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Fresnillo plc interim results for the six months to 30 June 2025

Octavio Alvérez, Chief Executive Officer, commented:

“I am pleased to report a strong operating and financial result in the first half of 2025. Our profitability has significantly improved, driven not only by favourable precious metals prices but also by a consistent operational performance and rigorous cost discipline. This has led to a substantial free cash flow generation. Our balance sheet remains robust, with ample liquidity, allowing us to declare an interim dividend of US20.8 cents per share in line with our policy. On the operational front, gold production saw impressive growth through optimised operations, particularly at Herradura, while silver production was partially impacted by the planned closure of San Julián DOB, and the lower contribution from the Fresnillo mine and the Silverstream. Looking ahead, we have increased gold production guidance for the year to reflect the continued strong performance at Herradura, and we have adjusted silver production guidance to reflect the end of Silverstream contributions following the buyback agreement with Peñoles. In terms of equivalent silver ounces, our 2025 guidance remains unchanged. These results highlight our steadfast focus on productivity, cost control, and creating lasting value for our shareholders.”

First half highlights

Financial highlights (1H25/1H24 comparisons)

- Adjusted Revenues¹ of US\$1,982.9m, up 27.1%; mainly due to higher gold and silver prices, and increased volumes of gold sold, partly offset by a lower volume of silver sold.
- Revenues of US\$1,936.2m, up 30.1%; driven by the increased adjusted revenues and lower treatment and refining charges.
- Adjusted production costs² of US\$673.5m, down 20.2% over 1H24 primarily due to the devaluation of the Mexican peso vs. the US dollar, the net decrease in volumes of ore processed, mainly at Fresnillo, Herradura, and Ciénega, the decrease in adjusted production as a result of the closure of San Julián DOB, and

¹ Adjusted revenues are the revenues shown in the income statement adjusted to add back treatment and refining charges. The Company considers this is a useful additional measure to help understand underlying factors driving revenue in terms of volumes sold and realised prices.

² Adjusted production costs are calculated as cost of sales less depreciation, profit sharing, hedging, change in inventories and unproductive costs. The Company considers this a useful additional measure to help understand underlying factors driving production costs in terms of the different stages involved in the mining and plant processes, including efficiencies and inefficiencies as the case may be and other factors outside the Company's control such as cost inflation or changes in accounting criteria.

the positive impact of efficiencies and cost reduction initiatives, mainly at Herradura.

- Cost of sales of US\$913.2m, down 16.7% mainly as a result of the lower adjusted production costs and decreased depreciation, partly offset by the less favourable effect of the variation in change in inventories.
- Gross profit and EBITDA³ of US\$1,022.9m and US\$1,102.1m, up 160.7% and 102.5%, respectively.
- Profit from continuing operations before net finance costs and income tax of US\$860.8m, up 266.0%.
- Following operational and financial difficulties impacting silver production and the long-term viability of the Sabinas mine, and an evaluation of the options available, Peñoles has agreed to buy back the Silverstream Contract for US\$40.0m, which results in a non-cash Silverstream loss, net of taxes, of US\$133.0 million. See further information below.
- Profit for the period before income tax of US\$660.3m, up 137.7%.
- Income tax expense and mining rights of US\$192.8m, up 20.4%
- Profit for the period of US\$467.6m, up 297.3% from US\$117.7m.
- Basic and diluted EPS from continuing operations of US\$53.4 cents per share, up 399.1% from US\$10.7 cents per share.
- Adjusted EPS⁴ of US\$71.5 cents per share, up from US\$4.4 cents per share in 1H24.
- Cash generated from operations, before changes in working capital, of US\$1,103.6m, up 101.4%.
- Free cash flow⁵ of US\$1,026.1m in 1H25 (US\$187.4m in 1H24).
- Strong balance sheet with cash and other liquid funds as at 30 June 2025 of US\$1,823.0m (31 December 2024: \$1,297.8m).
- Interim dividend of 20.8 US cents per share, totalling US\$153.3m (1H24: US\$47.2m).

Operational highlights (1H25/1H24 comparisons)

As disclosed in the 2Q25 production report on 23 July 2025:

- First half attributable silver production of 24.9 moz (including Silverstream), down 11.7% vs. 1H24 mainly due to the cessation of mining activities at San Julián DOB, a decrease in volume of ore processed, lower ore grade and decreased recovery rate at Ciénega and lower ore grade at Juanicipio.

³ Earnings before interest, taxes, depreciation and amortisation (EBITDA) is calculated as profit for the year from continuing operations before income tax, less finance income, plus finance costs, less foreign exchange gain/(loss), less revaluation effects of the Silverstream contract, less other operating income plus other operating expenses and depreciation.

⁴ Adjusted earnings per share (EPS) is profit as disclosed in the Interim Consolidated Income Statement adjusted to exclude the revaluation effects of the Silverstream contract, divided by the average ordinary number of shares in issue in the period.

⁵ Free cash flow calculated as net cash flow after the effect of foreign exchange on cash, less dividend payments.

- First half attributable gold production of 313.8 koz, up 15.9% vs. 1H24 mainly due to the optimisation of mine operation standards for better selectivity, which led to higher gold ore grade, and the additional gold contents recovered from the oxidised high grade ore deposited at the Herradura leaching pads. This was partly offset by the lower ore grade and decreased volumes of ore processed at Saucito and Ciénega, and the lower volume of ore processed at Fresnillo.
- Ongoing focus on safety, cost control, and productivity.

Highlights for 1H25

US\$ million unless stated	H1 25	H1 24	% change
Silver production (koz) *	24,882	28,169	(11.7)
Gold production (oz)	313,840	270,872	15.9
Total revenues	1,936.2	1,488.3	30.1
Adjusted revenues ¹	1,982.9	1,560.2	27.1
Cost of Sales	913.2	1,095.9	(16.7)
Gross profit	1,022.9	392.4	160.7
Adjusted production costs ²	673.5	844.2	(20.2)
EBITDA ³	1,102.1	544.2	102.5
Silverstream effects	(190.1)	66.5	N/A
Profit for the period	467.6	117.7	297.3
Cash generated by operations before changes in working capital	1,103.6	547.9	101.4
Basic and Diluted EPS (US\$) ⁴	0.534	0.107	399.1
Basic and Diluted EPS, excluding post-tax Silverstream revaluation effects (US\$)	0.715	0.044	1525.0
Dividend per ordinary share (US\$)	0.208	0.064	225.0

* Silver production includes volumes realised under the Silverstream contract

¹ Adjusted revenues are the revenues shown in the income statement adjusted to add back treatment and refining charges. The Company considers this is a useful additional measure to help understand underlying factors driving revenue in terms of volumes sold and realised prices

² Adjusted production costs are calculated as cost of sales less depreciation, profit sharing, hedging, change in inventories and unproductive costs. The Company considers this a useful additional measure to help understand underlying factors driving production costs in terms of the different stages involved in the mining and plant processes, including efficiencies and inefficiencies as the case may be and other factors outside the Company's control such as cost inflation or changes in accounting criteria.

³ Earnings before interest, taxes, depreciation and amortisation (EBITDA) is calculated as profit for the year from continuing operations before income tax, less finance income, plus finance costs, less foreign exchange gain/(loss), less revaluation effects of the Silverstream contract, less other operating income plus other operating expenses and depreciation.

⁴ The weighted average number of shares for H1 2025 and H1 2024 was 736.9m. See Note 8 in the Interim Consolidated Financial Statements.

Commentary on the Group's results

Operating results

First half attributable silver production of 24.9 moz (including Silverstream) decreased 11.7% vs. 1H24, mainly due to the cessation of mining activities at San Julián DOB, a decrease in volume of ore processed, lower ore grade and decreased recovery rate at Ciénega and lower ore grade at Juanicipio.

First half attributable gold production of 313.8 koz, increased 15.9% vs. 1H24 mainly due to the optimisation of mine operation standards for better selectivity, which led to higher gold ore grade, and the additional gold contents recovered from the oxidised high grade ore deposited at the Herradura leaching pads. This was partly offset by the lower ore grade and decreased volumes of ore processed at Saucito and Ciénega, and the lower volume of ore processed at Fresnillo.

First half attributable by-product lead production decreased 5.2% vs. 1H24 mainly due to the lower ore grade and decrease in volumes of ore processed at Fresnillo and the cessation of mining activities at San Julián DOB, partly mitigated by the higher ore grade at Saucito.

First half attributable by-product zinc production decreased 3.2% vs. 1H24 mainly due to the cessation of mining activities at San Julián DOB and the lower ore grade, decreased recovery rate and lower volume of ore processed at Ciénega, partly mitigated by the higher ore grade at Saucito.

We are sad to report the tragic loss of two of our colleagues in separate fatal incidents, one at Ciénega in June and another at Juanicipio in July. We have redoubled our efforts to instill a safety culture, focusing on identifying preventive measures, training, and maintaining stringent adherence to our safety policies to provide a safer environment for our workforce and contractors.

Our safety indicators improved in 1H25, with the Total Recordable Injury Frequency Rate (TRIFR) and the Lost-time Injury Frequency Rate (LTIFR) decreasing to 6.98 (7.59 in FY 2024) and 4.40 (4.75 in FY 2024), respectively.

Peñoles to buy back Silverstream Contract

Fresnillo has agreed terms for Peñoles to buy back the Silverstream Contract (or "Agreement") in exchange for US\$40 million.

Over the lifetime of the Agreement, Peñoles has paid Fresnillo US\$882 million for the approximately 52 million payable ounces of silver produced by the Sabinas mine. The Agreement was signed in 2007 and Fresnillo paid an initial consideration of US\$350 million.

Background

On 12 November 2024 Fresnillo announced it had received notification from Peñoles, the owner and operator of the Sabinas mine, that the mine was experiencing operational and financial difficulties impacting silver production and the long-term viability of the mine and consequently of the Agreement. Under the Agreement, Peñoles has the unilateral right to close the mine or indefinitely suspend the mine operations. In such a situation, only a very modest payment, as outlined below, would be due to Fresnillo.

Fresnillo and Peñoles immediately set up a working group to identify a realistic and sustainable solution for the Sabinas mine and the Agreement. Strategic options for the mine

considered at the time, given the financial profile of the mine whereby revenues did not cover its operational costs nor the obligations imposed by the Agreement, were: i) changing the terms and conditions of the Silverstream Agreement (increasing the strike price), ii) the transfer of ownership of the mine to Fresnillo (becoming the owner and operator) and other ownership structures, in lieu of the Agreement, or iii) immediate suspension of mine operations for an indefinite period.

In January, following a period of thorough analysis, and based on the information provided by the Sabinas team, including related to the most recent reserves report at the time and cut-off grade, Fresnillo's technical team, together with Peñoles, defined a new mine plan and sequencing programme. This included mine development, ore volumes, ore grade, recovery rates, sustaining capex, operating costs and cashflow amongst other factors, while also taking into account potential blue sky growth prospects within the Sabinas licence area.

Fresnillo reported a revaluation loss of the Agreement, net of its amortisation and before taxes, of US\$182.3 million in its 2024 accounts (published on 4 March 2025), valuing the Agreement at US\$258 million before taxes, which was consistent with the expected value of the Sabinas mine at that time.

More recently Fresnillo received an updated reserves report from Peñoles for the Sabinas mine, certified independently by SRK Consulting, which used a rigorous criteria, including higher cut-off grades and analysis of new infill exploration data. This showed a significant reduction in reserves from previous reports (more than 50%). In light of this new information, a revised mine plan and sequencing programme were drawn up which materially impacted future production and free cash flow projections. It became clear the mine was facing more significant challenges than the January review identified.

Subsequently, using the same modelling exercise to value the Sabinas mine, with validation from SRK Consulting, which included the working assumption of Fresnillo as operator being able to increase operating efficiencies by c.35%, through better equipment utilisation, lower absenteeism and other cost savings, Fresnillo, together with Peñoles, determined a new value of the Sabinas mine to be in the range of US\$47 to US\$50 million (excluding Silverstream settlement payments), substantially below previous estimates. Based on the above analysis and after careful consideration, Fresnillo does not see any realistic prospect of increasing the expected value of the mine in this way nor the possibility of continuing with the Agreement in its current form.

The Board of Fresnillo considered all of the strategic options and determined there to be considerable operational, regulatory, community and financial risk with taking ownership of the mine and concluded that the risk/reward profile was not in line with the Company's interests, while a mine closure or indefinite suspension of mine operations would result in an immediate end to payments under the Silverstream and only a deferred payment of approximately US\$8.6 million due in 2032.

