (0) 1452 561 263

Access Code: 94381829

A replay of the conference call will be available for one week on the following number:

Dial in number: +44 (0) 1452 55 00 00

Access Code 94381829#

For further information, please visit our website: 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 second largest gold producer, listed on the London Stock Exchange under the symbol FRES.

Fresnillo has three producing mines, all of them in Mexico - Fresnillo, Ciénega and Herradura; two development projects - Saucito, Soledad & Dipolos; and three exploration prospects - San Juan, San Julian, Orsivo, as well as a number of other long term exploration prospects and, in total, has mining concessions covering approximately 1.75 million hectares in Mexico.

Fresnillo has a strong and long tradition of mining, a proven track record of mining development and reserves replacement, and a low cost of production, being in the lowest quartile of the cost curve for both silver and gold.

Fresnillo intends to maintain its position as the world's largest primary silver producer with the aim of approximately doubling production, on a silver equivalent ounce basis by 2018 and increasing its gold production.

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.