This narrowed the strategic alternatives considered by both parties to: a one-off payment (buyback price) to end the Agreement, or immediate mine closure or indefinite suspension of mine operations, which would have a material impact on the different stakeholders of the Sabinas mine, including workforce and communities. Following negotiations, both parties agreed that US\$40 million would be a fair buyback price for ending the Agreement, whilst removing any associated future risk, and provide optionality to Peñoles to avoid a disorderly closure, which could also have indirect adverse consequences for Fresnillo, or suspension of the mine and continue to operate it if they so choose.

Rationale for the Buyback

The decision to end the Agreement therefore follows a comprehensive review by Fresnillo and its independent advisers SRK, of the ongoing operational and financial issues at the Sabinas mine. After carefully considering the strategic options, the Board has concluded that ending the contract through this buyback transaction is the best option for the Company and its shareholders.

The Independent Directors of Fresnillo have received financial advice from BofA Securities in relation to the consideration payable by Peñoles to Fresnillo to buy back the Silverstream agreement.

The Independent Directors believe the valuation offered by the buyback of the Silverstream Agreement is fair and in the best interests of Fresnillo shareholders given the considerable challenges identified.

Therefore, post period end, Fresnillo will receive a one-off payment (buyback price) of US\$40 million from Peñoles to buy back the Silverstream Agreement and has written down the value of the Agreement held on the balance sheet to US\$40 million as of 30th of June, creating a non-cash US\$133.0 million loss after tax and net of the period's profit amortisation in the 2025 half year income statement. The cash effect will be an inflow of US\$40 million in 2H25.

This buyback will result in no production from the Silverstream being recorded in the second half of 2025 nor in subsequent years, though guidance remains unchanged, with 2025 silver production expected to be in the lower part of the range.

Financial results

Total revenue increased by 30.1% to US\$1,936.2 million in 1H25, mainly due to higher gold and silver prices and increased volumes of gold sold, partly offset by the decrease in silver ounces sold.

The average realised silver price increased 21.9% from US\$27.6 per ounce in 1H24 to US\$33.7 per ounce in 1H25, while the average realised gold price rose 45.8%, from US\$2,171.9 per ounce in 1H24 to US\$3,167.6 per ounce in 1H25. The average realised zinc by-product price remained at US\$122.3 cents per pound, while the average realised lead price decreased to US\$88.6 cents per pound, down 7.8% vs 1H24.

Adjusted production costs⁶ decreased by 20.2% to US\$673.5 million in 1H25. The US\$170.6 million decrease resulted primarily from the devaluation of the Mexican peso vs. the US dollar, the net decrease in volumes of ore processed, mainly at Fresnillo, Herradura and Ciénega, the decrease in adjusted production as a result of the closure of San Julián DOB, and the favourable impact of efficiencies and cost reduction initiatives, mainly at Herradura.

Depreciation decreased 20.6%, primarily due to the closure of San Julián DOB, and to a lesser extent, decreased amortisation of capitalised mining works and lower depletion factors at Saucito and Ciénega.

These favourable effects were partly offset by the less favourable effect of the variation in the change in inventories in 1H25.

⁶ Adjusted production cost is calculated as total production costs less depreciation, profit sharing and the effects of exchange rate hedging.

The factors mentioned above resulted in a 16.7% decrease in cost of sales compared with 1H24.

The increase in revenues, together with the decrease in cost of sales, resulted in a 160.7% increase in gross profit to US\$1,022.9 million in 1H25.

Driven by an increase in gross profit, EBITDA increased by 102.5%, with EBITDA margin rising from 36.6% in 1H24 to 56.9% in 1H25. Similarly, profit from continuing operations before net finance costs and income tax increased from US\$235.1 million in 1H24 to US\$860.8 million in 1H25.

The total Silverstream effect recorded in the 1H25 income statement was a net loss of US\$190.1 million, before taxes (see “Peñoles to buy back Silverstream Contract” section below).

Despite the Silverstream effect loss, profit from continuing operations before income tax increased 137.7% from US\$277.8 million in 1H24 to US\$660.3 million in 1H25.

Income tax expense for the period was US\$122.2m, up 36.5% from US\$89.5 million in 1H24. The effective tax rate, excluding the special mining rights, was 18.5% (1H24: 32.2%), which was below the 30% statutory tax rate. This variance resulted from the revaluation of the Mexican peso/US dollar spot exchange rate on the tax value of assets and liabilities and the effect of the inflation rate (Mexican Consumer Price Index) that impacted the inflationary uplift of the tax base for assets and liabilities.

Profit for the period increased from US\$117.7 million in 1H24 to US\$467.6 million in 1H25, a 297.3% increase half-on-half as a result of the factors described above. Profit due to non-controlling interests increased 89.0% to US\$73.8 million, reflecting the profit generated at Juanicipio, where MAG Silver owns 44% of the outstanding shares. Accordingly, the profit attributable to equity shareholders of the Group was US\$393.8 million, a 400.7% increase half-on-half.

Excluding the effects of the Silverstream, profit for the period increased from US\$71.2 million to US\$600.6 million, up 743.5%.

Cash generated by operations before changes in working capital increased by 101.4% to US\$1,103.6 million, mainly as a result of the higher profit from continuing operations generated in the year.

Other proceeds included US\$149.5 million from the sale of MAG Silver shares previously held by Fresnillo.

Capital expenditure in 1H25 totalled US\$157.9 million, a 7.3% decrease over 1H24. Investments during the period included mine development and stripping, purchase of in-mine equipment, construction of a leaching pad at Herradura, the deepening of the Jarillas shaft at Saucito and investments in tailings dams.

Other uses of funds during the period were dividends paid of US\$501.0 million (US\$31.0 million in 1H24), income tax, special mining rights and profit sharing paid of US\$255.4 million (US\$71.4 million in 1H24), and dividends paid to non controlling interests in subsidiaries of US\$59.4 million (US\$ nil 1H24).

Fresnillo plc continued to maintain a solid financial position during the period with cash, cash equivalents and short-term investments of US\$1,823.0 million as of 30 June 2025, increasing 40.5% versus 31 December 2024 and 163.8% versus 30 June 2024.

Interim Dividend

The Board of Directors has declared an interim dividend of 20.8 US cents per Ordinary Share totalling US\$153.3 million, which will be paid on 17 September 2025 to shareholders on the register on 15 August 2025. The dividend will be paid in UK pounds sterling unless shareholders elect to be paid in US dollars. This interim dividend is higher than the previous period due to the increase in profit in 1H25, and remains in line with the Group's dividend policy. This decision was made after a comprehensive review of the Group's financial situation, ensuring that the Group is well placed to meet its current and future financial requirements, including its development and exploration projects.

As previously disclosed, the corporate income tax reform introduced in Mexico in 2014 created a withholding tax obligation of 10% (including to foreign nationals). The 2025 interim dividend will be subject to this withholding obligation.

Outlook

Attributable silver production guidance for 2025, and expected production for 2026 and 2027, have been adjusted for the Silverstream buyback, with no further Silverstream contribution from 2H25 onwards.

Silver production guidance for 2025, and silver production expectations for 2026 and 2027, for all other operations remain unchanged.

2025 gold production guidance has been increased to reflect the better performance at Herradura. 2025 lead and zinc production guidance remain unchanged, as well as gold, lead and zinc production expectations for 2026 and 2027.

	PREVIOUS GUIDANCE 2025	UPDATED GUIDANCE 2025	EXPECTED 2026	EXPECTED 2027
Attributable silver production, incl. silverstream (moz)	49.0 to 56.0	47.5 to 54.5	45 to 51	45 to 51
Attributable gold production (koz)	525 to 580	550 to 590	515 to 565	535 to 595
Attributable lead production (kt)	56 to 62	56 to 62	54 to 59	51 to 57
Attributable zinc production (kt)	93 to 103	93 to 103	85 to 95	93 to 103
Silver eq. (moz) ¹	91 to 102	91 to 102	88 to 98	90 to 101

Exploration expenses for 2025 are expected to be c. US\$190 million.

Capex for 2025 has been revised from US\$530 million to US\$450 million primarily due to delays in development and the construction of ventilation robbins at Saucito and the installation of the conveyor belt at Juanicipio, the resequencing of sustaining capex and through extending the life of current in-mine equipment.

Analyst Presentation

Fresnillo plc will be hosting a webcast presentation for analysts and investors today at 9:00am (GMT). A link to the webcast will be made available on Fresnillo's homepage: www.fresnilloplc.com or can be accessed directly here:

https://kvgo.com/IJLO/Fresnillo_1H25_Interim_Results

For those unable to access the webcast, a conference line will also be provided, please pre-register here:

<https://www.netroadshow.com/events/login?show=833d4ea7&confId=84777>

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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 eight operating mines, all of them in Mexico - Fresnillo, Saucito, Juanicipio, Ciénega, Herradura, Soledad-Dipolos¹, Noche Buena² and San Julián Veins and four advanced exploration projects - Orisyvo, Rodeo, Guanajuato and Tajitos as well as a number of other long term exploration prospects.

Fresnillo plc has mining concessions and exploration projects in Mexico, Peru and Chile.

Fresnillo plc's goal is to maintain the Group's position as the world's largest primary silver company and Mexico's largest gold producer.

¹ Operations at Soledad-Dipolos are currently suspended.

² Mineral extraction concluded in May 2023, however leaching of gold content inventories at the leaching pads continues.

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.

H1 2025 Operational Review

Production

Production	H1 2025	H1 2024	% change
Silver (koz)	23,943	27,155	(11.8)
Silverstream prod'n (koz)	940	1,014	(7.3)
Total Silver prod'n (koz)	24,882	28,169	(11.7)
Gold (oz)	313,840	270,872	15.9
Lead (t)	30,182	31,830	(5.2)
Zinc (t)	53,651	55,397	(3.2)

First half attributable silver production of 24.9 moz (including Silverstream) decreased 11.7% vs. 1H24, mainly due to the cessation of mining activities at San Julián DOB, a decrease in volume of ore processed, lower ore grade and decreased recovery rate at Ciénega and lower ore grade at Juanicipio.

First half attributable gold production of 313.8 koz, increased 15.9% vs. 1H24 mainly due to the higher ore grade and the additional gold inventories processed at Herradura, partly offset by the lower ore grade and decreased volumes of ore processed at Saucito and Ciénega and the lower volume of ore processed at Fresnillo.

First half attributable by-product lead production decreased 5.2% vs. 1H24 mainly due to the lower ore grade and decrease in volumes of ore processed at Fresnillo and the cessation of mining activities at San Julián DOB, partly mitigated by the higher ore grade at Saucito.

First half attributable by-product zinc production decreased 3.2% vs. 1H24 mainly due to the cessation of mining activities at San Julián DOB and the lower ore grade, decreased recovery rate and lower volume of ore processed at Ciénega, partly mitigated by the higher ore grade at Saucito.

Fresnillo mine production

	H1 2025	H1 2024	% change
Ore Processed (t)	1,040,826	1,211,992	(14.1)
Production			
Silver (koz)	5,151	5,259	(2.1)
Gold (oz)	19,831	23,155	(14.4)
Lead (t)	10,464	12,625	(17.1)
Zinc (t)	22,213	22,928	(3.1)
Ore Grades			
Silver (g/t)	170	151	12.6
Gold (g/t)	0.80	0.80	0.0
Lead (%)	1.20	1.21	(0.8)
Zinc (%)	2.85	2.59	10.0

Pyrite Concentrates Processed (t)	38,606	31,388	23.0
Production			
Silver (koz)	754	613	23.0
Gold (oz)	958	671	42.8

First half silver production decreased 2.1% vs 1H24 respectively, driven by the decrease in volume of ore processed due to the lower contribution from Candelaria, East and San Alberto, partly mitigated by the higher ore grade.

Mine development rates decreased 2.4% half on half to an average of 3,033m per month in 1H25 (1H24: 3,109m per month), primarily due to lower equipment availability in 1Q25, which was reverted in 2Q25.

First half by product gold production decreased 14.4% vs 1H24 mainly as a result of the decrease in volume of ore processed.

The silver ore grade in 2025 is expected to be in the range of 160 to 180 g/t, while the gold ore grade is estimated to be between 0.60 to 0.70 g/t.

Saucito mine production

	H1 2025	H1 2024	% change
Ore Processed (t)	1,151,176	1,174,570	(2.0)
Production			
Silver (koz)	6,734	6,811	(1.1)
Gold (oz)	31,437	37,658	(16.5)
Lead (t)	13,615	10,566	28.9
Zinc (t)	21,411	15,603	37.2
Ore Grades			
Silver (g/t)	206	203	1.5
Gold (g/t)	1.12	1.29	(13.2)
Lead (%)	1.38	1.05	31.4
Zinc (%)	2.38	1.72	38.4
Pyrite Concentrates Processed (t)	34,880	45,034	(22.5)
Production			
Silver (koz)	262	233	12.4
Gold (oz)	538	667	(19.3)

First half silver production slightly decreased 1.1% vs. 1H24 mainly due to the lower volume of ore processed as a result of the reduced contribution from the West and Central areas and, to a lesser extent, the lower recovery rate. This was partly mitigated by the higher silver ore grade from additional cut and fill stopes with high silver content.

First half by-product gold production decreased 16.5% vs. 1H24 respectively, mainly due to the lower ore grade and decreased volume of ore processed.

Mine development rates decreased 14.5% half on half to an average of 2,439m per month in 1H25 (1H24: 2,854m per month), primarily due to lower availability of contractors' bolting equipment.

The silver ore grade for 2025 is expected to be in the range of 200-220 g/t, while the gold grade is estimated to be between 0.90-1.10 g/t.

Juanicipio - Attributable

	H1 2025	H1 2024	% change
Ore Processed (t)	380,538	370,875	2.6
Production			
Silver (koz)	4,859	5,280	(8.0)
Gold (oz)	11,294	10,744	5.1
Lead (t)	5,619	4,741	18.5
Zinc (t)	9,500	8,510	11.6
Ore Grades			
Silver (g/t)	423	488	(13.3)
Gold (g/t)	1.23	1.26	(2.4)
xLead (%)	1.66	1.46	13.7
Zinc (%)	3.12	2.74	13.9
Pyrite Concentrates Processed (t)	3,995	0	N/A
Production			
Silver (koz)	54	0	N/A
Gold (oz)	74	0	N/A

Attributable first half silver production decreased vs 1H24 mainly due to the lower ore grade in accordance with the mine plan, partly offset by the higher volume of ore processed.

Attributable first half gold production increased 5.1% vs 1H24 due to the improved recovery rate and higher volume of ore processed, partly offset by the lower ore grade.

In 2Q25, production of pyrites concentrate at Juanicipio started, with attributable production of 54,147 silver ounces and 73.5 gold ounces during the period.

The silver ore grade in 2025 is expected to be in the range of 380-430 g/t, while the gold grade is estimated to be between 1.2-1.4 g/t.

Ciénega mine production

	H1 2025	H1 2024	% change
Ore Processed (t)	482,599	519,542	(7.1)
Production			
Gold (oz)	17,678	20,668	(14.5)
Silver (koz)	1,653	2,581	(36.0)
Lead (t)	484	1,634	(70.4)
Zinc (t)	527	1,644	(67.9)
Ore Grades			
Gold (g/t)	1.24	1.34	(7.5)
Silver (g/t)	133	179	(25.7)
Lead (%)	0.22	0.48	(54.2)
Zinc (%)	0.30	0.59	(49.2)

First half gold production decreased 14.5% vs. 1H24 respectively, mainly due to the lower volume of ore extracted from areas such as Jessica Transversal and Vetas Angostas with higher ore grades, and the depletion of Taspana.

First half silver production decreased 36.0% vs. 1H24 driven by the lower ore grade and decreased recovery rate due to the higher portion of oxides processed at the flotation plant following the depletion of sulphides from the Taspana. The lower volume of ore processed also contributed to the decrease in silver production.

While metallurgical testwork is ongoing to find alternatives to increase recovery in oxides, positive exploration results are expected to provide higher gold production than had been anticipated during 2H25, partly offsetting lower silver production.

The gold and silver ore grades for 2025 are estimated to be in the ranges of 1.1-1.3 g/t and 130-150 g/t, respectively.

San Julián Veins production

	H1 2025	H1 2024	% change
Ore Processed Veins (t)	616,058	592,646	4.0
Production Veins			
Gold (oz)	25,919	24,326	6.5
Silver (koz)	4,218	4,061	3.9
Ore Grades Veins			
Gold (g/t)	1.37	1.35	1.5
Silver (g/t)	234	234	0.0

First half gold and silver production increased vs. 1H24 driven by the increased volume of ore processed due to the ongoing optimisation of the maintenance programme, and the higher ore grades.

Silver and gold ore grades in 2025 are expected to be in the ranges of 210-230 g/t and 1.10-1.30 g/t, respectively.

Herradura mine production

	H1 2025	H1 2024	% change
Ore Processed (t)	10,125,225	10,451,639	(3.1)
Total Volume Hauled (t)	48,504,399	49,234,362	(1.5)
Production			
Gold (oz)	197,431	141,686	39.3
Silver (koz)	255	219	16.4
Ore Grades			
Gold (g/t)	0.71	0.63	12.7
Silver (g/t)	1.22	1.18	3.4

First half production increased vs. 1H24 driven by the optimisation of mine operation standards for better selectivity, which led to higher gold ore grade but lower volume of ore processed. In addition, gold contents recovered from the oxidised high grade ore deposited at the leaching pads in 4Q24 complemented production.

The average gold ore grade in 2025 is expected to be in the range of 0.50-0.70 g/t.

Noche Buena mine production

First half gold production totalled 8,680 ounces, a 14.9% decrease when compared with 1H24. As previously announced, mining activities concluded in May 2023, and the closure plan continues as expected.

Below we provide an update on other projects which are expected to contribute to our medium and long term growth. These projects have not yet been approved by the Board and are subject to ongoing internal review. However, certain minor works and exploration activities might be in progress in preparation for Board approval and as such, are included within the 2024 approved capex and exploration budget.

Advanced exploration projects

Rodeo

Rodeo is an open pit, heap leaching gold project located in central Durango state. 1.4 million ounces of gold occur in a volcanic rock-hosted disseminated ore body showing thorough oxidation down to depths exceeding 200 metres. Good metallurgical recoveries have been obtained from ores coming from a projected low strip ratio open pit.

After formalising agreements with the intervening communities during 2024, a drilling programme started in 1H25, focused on obtaining additional samples for detailed metallurgical investigations and to test for extensions of mineralisation; 5,417 metres have been collared, proving good continuity of the ore bodies. Additional underexplored targets will be drilled as well during 2H25.

After completion of the drilling programme and the metallurgical test work, an update of the mineral resources estimation and associated preliminary economic assessment will follow, incorporating considerations for development layout, water and energy supply, and other technical issues currently under investigation. Results are expected during mid-year 2026. A region-wide community and government engagement programme continues to be strengthened; an excellent response from involved parties has been received.

Orisyvo

Orisyvo is a world-class, high-sulphidation epithermal, disseminated gold deposit located in the Sierra Madre mountains of Chihuahua state, hosting open-pit constrained total resources of 9.6 million ounces of gold.

Prefeasibility-level studies were completed during 1H25, focusing on the development of an underground operation targeting the high-grade core of the ore deposit. Preliminary trade-off studies of energy and water supply, road access, mineral processing, and tailings storage facilities have been completed. Although results were positive, it is expected that the Orisyvo development will take longer than expected, mostly due to challenges associated with the potentially large capital expenditure and the mining rates required to increase production volumes, along with the timing of the ongoing environmental permitting and indigenous consultation processes required. Additional detailed work is ongoing to address these issues. The land acquisition strategy and the community and government engagement programme are advancing as scheduled with good results.

Tajitos

Tajitos is a low strip ratio open-pit, heap-leach, disseminated gold project located in the Herradura Corridor of northwestern Sonora state, hosting a resource of 1.0 million ounces of gold, 90% in the indicated category.

In 1H25, a third stage of column metallurgical test work was completed over three resource domains, yielding positive results that will be applied to the ongoing update of the mineral resource estimation. Results of a new preliminary economic assessment are expected at the end of the year. Environmental studies associated with the potential development of this project are advancing well, along with our regional community relations programme and the evaluation of alternatives for water and energy supply and potential synergies with the existing infrastructure of the Herradura operations.

The exploration of the western portion of the district continued, collaring 5,755 metres of core and reverse circulation drilling during 1H25, testing additional targets for both disseminated and vein-type gold mineralisation, delivering promising results.

Guanajuato

Guanajuato is a historic, world-class gold and silver epithermal vein field stretching more than 40 kilometres along the central Mexican state of Guanajuato. During 1H25, exploration was focused on the southern part of the district, with exploration drilling amounting to 46,442 metres of step-out holes from the known mineralisation. Simultaneously, scoping level studies are advancing as scheduled, including metallurgical investigations, environmental permitting, and mining and processing alternatives, supported by our community engagement programmes.

Exploration continued in the central portion of the district at a slower pace, with 3,791 metres of core drilling completed at the Torres and Peregrina areas.

Exploration

Exploration drilling meterage completed by Fresnillo plc during 1H25 amounted to 359,268 metres, 82% of which was devoted to brownfields targets. The focus of the mine exploration teams lies on infill drilling to upgrade the resources category from inferred to indicated, to foster reserve replenishment, and on infill drilling of reserves to improve their certainty for short and medium-term mine planning. At Ciénega, emphasis was also put on resource extension drilling over a recently discovered new set of veins. Brownfields exploration is also carried out by the Exploration Division, devoting 40% of its drilling metres for the period to the evaluation of targets around the Fresnillo and San Julián districts and the Tajitos and Central Guanajuato projects.

In 1H25, greenfield exploration in Mexico included 4,027 and 1,499 metres drilled at the Lucerito and Candameña projects. In Peru, 2,059 metres were completed at the Chiclayo project with modest results, and a strengthened community relations plan is active throughout the country, focusing on two promising projects. In Chile, 1,546 core drilling metres were completed at Capricornio, a joint-venture project with SQM, and an environmental study was submitted to allow for continued exploration over several underexplored targets remaining in the district.

Evaluation of Fresnillo properties in Mexico, Peru, and Chile is advancing to continue strengthening and optimising our portfolio; some selected third-party projects are under evaluation as well in the three countries where we operate.

In the first six months, US\$76.7 million of exploration expenses were recorded in the income statement, a similar amount to that invested in 1H24. Total risk capital invested in exploration for the full year 2025 is expected to be US\$190 million.

Related party transactions

Details of related party transactions that have taken place in the first six months of the current financial year are detailed in note 16 of the interim consolidated financial statements.

Sustainability performance

At Fresnillo, our purpose — to contribute to the wellbeing of people through the sustainable mining of silver and gold — shapes both our long-term vision and our daily actions, with a clear focus on the issues most material to our business and stakeholders. Next, we outline the progress we've made in the first half of 2025, as we continue evolving toward a more responsible, resilient, and inclusive mining model.

People

Our workforce is essential to fulfilling our organisational purpose. We aim to foster an inclusive culture that values diversity and empowers all employees to reach their full potential.

Workforce figures remained largely stable during the first half of 2025, as shown in Tables 1 and 2.

Table 1. Workforce composition

	As at June 30, 2025	As at December 31, 2024	% Change
Unionised employees	5,532	5,588	-1.00
Non-unionised employees	1,597	1,591	0.38
Total unionised and non-unionised employees	7,129	7,179	-0.70
<i>Unionised and non-unionised women (%)</i>	<i>14.80</i>	<i>14.57</i>	-
Contractors	10,838	10,916	-0.71
Total workforce	17,967	18,095	-0.71
<i>Total women (%)</i>	<i>12.76</i>	<i>12.46</i>	-

Table 2. Turnover

	As at June 30, 2025	As at June 30, 2024
<i>Voluntary turnover (%)</i>	<i>2.06</i>	<i>4.16</i>
<i>Total turnover (%)</i>	<i>3.77</i>	<i>6.87</i>

We met our 2025 gender representation targets ahead of schedule at the end of 2024, reaching 12% of our workforce and 8% of managerial roles held by women. Building on this momentum, we continued to strengthen female participation across operations. As of June 2025, women represented 14.80% of unionised and non-unionised employees (up from 14.57% as of December 2024) and 12.76% of our total workforce, including contractors (compared to 12.46% as of December 2024). We are currently defining the next phase of our gender equity strategy.

Earlier this year, Herradura received the highest distinction of the Women in Mining (WIM) Seal — an initiative by WIM Mexico that evaluates workplace infrastructure, policies, and practices from a gender perspective. Building on this recognition, we are scaling our efforts through a comprehensive programme aligned with the Women's Empowerment Principles (WEPs), aiming to embed a gender lens across processes and decision-making.

As part of this approach, we have established an Inclusion Committee composed of representatives from all mining units, exploration, and corporate offices. Its purpose is to drive alignment, prioritise initiatives with operational relevance, and support the integration and advancement of women in our industry.

Safety

Safety is a fundamental value — one rooted in our deep respect for life and embodied in the daily practice of our ‘I Care, We Care’ philosophy. We prioritise the health, safety, and overall wellbeing of our workforce by fostering a culture of care, accountability, and prevention.

Between 2018 to June 2025, we achieved a 66% reduction in Total Recordable Injury Frequency Rates (TRIFR), and a 49% reduction in Lost Time Injury Frequency Rates (LTIFR) per million hours worked. In the first half of 2025, we continued to improve our performance compared to the previous year:

- TRIFR decreased to 6.98, from 7.59 in 2024
- LTIFR decreased to 4.40, from 4.75 in 2024

Despite this progress, our results are overshadowed by the loss of two of our colleagues — one at Ciénega, and another at Juanicipio in July. We extend our deepest condolences to their family, friends and colleagues. These losses confront us with a painful truth: our work remains unfulfilled as long as lives are at risk. We are conducting thorough investigations to determine the root causes and to ensure the conditions that led to these regrettable events are not repeated.

Table 3. TRIFR and LTIFR performance*

	As at June 30, 2025	As at December 31, 2024	% Change
Total Recordable Injury Frequency Rates (TRIFR)	6.98	7.59	-8.04
Lost Time Injury Frequency Rates (LTIFR)	4.40	4.75	-7.37
Fatal accidents	1	2	-50.00

* Frequencies for every 1,000,000 hours worked

Our ‘I Care, We Care’ philosophy addresses inherent risks through five strategic pillars: leadership, accountability, behaviours risk competencies, system risks competencies, and learning environment. The technical components prioritise critical risk management – those with the potential for fatalities or serious harm – whilst the operational framework ensures that all risks are addressed systematically. They also aim to establish critical controls and performance standards across all business process, empowering personnel to make responsible decisions in their daily work. Some of the highlights of the period across these pillars are:

- 1) Leadership:
 - Advanced the deployment of Leadership Practices across the chain of command, including business partners.
 - Continued to consolidate Leadership Practices' quality by coaching team leaders, including union representatives and health and safety commissions.
 - Launched pilots to assess the quality of Leadership Practices.
- 2) Accountability:
 - Strengthened engagement with business partners — both contract owners and representatives — through quarterly performance reviews, recognition schemes, and accountability processes.
- 3) Behaviour risk competencies:
 - Held operational workshops on 'Behaviours in the Face of Risk', combining classroom theory, practical field exercises, and one-on-one coaching sessions with safety specialists.
 - Conducted capacity building training for middle management and business partners on risk recognition and management.
 - Developed and rolled-out the 'I Care, We Care' verification process and standard.
- 4) System risk competencies:
 - Implemented pilots to begin testing job-specific verification tools.
 - Issued updates to key safety standards (Leadership Practices, Incident Management, and Safe Work Protocols) focused on both critical and general risks.
 - Introduced a new technical performance standard for the safe handling of explosives and blasting operations.
- 5) Learning environment:
 - Continued reinforcement of transversal learning from significant safety events.
 - Strengthened the 'I Care, We Care' Operational Committee, including binding commitments and participatory verifications to evaluate risk control performance and the implementation of technical standards.

We strive toward our aspirational goal of zero fatalities by continuously strengthening the systems and practices that bring our 'I Care, We Care' philosophy to life. This approach reflects our unwavering commitment to safe operations, supports a mature preventive safety culture, and protects the wellbeing of our workforce.

Health

We prioritise the health, safety, and overall wellbeing of our workforce by fostering a safe and healthy work environment.

In recent years, our health strategy has evolved beyond traditional occupational health programmes, establishing five lines of action to promote a healthier, safer, and more productive workplace:

1. Health surveillance
2. Integral wellbeing
3. Industrial care
4. Development and innovation
5. Emergency preparedness

Mental health continues to be a growing area of focus in the company. To support this commitment, we hired full-time psychologists and a mental health coordinator to lead all related initiatives. This team also delivers Behavioural Awareness Process (BAP) workshops — a group intervention based on a cognitive-behavioural approach, designed to strengthen participants' psychological, emotional, and social capabilities, fostering mature behaviour and an assertive attitude. Additional responsibilities include brief and emergency care, emotional crisis support, psychological consultations, and psychometric assessments for new hires.

Under our health surveillance strategy, we conducted periodic medical screenings and examinations in 1H25, representing 24% of our annual target. We also continued preventive efforts focused on female-specific conditions through gynaecological check-ups. To help ensure safe operations and workforce alertness, regular alcohol and drug testing was carried out across our operations.

Environment

We optimise resource consumption to reduce environmental impact and take accountability for our footprint.

As part of our ongoing efforts to replace groundwater consumption with treated wastewater in the Fresnillo District, the Proaño water potabilization plant was inaugurated earlier in the year, with the participation of state government officials and company representatives. The project will benefit families in the region by improving access to clean water, as treated mine water will supplement the local potable water system.

Beyond water resource management, we continued advancing our biodiversity commitments. During the period, Herradura renewed its agreement with the Sonora State Commission for Ecology and Sustainable Development (CEDES) to conserve the Sonoran pronghorn, a protected species native to the region. The agreement sets out joint actions to preserve and restore the pronghorn population in its natural habitat through monitoring, ecosystem protection, environmental education, and sustainable management programmes.

Marking the launch of our high-potential environmental strategy, we released the Critical Environmental Risk Portfolio — a tool designed to help each site identify its most critical environmental risks and implement standardised and consistent critical controls to prevent adverse impacts.

In parallel, we are sustaining our efforts on climate mitigation and energy transition. We maintained renewable electricity consumption at similar levels to 2024 (86.6%), exceeding

our 2030 target of 75%. Nevertheless, we anticipate a small decrease towards the year end, due to the depletion of the energy inventory of Eólica de Coahuila windfarm, but do not consider this decrease material.

Understanding future consumption patterns is also essential to support our decarbonisation targets, we are also strengthening and documenting our energy demand forecasting through a multidisciplinary approach, aligned with mine development and expected consumption increases tied to infrastructure changes in our mines and plants. As we continue to refine this process in connection with our Life of Mine (LOM) plans, we aim to gain greater clarity on potential growth scenarios and future energy needs.

Tailings Storage Facilities

We implement best practices in governance and engineering across our Tailings Storage Facilities (TSFs), with a firm commitment to safeguarding local communities and the environment through responsible waste management.

Our facilities are developed in accordance with our Tailings Management System (TMS), which incorporates international best practices from the Canadian Dam Association (CDA), Mining Association of Canada (MAC), International Commission on Large Dams (ICOLD) and the International Council on Mining and Metals (ICMM). The TMS ensures designs are grounded in site-specific data and tailings characterisation, applying the best available technologies and standards.

In recent years, we have strengthened our approach to TSF planning and design, with a focus on long-term capacity, operational safety, and alignment with the LOM of each site. Reflecting this long-term approach, several strategic milestones were achieved during the first half of 2025:

- At Juanicipio, the construction of cell 2 was completed in June. Planning is already underway for the next facility.
- At Herradura, the construction of TSF2 Stage 1 began in early 2025, with additional stages to follow.
- At Ciénega, elevation works of TSF3 were completed in May, increasing storage capacity.
- At San Julián, we finalised the engineering design for its next raise, with construction set to begin shortly.
- At Fresnillo, construction of the new TSF Fátima Norte is underway. This will enable development of Fátima Sur, a larger, long-term facility.

Community Relations

We earn and maintain the trust of local communities through meaningful engagement, support for their most pressing priorities, and accountability for our impacts – strengthening our social licence to operate.

We maintain our social licence to operate by engaging local communities through respectful, trust-based relationships rooted in a deep understanding of their culture, traditions, and local priorities. Community participation begins in the early stages of exploration and continues throughout the lifecycle of our operations — extending beyond mine closure.

In collaboration with civil society and government partners, we implement strategic programmes aligned with the UN Sustainable Development Goals (SDGs). These initiatives focus on improving access to education, supporting development and wellbeing, strengthening public health, expanding water access, and conserving biodiversity and ecosystems.

During the first half of 2025, we continued to advance our Social Involvement programme, which is designed to reinforce the connection between our personnel and local communities. Through clear, values-based communication, we aim to highlight our role as a responsible corporate citizen. We also involved our business partners in these efforts, encouraging their participation in community engagement activities and the promotion of human rights and responsible conduct.

The following initiatives reflect our alignment with the UN Sustainable Development Goals, structured across key themes relevant to our operations' local context. Together, these efforts reflect our commitment to creating long-term value for people, the environment, and the communities where we operate.

SDG 3: Good Health and Wellbeing

In collaboration with the UNAM Foundation, we conducted Community Health Campaigns in Ciénega, San Julián, and the Fresnillo District. These campaigns provided dental services, optometry consultations — including the distribution of corrective lenses — and physiotherapy sessions, benefitting nearly 4,500 individuals.

We also continued implementing the Leaders on the Horizon programme with our partner *FutbolMas*, which promotes community development through sports. The programme fosters values such as peace, resilience, self-esteem, leadership, and integrity among children and youth. During the period, we concluded the first phase of the programme in La Lagunita, near San Julián. In Guanajuato, implementation neared completion, while in Herradura, we continued to organise socio-sports activities and manage an inter-school sports league. We also maintained operations at our baseball and basketball academies, along with the Santos–Fresnillo football academy.

SDG 6: Clean Water and Sanitation

To help address water scarcity in high-stress regions, we advanced infrastructure projects and collaborated with civil society and government partners. In Herradura, we completed the rehabilitation of wells in the La Almita and 15 de Septiembre communities and continued supporting water access for Mineral de Peregrina, Mineral del Cedro, and Calderones.

In Ciénega, we maintained water delivery to local collection points. In San Julián, we are making progress on consolidating a collective water system in partnership with *AC FORMAC* and the Chihuahua state government. In Saucito del Poleo, we continue to support local authorities in securing a replacement well to ensure continued water availability.

Sustainable Development Goal 4: Quality Education

We sponsored five teams in the Laguna Regional FIRST Robotics competition. Notably, *Kanaritech 9499*, composed of Tarahumaran students from the Sierra of Chihuahua and linked to our Orysivo project, received the Judges' Award for outstanding performance.

Through our Excellence Scholarship Programme, which now includes additional universities via new collaboration agreements, we continued to support academic achievement. During the 2024–2025 academic year, ten students graduated from partner public universities. 17 more are currently enrolled at La Salle University (Laguna and Northwest campuses), including one recent graduate from Caborca, Sonora.

We continued delivering educational programmes in partnership with academic institutions and local education authorities. Under the 'PREST MATH' initiative — implemented with *INNOVEC* and the education ministries of Chihuahua and Sonora — we delivered training and digital learning modules to strengthen primary-level mathematics in Herradura and San Julián. In the Fresnillo District, the programme was temporarily paused due to internal adjustments within the Zacatecas Education Ministry.

The 'Picando Letras' programme remained active in Herradura and Ciénega, in partnership with *Ensamble Alejandría*. This initiative promotes reading comprehension and includes the 'Tools for Peacebuilding' module, which supports stress reduction and emotional wellbeing for children and youth in vulnerable settings. In the Fresnillo District, the programme remains paused due to similar circumstances.

Sustainable Development Goal 8: Decent Work and Economic Growth

We promote sustainable local development by supporting entrepreneurship and skills-building initiatives in partnership with NGOs, civil society, and all levels of government. In Herradura, we launched training workshops for 20 entrepreneurs in collaboration with *Pro Empleo*, with a second group starting in the Fresnillo District. Development consultancies for small businesses remained ongoing in Ciénega and San Julián.

In the Fresnillo District, we also continued skills development programmes in coordination with the *Rural Development Education Brigade 46* and the municipal DIF, contributing to the entrepreneurial skills.

Sustainable Development Goal 15: Life on Land

In recognition of World Environment Day, we organised our annual Environmental Fairs across all mining units. These events featured educational and cultural activities aimed at fostering environmental awareness and promoting sustainable practices.

In Ciénega, we led a clean-up campaign with participation from employees, business partners, students, and community members. At our exploration offices and the Guanajuato project, we carried out a reforestation campaign in collaboration with the University of Guanajuato and local communities. In Herradura and the Fresnillo District, efforts focused on school-based environmental talks and awareness activities delivered in partnership with local governments and NGOs.

FINANCIAL REVIEW

The interim consolidated financial statements of the Group for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the IASB and as adopted by the UK. All comparisons refer to the first halves of 2025 and 2024, unless otherwise noted. The financial information and half year on half year variations are presented in US dollars, except where indicated. Management recommends reading this section in conjunction with the Interim Financial Statements and their accompanying Notes.

INCOME STATEMENT

	1H 2025	1H 2024	Amount	
	US\$ million	US\$ million	Change	Change %
Adjusted revenue ⁷	1,982.9	1,560.2	422.7	27.1
Total revenue	1,936.2	1,488.3	447.9	30.1
Cost of sales	913.2	1,095.9	(182.7)	(16.7)
Gross profit	1,022.9	392.4	630.6	160.7
Exploration expenses	76.7	77.2	(0.5)	(0.7)
Operating profit	860.8	235.2	625.6	266.0
EBITDA ⁸	1,102.1	544.2	557.9	102.5
Income tax expense, including special mining rights	192.8	160.1	32.7	20.4
Profit for the period	467.6	117.7	349.9	297.3
Profit for the period, excluding post-tax Silverstream effects	600.6	71.2	529.4	743.5
Basic and diluted earnings per share (US\$/share) ⁵	0.534	0.107	0.427	399.1
Basic and diluted earnings per share, excluding post-tax Silverstream effects (US\$/share)	0.715	0.044	0.671	1525.0

The Group's financial results are largely determined by the performance of our operations. However, there are other factors such as a number of macroeconomic variables, that lie beyond our control and which affect financial results. These include:

METALS PRICES

The average realised silver price increased 21.9% from US\$27.6 per ounce in 1H24 to US\$33.7 per ounce in 1H25, while the average realised gold price rose 45.8%, from US\$2,171.9 per ounce in 1H24 to US\$3,167.6 per ounce in 1H25. The average realised lead by-product price decreased to US\$88.6 cents per pound, down 7.8% vs 1H24, while the average realised zinc by-product price remained stable at US\$122.3 cents per pound.

⁷ Adjusted revenue is revenue as disclosed in the income statement adjusted to exclude treatment and refining charges.

⁸ Earnings before interest, taxes, depreciation and amortisation (EBITDA) is calculated as profit for the year from continuing operations before income tax, less finance income, plus finance costs, less foreign exchange gain/(loss), plus revaluation effects of the Silverstream contract, less other operating income plus other operating expenses and depreciation.

MX\$/US\$ EXCHANGE RATE

Spot exchange rate at 30 June 2025	Spot exchange rate at 31 December 2024	Impact
\$18.89 per US dollar	\$20.27 per US dollar	The 6.8% spot devaluation had an adverse effect on deferred taxes and special mining rights.

Average Mexican peso/US dollar exchange rate 1H25	Average Mexican peso/US dollar exchange rate 1H24	Impact
\$19.98 per US dollar	\$17.10	The 16.8% devaluation had a positive effect of US\$85.9 million on the Group's costs denominated in Mexican pesos (approximately 45% of total costs) when converted to US dollars.

COST DEFLATION

The Mexican Consumer Price Index for 1H25 was 1.8%. However, to evaluate the Group's cost inflation for the period, we calculate the unit price increase for each component of adjusted production costs and take into consideration their weighted average within the Group's basket. In 1H25, this resulted in a cost deflation (decrease in unit price) of 8.2% (including the positive effect of the average devaluation of the Mexican peso vs. US dollar). Underlying cost inflation (cost inflation excluding the devaluation of the Mexican peso vs. US dollar) was 2.3%. The main components of our cost inflation (including the effect of the devaluation of the Mexican peso vs. US dollar) basket are listed below:

Labour

Unionised employees received on average a 7% increase in wages in Mexican pesos, while non-unionised employees received on average a 6% increase in wages in Mexican pesos; when converted to US dollars, this resulted in a weighted average labour deflation of 8.8%.

Energy

Electricity

The weighted average cost of electricity in US dollars decreased 7.2% from US\$8.50 cents per kw in 1H24 to US\$7.89 cents per kw in the same period of 2025, reflecting the average generating cost of the Comisión Federal de Electricidad (CFE), the national utility.

Diesel

The weighted average cost of diesel in US dollars decreased 12.5% to 103.24 US cents per litre in 1H25, compared to 117.97 US cents per litre in 1H24. This resulted primarily from the devaluation of the Mexican peso vs. US dollar.

Contractors

Agreements are signed individually with each contractor company and include specific terms and conditions that cover not only labour, but also operating materials, equipment and maintenance, amongst others. Contractor costs are mainly denominated in Mexican pesos and are an important component of our total production costs. In 1H25, increases per unit (i.e. per metre developed/ per tonne hauled) granted to contractors, resulted in a weighted average decrease of 2.6% in US dollars, after considering the devaluation of the Mexican peso vs. US dollar.

Maintenance

Unit prices of spare parts for maintenance decreased by 9.3% on average in US dollar terms.

The effects of the above external factors, combined with the Group's internal variables, are further described below through the main line items of the income statement.

REVENUE

CONSOLIDATED REVENUE ¹

	1H 2025 US\$ million	1H 2024 US\$ million	Amount US\$ million	Change %
Adjusted revenue ⁹	1,982.9	1,560.2	422.7	27.1
Treatment and refining charges	(46.8)	(72.0)	25.2	(35.0)
Total revenue	1,936.2	1,488.3	447.9	30.1

Adjusted revenue increased by US\$422.7 million mainly due to the higher gold and silver prices and increased volumes of gold sold, partly offset by the decrease in silver ounces sold. Total revenue increased by 30.1% to US\$1,936.2 million in 1H25.

ADJUSTED REVENUE¹¹ BY METAL

	H1 2025			H1 2024				
	US\$ million	%	US\$ million	%	Volume Variance US\$ million	Price Variance US\$ million	Total net change US\$ million	%
Gold	959.8	48.4	580.3	37.2	117.2	262.4	379.5	65.4
Silver	827.7	41.7	774.0	49.6	(121.7)	175.4	53.6	6.9
Lead	59.6	3.0	67.7	4.3	(3.0)	(5.1)	(8.1)	(12.0)
Zinc	135.9	6.9	138.2	8.9	(0.5)	(1.9)	(2.3)	(1.7)
Total adjusted revenue	1,982.9	100	1,560.2	100	(8.7)	431.4	422.7	27.1

ADJUSTED REVENUE BY MINE

The contribution by mine to Adjusted revenues is outlined in the table below. This is expected to change further in the future, as new projects are incorporated into the Group's operations and as precious metals prices fluctuate.

	1H 2025		1H 2024		
	(US\$ million)	%(US\$ million)	(US\$ million)	%(US\$ million)	Change %
Herradura	623.4	31.4	305.4	19.6	104.1
Juanicipio	377.3	19.0	309.0	19.8	22.1
Saucito	358.6	18.1	327.0	21.0	9.7
Fresnillo	293.3	14.8	260.6	16.7	12.5

⁹ Adjusted revenue is revenue as disclosed in the income statement adjusted to exclude treatment and refining charges.

San Julián (Veins)	216.0	10.9	159.1	10.2	35.8
Ciénega	98.7	5.0	113.4	7.3	(13.0)
Noche Buena	16.0	0.8	20.7	1.3	(22.7)
San Julián (DOB)	(0.3)	0.0	65.0	4.1	(100.5)
Total	1,982.9	100	1,560.2	100	27.1

VOLUMES OF METAL SOLD

	1H 2025	% contribution of each mine	1H 2024	% contribution of each mine	% change
Silver (koz)					
Juanicipio	7,714	31.5%	8,267	28.9%	(6.7)
Saucito	4,906	20.0%	5,551	19.4%	(11.6)
Fresnillo	4,346	17.7%	4,644	16.2%	(6.4)
San Julián (Veins)	4,024	16.4%	3,910	13.7%	2.9
Ciénega	1,340	5.5%	2,346	8.2%	(42.9)
Pyrites from Saucito	1,073	4.4%	1,437	5.0%	(25.3)
Pyrites from Fresnillo	735	3.0%	595	2.1%	23.5
Herradura	254	1.0%	211	0.7%	20.4
Pyrites from Juanicipio	97	0.4%	0		100.0
Noche Buena	1	0.0%	2	0.0%	(50.0)
San Julián (DOB)*	(5)	0.0%	1,663	5.8%	(100.3)
Total silver (koz)	24,485		28,626	100%	(14.5)
Gold (oz)					
Herradura	195,291	64.5%	134,998	52.0%	44.7
Saucito	25,273	8.3%	33,349	12.8%	(24.2)
San Julián (Veins)	24,913	8.2%	23,619	9.1%	5.5
Juanicipio	17,847	5.9%	16,095	6.2%	10.9
Ciénega	15,847	5.2%	19,193	7.4%	(17.4)
Fresnillo	15,800	5.2%	18,741	7.2%	(15.7)
Noche Buena	4,870	1.6%	9,065	3.5%	(46.3)
Pyrites from Saucito	1,952	0.6%	3,353	1.3%	(41.8)

Pyrites from Fresnillo	941	0.3%	658	0.3%	43.0
Pyrites from Juancipio	131	0.0%	0	0.0%	100.0
San Julián (DOB)*	17	0.0%	492	0.2%	(96.5)
Total gold (oz)	302,882	100%	259,563	100%	16.7
Lead (t)					
Fresnillo	9,189	39.1%	11,146	34.9%	(17.6)
Saucito	4,906	20.9%	9,589	30.0%	(48.8)
Juancipio	9,045	38.5%	7,698	24.1%	17.5
Ciénega	328	1.4%	1,508	4.7%	(78.2)
San Julián (DOB)*	4	0.0%	2,027	6.3%	(99.8)
Total lead (t)	23,472	100%	31,968	100%	(26.6)
Zinc (t)					
Fresnillo	18,640	37.0	18,827	36.8%	(1.0)
Saucito	17,575	34.9	13,132	25.6%	33.8
Juancipio	13,801	27.4	12,286	24.0%	12.3
Ciénega	434	0.9	1,357	2.6%	(68.0)
San Julián (DOB)*	(53)	(0.1)	5,612	11.0%	(100.9)
Total zinc (t)	50,397	100	51,214	100%	(1.6)

*Final adjustments to sales volumes from 2024.

TREATMENT AND REFINING CHARGES

Similar to previous years, the 2025 treatment and refining charges¹⁰ (TRCs) per tonne and per ounce are currently being negotiated with Met-Mex (Peñoles' smelter and refinery) in accordance with international benchmarks and will apply retrospectively from January 2025. We expect these negotiations to conclude in 2H25.

Treatment charges per tonne of lead and zinc concentrate and silver refining charges decreased in dollar terms by 46.6%, 56.8% and 23.0%, respectively. These factors, combined with the lower volumes of zinc concentrates, partly offset by the higher volumes of lead concentrates shipped from our mines to Met-Mex, resulted in a 35.0% decrease in treatment and refining charges set out in the income statement in absolute terms when compared to 1H24.

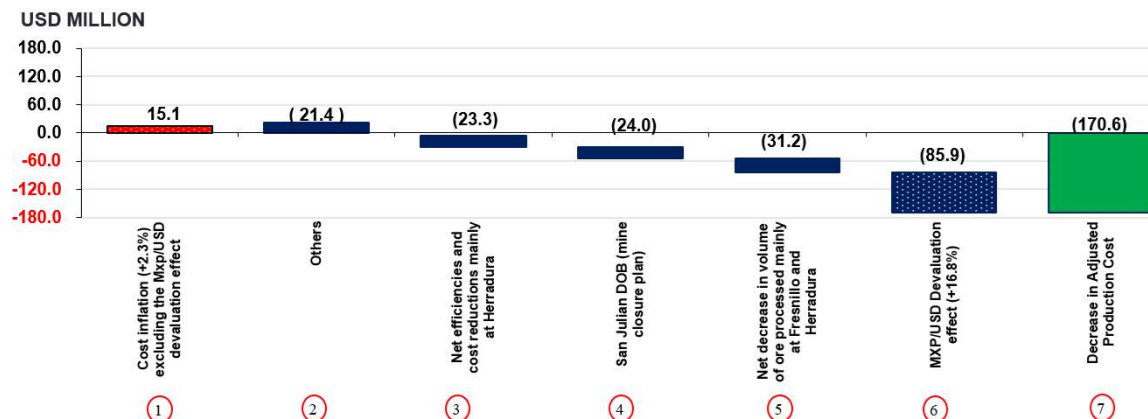
¹⁰ Treatment and refining charges include the cost of treatment and refining as well as the margin charged by the refiner.

COST OF SALES

	1H 2025 US\$ million	1H 2024 US\$ million	Amount US\$ million	Change %
Adjusted production costs ¹¹	673.5	844.2	(170.6)	(20.2)
Depreciation	241.4	304.2	(62.8)	(20.6)
Profit sharing	7.9	6.0	1.9	31.7
Change in inventories	(9.6)	(58.5)	48.9	(83.6)
Cost of sales	913.2	1,095.9	(182.7)	(16.7)

Cost of sales decreased 16.7% to US\$913.2 million in 1H25. The main factors driving the US\$182.7 million decrease are listed below:

- Adjusted production costs decreased by US\$170.6 million as shown in the graph below:



The ongoing efforts to implement cost reduction initiatives continued to generate positive results in 1H25, driving US\$23.3 million worth of net operating efficiencies. These included efficiencies and cost reduction initiatives (-US\$38.9 million) at Herradura driven by the optimisation of haulage distances, and at Saucito and Ciénega as a result of lower cost of development contractors. This achievement was partly offset by inefficiencies (+US\$15.6 million) at Fresnillo and Juanicipio due to increased maintenance costs.

- Depreciation (-US\$62.8 million) due to the decreased depreciation of the asset base at San Julián DOB as it reached the end of its life in 2024, and to a lesser extent, decreased amortisation of capitalised mining works and lower depletion factors at Saucito and Ciénega.

These positive effects were partly offset by:

¹¹ Adjusted production costs are calculated as cost of sales less depreciation, profit sharing, hedging, change in inventories and unproductive costs. The Company considers this a useful additional measure to help understand underlying factors driving production costs in terms of the different stages involved in the mining and plant processes, including efficiencies and inefficiencies as the case may be and other factors outside the Company's control such as cost inflation or changes in accounting criteria.

- The variation in the change in inventories had a negative effect of US\$48.9 million versus 1H24 primarily due to an increase in inventories at Fresnillo, Saucito and Juanicipio net of the consumption of inventories at Herradura, whereas in 1H24 an increase in the weighted average cost of inventories on the leaching pads at Herradura was registered (see notes 2c and 5 to the financial statements).

COST PER TONNE, CASH COST PER OUNCE AND ALL-IN SUSTAINING COST (AISC)

Cost per tonne is a key indicator to measure the effects of changes in production costs and cost control performance at each mine. This indicator is calculated as total production costs, plus ordinary mining rights, less depreciation, profit sharing and exchange rate hedging effects, divided by total tonnage processed. We have included cost per tonne hauled/moved as we believe it is a useful indicator to thoroughly analyse cost performance for the open pit mines.

Cost per tonne		1H 2025	1H 2024	% change
Fresnillo	US\$/tonne milled	123.10	114.68	7.3
Saucito	US\$/tonne milled	107.26	139.87	(23.3)
Juanicipio	US\$/tonne milled	110.07	119.72	(8.1)
San Julián (Veins)	US\$/tonne milled	128.29	108.19	18.6
Ciénega	US\$/tonne milled	113.49	128.83	(11.9)
Herradura	US\$/tonne deposited	20.40	26.47	(22.9)
Herradura	US\$/tonne hauled	4.80	6.02	(20.3)

Fresnillo: Cost per tonne increased 7.3% to US\$123.1 in 1H25, driven mainly by the increase in repairs and maintenance costs, and increased consumption of milling balls, the lower volume of ore processed, and the underlying cost inflation. This was mitigated by the favourable effect of the 16.8% devaluation of the Mexican peso vs the US dollar.

Saucito: Cost per tonne decreased 23.3% to US\$107.3, primarily due to the decrease in the volume of by products with high gold and silver contents purchased from Met-Mex (smelting and refining company), the favourable effect of the 16.8% devaluation of the Mexican peso vs the US dollar, and the decrease in metres developed (see Saucito in 1H25 Operational Review).

Juanicipio: Cost per tonne decreased due to the favourable effect of the 16.8% devaluation of the Mexican peso vs the US dollar and the increase in volume of ore processed, partly offset by the higher maintenance costs and the underlying cost inflation.

San Julián Veins: Cost per tonne increased 18.6% to US\$128.3, primarily driven by the higher development costs and the absorption of shared fixed costs from San Julián DOB, which was closed in 4Q24, and the underlying cost inflation. This was mitigated by the favourable effect of the 16.8% devaluation of the Mexican peso vs the US dollar.

Ciénega: Cost per tonne decreased 11.9% to US\$113.5 mainly driven by the favourable effect of the 16.8% devaluation of the Mexican peso vs the US dollar and lower haulage and development contractors costs, partly offset by the decreased volume of ore processed and underlying cost inflation.

Herradura: Cost per tonne of ore deposited decreased 22.9% to US\$20.40 primarily due to the initiatives to optimise haulage routes and the favourable effect of the 16.8% devaluation of the Mexican peso vs the US dollar.

Cash cost per ounce when compared to the corresponding metal price, is an indicator of the ability of the mine to generate competitive profit margins. Cash cost per ounce is calculated as the total cash cost (cost of sales plus treatment and refining charges, less depreciation) divided by the silver or gold equivalent ounces sold.

Cash cost per ounce		1H 2025	1H 2024	% change
Fresnillo	US\$ per eq. silver ounce	15.36	16.41	(6.4)
Saucito	US\$ per eq. silver ounce	11.72	15.02	(22.0)
Juanicipio	US\$ per eq. silver ounce	7.68	8.33	(7.8)
San Julián (Veins)	US\$ per eq. silver ounce	12.36	11.10	11.4
Ciénega	US\$ per eq. gold ounce	1,843.60	1,395.43	32.1
Herradura	US\$ per eq. gold ounce	1,148.37	1,617.99	(29.0)

Fresnillo: Cash cost per equivalent silver ounce decreased by 6.4% mainly driven by the higher silver and zinc ore grades, the lower treatment and refining charges, and the favourable effect of the change in work in progress due to the lead and zinc concentrates in transit. This was partly offset by the higher cost per tonne.

Saucito: Cash cost per equivalent silver ounce decreased 22.0% mainly due to the lower cost per tonne and the favourable effect of the change in work in progress due to the lead and zinc concentrates in transit, partly offset by the lower gold ore grade.

Juanicipio: Cash cost per equivalent silver ounce decreased by 7.8% primarily due to the lower cost per tonne and decrease in treatment and refining charges, partly offset by the lower gold and silver ore grades.

San Julián Veins: Cash cost per equivalent silver ounce increased 11.4% mainly due to the higher cost per tonne, partly mitigated by the higher gold ore grade.

Ciénega: Cash cost per equivalent gold ounce increased 32.1% due to the lower gold (-7.6%), silver (-25.6%), lead (-54.5%) and zinc (-49.6%) ore grades, mitigated by the lower cost per tonne.

Herradura: Cash cost per equivalent gold ounce decreased 29.0% mainly due to the higher gold and silver ore grades and the decrease in cost per tonne. This was partly offset by the consumption of gold inventories in the leaching pads.

In addition to the traditional cash cost, the Group is reporting All-In Sustaining Cost (AISC).

This cost metric is calculated as traditional cash cost plus on-site general, corporate and administrative costs, community costs related to current operations, capitalised stripping and underground mine development, sustaining capital expenditures and remediation expenses. Similarly to cash cost, AISC is calculated using equivalent silver or gold ounces.

We consider AISC to be a reasonable indicator of a mine's ability to generate free cash flow when compared with the corresponding metal price. We also believe it is a means to monitor not only current production costs, but also sustaining costs as it includes mine development costs incurred to prepare the mine for future production, as well as sustaining capex.

ALL-IN SUSTAINING COST (AISC)

AISC		1H 2025	1H 2024	% change
Fresnillo	US\$ per eq. silver ounce	22.17	23.04	(3.8)
Saucito	US\$ per eq. silver ounce	17.19	20.52	(16.2)
Juanicipio	US\$ per eq. silver ounce	11.35	11.24	1.0
San Julián (Veins)	US\$ per eq. silver ounce	16.81	16.14	4.2
Ciénega	US\$ per eq. gold ounce	2,341.63	1,668.44	40.3
Herradura	US\$ per eq. gold ounce	1,371.84	1,914.73	(28.4)

Fresnillo: All-in sustaining cost decreased 3.8% over 1H24 primarily due to lower cash cost and a decrease in capitalised mine development per equivalent ounce.

Saucito: All-in sustaining cost decreased 16.2% due to lower cash cost and a decrease in capitalised mine development per equivalent ounce.

Juanicipio: All in sustaining cost increased 1.0% primarily driven by an increase in sustaining capex per ounce, mitigated by the lower cash cost.

San Julián Veins: All-in sustaining cost increased 4.2% due to a higher cash cost, mitigated by a decrease in capitalised mine development and sustaining capex per equivalent ounce.

Ciénega: The increase in all-in sustaining cost was primarily driven by the higher cash cost, together with increased sustaining capex and higher capitalised mine development per equivalent ounce.

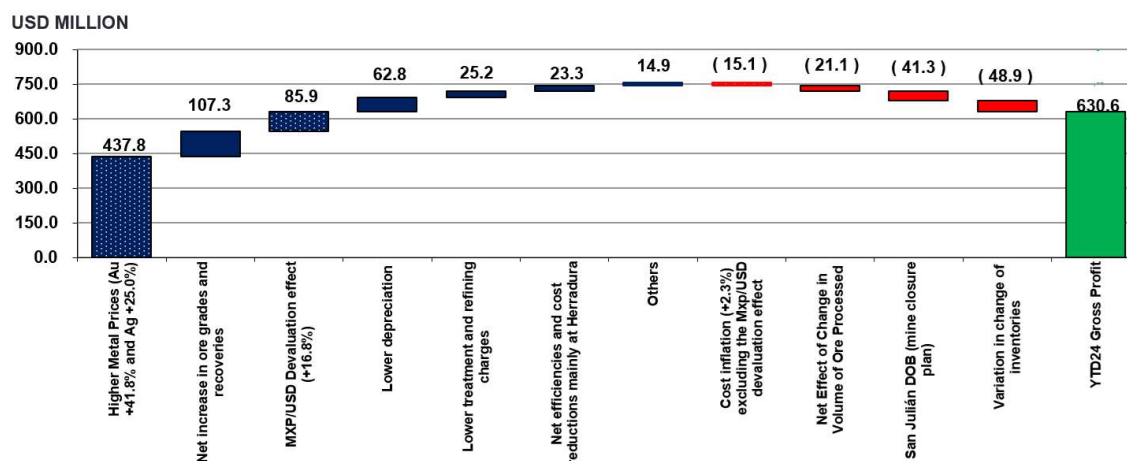
Herradura: All-in sustaining cost decreased by 28.4% mainly due to the lower cash cost.

GROSS PROFIT

Gross profit is a key financial indicator of profitability at each business unit and the Fresnillo Group as a whole.

Total gross profit increased by 160.7% from US\$392.4 million in 1H24 to US\$1,022.9 million in 1H25.

The main factors driving the US\$630.6 million increase in gross profit are shown in the graphic below:



CONTRIBUTION BY MINE TO CONSOLIDATED GROSS PROFIT

	1H 2025		1H 2024		Change	
	US\$ million	%	US\$ million	%	US\$ million	%
Herradura	349.4	34.3	38.6	9.9	310.9	805.2
Juanicipio	250.6	24.6	170.3	43.5	79.9	47.2
Saucito	181.4	17.8	85.1	21.7	94.8	113.2
Fresnillo	114.7	11.2	55.0	14.1	59.2	108.5
San Julián	101.1	9.9	32.2	8.2	68.5	214.0
Ciénega	18.7	1.8	11.1	2.8	7.9	68.5
Noche Buena	4.0	0.4	(1.0)	(0.3)	5.0	(500.0)
Total for operating mines	1,019.9	100.0	391.3	100.0	626.2	160.6
Metal hedging and other subsidiaries	3.0		1.1		2.0	172.7
Total Fresnillo plc	1,022.9		392.4		628.2	160.7

EBITDA

	1H 2025 US\$ million	1H 2024 US\$ million	Amount US\$ million	Change %
Profit from continuing operations before income tax	660.3	277.8	382.5	137.7
- Finance income	(42.2)	(19.2)	(23.0)	119.8
+ Finance costs	31.8	39.1	(7.3)	(18.7)
+ Revaluation effects of Silverstream contract	190.1	(66.4)	256.5	N/A
- Foreign exchange gain (loss), net	20.8	3.9	16.9	433.3
- Other operating income	(5.4)	(6.6)	1.2	(18.2)
+ Other operating expense	5.3	11.4	(6.1)	(53.5)
+ Depreciation	241.4	304.2	(62.8)	(20.6)
EBITDA	1,102.1	544.2	557.9	102.5
EBITDA margin	56.9%	36.6%		

EBITDA is a gauge of the Group's financial performance and a key indicator to measure debt capacity. It is calculated as profit for the year from continuing operations before income tax, less finance income, plus finance costs, less foreign exchange gain / (loss), plus the net Silverstream effects, less other operating income plus other operating expenses and depreciation. In 1H25, EBITDA doubled to US\$1,102.1 million, primarily driven by the higher gross profit. As a result, EBITDA margin expressed as a percentage of revenue increased, from 36.6% in 1H24 to 56.9% in 1H25.

SILVERSTREAM EFFECTS

As mentioned in the "Peñoles to buy back Silverstream Contract" section above, following a thorough evaluation of strategic options, it was concluded that terminating the contract via a buyback was in the best interests of Fresnillo and its shareholders. This resulted in a US\$133.0 million net loss after taxes in the income statement. Further information related to the Silverstream contract is provided in notes 10 and 18 to the consolidated financial statements.

NET FINANCE COSTS

Net finance income of US\$10.4 million in 1H25 compared favourably to the US\$20.0 million net finance costs in 1H24. This was mainly driven by the increased interest on short term deposits and investments, net of the interest paid on the 4.250% Senior Notes due 2050.

FOREIGN EXCHANGE

A foreign exchange loss of US\$20.8 million was recorded over the period, mainly driven by the effect of the variation of the Mexican peso/US dollar exchange rate on the value of peso-denominated net monetary asset position. This compared negatively to the US\$3.9 million loss registered in 1H24.

TAXATION

Income tax expense for the period was US\$122.2 million, which compared negatively to the US\$89.5 million income tax expense in 1H24. The effective tax rate, excluding the special mining rights, was 18.5%, which was below the 30% statutory tax rate. This variance resulted from the revaluation of the Mexican peso/US dollar spot exchange rate on the tax value of assets and

liabilities and the effect of the inflation rate (Mexican Consumer Price Index) that impacted the inflationary uplift of the tax base for assets and liabilities.

The effective tax rate, excluding the special mining rights, was 32.2% in 1H24.

Mining rights remained unchanged at US\$70.6 million in the first half of 2025.

PROFIT FOR THE PERIOD

Profit for the period increased from US\$117.7 million in 1H24 to US\$467.6 million in 1H25, a 297.3% increase period-on-period due to the factors described above.

	1H25 US\$ million	1H24 US\$ million	Amount change US\$ million	Change %
Profit for the period	467.6	117.7	349.9	297.3
Profit for the period, excluding post-tax Silverstream effects	600.6	71.2	529.4	743.5
Profit due to non-controlling interests ¹	73.8	39.0	34.8	89.0
Profit attributable to equity shareholders of the Group	393.8	78.6	315.2	401.0
Basic and diluted earnings per share (US\$/share) ⁵	0.534	0.107	0.427	399.1
Basic and diluted earnings per share, excluding post-tax Silverstream effects (US\$/share)	0.715	0.044	0.671	1525.0

CASH FLOW

A summary of the key items from the cash flow statement is set out below:

	1H 2025 US\$ million	1H 2024 US\$ million	Amount US\$ million	Change %
Cash generated by operations before changes in working capital	1,103.6	547.9	555.7	101.4
Decrease/(increase) in working capital	191.9	(76.9)	268.8	N/A
Taxes and employee profit sharing paid	(255.4)	(71.4)	(184.0)	257.7
Net cash from operating activities	1,040.1	399.6	640.5	160.3
Disposal of equity instruments	149.5	0.0	149.5	N/A
Silverstream contract	34.3	13.7	20.6	150.4
Financial interest/(expenses) and foreign exchange effects	22.0	(9.6)	31.6	N/A
Dividends paid to shareholders of the Company	(501.0)	(31.0)	(470.0)	1516.1
Purchase of property, plant and equipment	(157.9)	(170.3)	12.4	(7.3)
Dividends paid to non-controlling interests in subsidiaries	(59.4)	0.0	(59.4)	N/A
Repayment of loans	(2.0)	(43.3)	41.3	(95.4)
Net increase/decrease in cash during the period after foreign exchange differences	525.1	156.4	368.7	235.7
Cash, cash equivalents and short-term investments at 30 June	1,823.0	691.0	1,132.0	163.8

Cash generated by operations before changes in working capital doubled to US\$1,103.6 million, due to the higher profits generated in the period. Working capital decreased US\$191.9 million, mainly due to: i) a US\$103.9 million decrease in trade receivables from related parties; and ii) an increase in trade and other payables of US\$101.7 million.

Taxes, mining rights and employee profit sharing paid increased to US\$255.4 million, up 257.7% vs 1H24, mainly due to: i) the higher final income tax paid in 1H25, net of provisional taxes paid (corresponding to the 2024 tax fiscal year); ii) the increase in provisional tax payments paid in 1H25; iii) an increase in mining rights; and iv) higher profit sharing paid.

As a result of the above factors, net cash from operating activities increased 160.3% from US\$399.6 million in 1H24 to US\$1,040.16 million in 1H25.

The Group received US\$149.5 million from the sale of Mag Silver shares and US\$34.3 million related to the proceeds of the Silverstream contract.

Additionally, net financial interests and foreign exchange effects of US\$22.0 million compared favourably to the net financial expenses of US\$9.6 million in 1H24. Interest received during the period

totalled US\$42.1 million (US\$19.2 million in 1H24). Financial expenses in 1H25 and 1H24 included the interest paid on the 4.250% Senior Notes due 2050.

Main uses of funds were:

- i) Dividends paid to shareholders of the Group in 1H25 totalled US\$501.0 million, comprising the 2024 final dividend of 26.1 cents per share, in line with our dividend policy, and the extraordinary dividend of 41.8 cents per share, both paid in May 2025. This compared to dividends of US\$31.0 million paid in 1H24.
- ii) The purchase of property, plant and equipment for a total of US\$157.9 million, a 7.3% decrease vs 1H24. Capital expenditures for 1H25 are described below:

PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	1H 2025	
	US\$ million	
Fresnillo mine	39.0	Mine development and mining works, tailings dam and purchase of in-mine equipment.
Saucito mine	37.4	Mine development, purchase of in-mine equipment, deepening of the Jarillas shaft and expansion of tailings dam.
Herradura mine	27.3	Stripping, construction of leaching pads, tailings dam, and purchase of mine equipment.
Juanicipio mine	24.4	Mine development, expansion of tailings dam, and equipment
San Julián Veins	18.3	Mining works and purchase of in-mine equipment.
Ciénega mine	11.3	Mining works, tailings dam, and purchase of in-mine equipment.
Other	0.2	Minera Bermejal.
Total purchase of property, plant and equipment	157.9	

The sources and uses of funds described above resulted in a net increase in cash and cash equivalents of US\$525.1 million, which combined with the US\$1,297.8 million balance at the beginning of the year resulted in cash, cash equivalents and short-term investments of US\$1,823.0 million at the end of June 2025.

BALANCE SHEET

Fresnillo plc continued to maintain a solid financial position during the period with cash, cash equivalents and short-term investments of US\$1,823.0 million as of 30 June 2025, increasing 40.5% versus 31 December 2024 and increasing 163.8% versus 30 June 2024. Taking into account the cash, cash equivalents and short-term investments of US\$1,823.0 million and the US\$839.6 million outstanding Senior Notes, Fresnillo plc's net cash is US\$983.4 million as at 30 June 2025. This compares to the net cash position of US\$458.3 million as at 31 December 2024.

GOING CONCERN

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out above in the Operational Review, with further detail in the Annual Report 2024. The financial position of the Group, its cash flows and liquidity position are described in the Financial Review.

In addition, note 18 to the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

In making their assessment of the Group's ability to manage its future cash requirements, the Directors have considered the Company and Group budgets, and the cash flow forecasts for the period to 31st December 2026 (being the going concern assessment period). In addition, they reviewed a more conservative cash flow scenario with reduced silver and gold prices of US\$30.2 per ounce and US\$2,568 per ounce, respectively throughout this period, whilst maintaining current budgeted expenditure while only considering projects approved by the Executive Committee. This resulted in our current cash balances reducing over time, but maintaining sufficient liquidity throughout the period.

The Directors have further calculated prices (US\$5.0 per silver ounce and US\$445 per gold ounce), which would need to prevail until the end of 2026 to result in cash balances decreasing to minimal levels by the end of 2026, without applying mitigations.

Should metal prices remain below the stressed prices above for an extended period, management has identified specific elements of capital and exploration expenditures which could be deferred without adversely affecting production profiles throughout the period. On the other hand, management could amend the mining plans to concentrate on production with a higher margin to accelerate cash generation without affecting the integrity of the mine plans. Finally, to maintain a strong liquidity, in January 2024 management acquired a committed revolving credit facility of US\$350 million, which could be used if needed.

After reviewing all of the above considerations, the Directors have a reasonable expectation that management has sufficient flexibility in adverse circumstances to maintain adequate resources to continue in operational existence for the foreseeable future. The Directors, therefore, continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIVIDENDS

The Board of Directors has declared an interim dividend of 20.8 US cents per Ordinary Share totalling US\$153.3 million, which will be paid on 17 September 2025 to shareholders on the register on 15 August 2025. The dividend will be paid in UK pounds sterling unless shareholders elect to be paid in US dollars. This interim dividend is higher than the previous period due to the increase in profit in 1H25, and remains in line with the Group's dividend policy. This decision was made after a comprehensive review of the Group's financial situation, assuring that the Group is well placed to meet its current and future financial requirements, including its development and exploration projects.

As disclosed in previous reports, the corporate income tax reform introduced in Mexico in 2014 created a withholding tax obligation of 10% relating to the payment of dividends, including to foreign nationals. The 2025 interim dividend will be subject to this withholding obligation.

OUR APPROACH TO RISK MANAGEMENT

Effective risk management is an essential part of our culture and strategy. The accurate and timely identification, assessment and management of principal and emerging risks give us a clear understanding of the actions required to achieve our objectives. We have embedded a global risk management framework across Fresnillo plc which aims to always ensure consistency and the application of the appropriate level of oversight.

Key elements of integrated risk management:

- **We recognise that risks are inherent to our business:** *Only through adequate risk management can internal stakeholders be effectively supported in making key strategic decisions and implementing our strategy.*
- **Exposure to risks must be consistent with our risk appetite:** *The Board defines and regularly reviews the acceptable level of exposure to emerging and principal risks: Risks are aligned with our risk appetite, taking into consideration the balance between threats and opportunities.*
- **We are all responsible for managing risks:** *Each business activity carries out risk evaluations to ensure the sound identification, management, monitoring and reporting of risks that could impact the achievement of our goals.*
- **Risk is analysed using a consistent framework:** *Our risk management methodology is applied to all our operating, projects, exploration activities and support areas, so that we have a comprehensive view of the uncertainties that could affect us in achieving our strategic goals.*
- **We are committed to continuous improvement:** *Lessons learned, and best practices are incorporated into our procedures to protect and unlock value sustainably.*

I. How we manage risk.

As explained in our 2024 Annual Report, the Company ended last year with good progress in risk management, including the implementation of actions that mitigated our most significant risks. In parallel, the risk department developed a training programme focused on identifying and mitigating the Company's most exposed risks, which was rolled out across the business to increase awareness of our risk culture. During this first half of the year, we continued to improve our risk framework by increasing the use of metrics and scenarios to more accurately articulate the risk appetite and tolerance limits within which we wish to operate.

We maintain a risk register through a robust assessment of the potential principal risks that could affect the Company's performance. This register ensures that principal risks are identified in a thorough and systematic way and that agreed definitions of risk are used.

Defining risk appetite is key in embedding the risk management system into our organisational culture. The Company's risk appetite statement helps to align our strategy with the objectives of each business unit, clarifying which risk levels are, or are not, acceptable. It promotes consistent decision-making on risk, allied to the strategic focus and risk/reward balance approved by the Board.

During the first part of 2025, our risk team focused its efforts on identifying and assessing: *"Potential action by governments", "Security", "Cybersecurity" and "Climate change"*. For the second part of the year, we will be assessing: *"Fraud", "Safety", "Access to land" and "Community relations" risks.*

II. Key thematic areas to consider in 2025.

The Company's risk profile has been developed based on the most significant risks in our business profiles. All our principal risks are reviewed at least twice a year through Key Risk Indicators, which were developed to help embed the risk appetite framework in the business and enhance the monitoring and mitigation of risks.

Due to the effects caused by geopolitical instability, it has been necessary to reassess the principal risks and reorder their materiality, likelihood and impact, as well as reassess related mitigation actions. Geopolitical instabilities include those relating to the Israel-Iran and Russia-Ukraine wars, attacks on commercial shipping in the Red Sea by Iran-backed Houthi rebels, the effects of global inflation on the cost of operations, as well as security and violence near business units, cyber-attacks, climatic disturbances, environmental situations close to our operations and changes to the laws and regulations in the mining industry in Mexico.

III. Our Principal Risk matrix.

Fresnillo plc is exposed to a variety of risks and uncertainties which may have a financial, operational or reputational impact on the Company, and which may also have an impact on the achievement of social, economic and environmental objectives.

A consistent assessment of the likelihood and impact of risk occurrence is fundamental to establishing, prioritising and managing the risk profile of the Company. In common with many organisations and in line with good practice, we use a probability and impact matrix for this purpose.

The following table presents the risk rating of Fresnillo plc's principal risks as at 30 June 2025:

1H'25	Principal risks	Risk appetite ¹²	Risk level	Change in risk level vs ARA'24
1	Potential actions by the government (<i>political, legal, regulatory, tax & concessions</i>)	Low	Very high	Stable
2	Security	Low	Very high	Stable
3	Cybersecurity	Low	High	Stable
4	Impact of metals prices and exchange rates	High	High	Stable
5	Safety (<i>incidents due to unsafe acts or conditions could lead to injuries or fatalities</i>)	Low	High	Increasing
6	Global macroeconomic developments (<i>energy and supply chain disruptions, inflation and cost</i>)	Medium	High	Stable
7	Access to land (<i>full access to the lands</i>)	Low	High	Stable
8	Union relations (<i>labour relations</i>)	Low	High	Stable
9	Human resources (<i>attract and retain requisite skilled people/talent crisis</i>)	Medium	High	Stable
10	Projects (<i>performance risk</i>)	Medium	High	Stable
11	Licence to operate (<i>community relations</i>)	Medium	Medium	Stable
12	Exploration (<i>new ore resources</i>)	High	Medium	Stable
13	Climate change (<i>comply with international standards and regulations</i>)	Medium	Medium	Stable
14	Tailings dams (<i>overflow or collapse of tailings deposits</i>)	Low	Medium	Stable
15	Environmental incidents (<i>cyanide spills and chemical contamination</i>)	Low	Medium	Stable
1H'25	Principal risks	Risk appetite ¹³	Risk level	Change in risk level vs ARA'24
1	Potential actions by the government (<i>political, legal, regulatory, tax & concessions</i>)	Low	Very high	Stable
2	Security	Low	Very high	Stable
3	Cybersecurity	Low	High	Stable
4	Impact of metals prices and exchange rates	High	High	Stable
5	Safety (<i>incidents due to unsafe acts or conditions could lead to injuries or fatalities</i>)	Low	High	Increasing
6	Global macroeconomic developments (<i>energy and supply chain disruptions, inflation and cost</i>)	Medium	High	Stable
7	Access to land (<i>full access to the lands</i>)	Low	High	Stable
8	Union relations (<i>labour relations</i>)	Low	High	Stable
9	Human resources (<i>attract and retain requisite skilled people/talent crisis</i>)	Medium	High	Stable
10	Projects (<i>performance risk</i>)	Medium	High	Stable
11	Licence to operate (<i>community relations</i>)	Medium	Medium	Stable
12	Exploration (<i>new ore resources</i>)	High	Medium	Stable
13	Climate change (<i>comply with international standards and regulations</i>)	Medium	Medium	Stable
14	Tailings dams (<i>overflow or collapse of tailings deposits</i>)	Low	Medium	Stable
15	Environmental incidents (<i>cyanide spills and chemical contamination</i>)	Low	Medium	Stable

IV. Our Emerging Risk matrix.

¹² Appetite determined by the Board in January 2025.

¹³ Appetite determined by the Board in January 2025.

We define an emerging risk as a: *“new manifestation of risk that cannot yet be fully assessed, a risk that is known to some degree but is not likely to materialise or have an impact for several years, or a risk that the company is not fully aware of but that could, due to emerging macro trends in the mid or long-term future, have significant implications for the achievement of our strategic plan”*. Furthermore, we consider emerging risks in the context of longer-term impact and shorter-term risk velocity.

The following table presents the risk rating of Fresnillo plc's emerging risks as at 30 June 2025:

1H'25	Emerging risks	Risk level	Change in risk level vs ARA'24
1	Geopolitical instability	High	Increasing
2	Technological disruption & the rapid proliferation of artificial intelligence	Medium	Stable
3	Transition to a low-carbon future (decarbonization)	Medium	Stable
4	Increased expectations of society and investors	Medium	Stable
5	Replacement on depletion of ore reserves	Medium	Stable
6	Unexpected mine-closure liabilities that have the potential to increase costs	Low	Stable

***Main Focus:

Statement of directors' responsibilities

The Directors of the Company hereby confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board IASB and as adopted by UK and gives a true and fair view of the assets, liabilities, financial position and profit and loss account of the Fresnillo Group as required by DTR 4.2.4; and
- the interim management report includes a fair review of the information required by
 - DTR 4.2.7 (being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year); and
 - DTR 4.2.8 (being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period and changes since the last annual report).

The Directors of the Company are:

Alejandro Baillères	Chairman
Arturo Fernández	Non-executive director
Fernando Ruiz	Non-executive director
Eduardo Cepeda	Non-executive director
Charlie Jacobs	Non-executive director
Alberto Tiburcio	Independent non-executive director
Dame Judith Macgregor	Senior Independent non-executive director
Georgina Kessel	Independent non-executive director
Guadalupe de la Vega	Independent non-executive director
Héctor Rangel	Independent non-executive director
Rosa Vázquez	Independent non-executive director
Luz Adriana Ramírez	Independent non-executive director

On behalf of the board of directors of Fresnillo plc

Octavio Alvidrez
Chief Executive Officer

INDEPENDENT REVIEW REPORT TO FRESNILLO PLC

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises Interim Consolidated Income Statement, Interim Consolidated Statement of Comprehensive Income, Interim Consolidated Balance Sheet, Interim Consolidated Statement of Cash Flows and the related notes 1 to 18. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2a, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
London
5 August 2025

Interim Consolidated Income Statement

	Notes	For the six months ended 30 June				
		2025 (Unaudited)		2024 (Unaudited)		Total
		Pre-Silverstream revaluation effect	Silverstream revaluation effect	(in thousands of US dollars) Total	Pre-Silverstream revaluation effect	Silverstream revaluation effect
Continuing operations:						
Revenues	4	1,936,152		1,936,152	1,488,252	1,488,252
Cost of sales	5	(913,218)		(913,218)	(1,095,868)	(1,095,868)
Gross profit		1,022,934		1,022,934	392,384	392,384
Administrative expenses		(55,187)		(55,187)	(55,299)	(55,299)
Exploration expenses		(76,698)		(76,698)	(77,203)	(77,203)
Selling expenses		(30,414)		(30,414)	(19,959)	(19,959)
Other operating income		5,388		5,388	6,640	6,640
Other operating expenses		(5,254)		(5,254)	(11,410)	(11,410)
Profit before net finance costs and income tax		860,769		860,769	235,153	235,153
Finance income	6	42,150		42,150	19,162	19,162
Finance costs	6	(31,777)		(31,777)	(39,147)	(39,147)
Revaluation effects of Silverstream contract	10		(190,055)	(190,055)	66,459	66,459
Foreign exchange loss		(20,756)		(20,756)	(3,852)	(3,852)
Profit from continuing operations before income tax		850,386	(190,055)	660,331	211,316	277,775
Corporate income tax	7	(179,232)	57,016	(122,216)	(69,576)	(89,514)
Special mining right	7	(70,552)		(70,552)	(70,585)	(70,585)
Income tax expense	7	(249,785)	57,016	(192,768)	(140,161)	(160,099)
Profit for the period		600,602	(133,039)	467,563	71,155	117,676
Attributable to:						
Equity shareholders of the Company		526,818	(133,039)	393,779	32,125	78,646
Non-controlling interests		73,784		73,784	39,030	39,030
		600,602	(133,039)	467,563	71,155	117,676
Earnings per share: (US\$)						
Basic and diluted earnings per ordinary share from continuing operations	8			0.534		0.107
Adjusted earnings per share: (US\$)						
Adjusted basic and diluted earnings per ordinary share from continuing operations	8	0.715			0.044	

Interim Consolidated Statement of Comprehensive Income

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	(in thousands of US dollars)	
Profit for the period	467,563	117,676
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Foreign currency translation	95	1,077
<i>Net other comprehensive income/(loss) that may be reclassified subsequently to profit or loss</i>	95	1,077
<i>Items that will not be reclassified to profit or loss:</i>		
Changes in the fair value of cash flow hedges	653	(172)
<i>Total effect of cash flow hedges</i>	653	(172)
Changes in the fair value of equity investments at fair value through other comprehensive income (FVOCI)	53,913	17,593
Income tax effect on items that will not be reclassified to profit or loss	(16,370)	(5,227)
<i>Net other comprehensive income that will not be reclassified to profit or loss</i>	38,196	12,194
Other comprehensive income, net of tax	38,291	13,271
Total comprehensive income, net of tax	505,854	130,947
Attributable to:		
Equity shareholders of the Company	431,956	91,937
Non-controlling interests	73,898	39,010
	505,854	130,947

Interim Consolidated Balance Sheet

	Notes	As of 30 June 2025 (Unaudited) (in thousands of US dollars)	As of 31 December 2024 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment (PPE)	9	2,451,979	2,538,665
Equity instruments at FVOCI	18	39,677	139,968
Silverstream contract	10,18	-	214,437
Deferred tax asset	7	438,771	466,734
Inventories	11	69,760	69,760
Other receivables	12	43,853	5,264
Other assets		3,477	3,101
		<u>3,047,517</u>	<u>3,437,929</u>
Current assets			
Inventories	11	421,091	412,417
Trade and other receivables	12	532,336	674,211
Prepayments		18,599	13,881
Derivative financial instruments	18	819	-
Silverstream contract	10,18	40,000	44,204
Short-term investments	13	277,869	187,403
Cash and cash equivalents	13	1,545,089	1,110,413
		<u>2,835,803</u>	<u>2,442,529</u>
Total assets		<u>5,883,320</u>	<u>5,880,458</u>
EQUITY AND LIABILITIES			
Capital and reserves attributable to shareholders of the Company			
Share capital		368,546	368,546
Share premium		1,153,817	1,153,817
Capital reserve		(526,910)	(526,910)
Hedging reserve		421	(92)
Fair value reserve of financial assets at FVOCI		24,333	66,594
Foreign currency translation reserve		(7,475)	(7,570)
Retained earnings		2,775,090	2,800,956
		<u>3,787,822</u>	<u>3,855,341</u>
Non-controlling interests		<u>369,606</u>	<u>355,029</u>
Total equity		<u>4,157,428</u>	<u>4,210,370</u>
Non-current liabilities			
Interest-bearing loans		839,609	839,507
Lease liabilities		6,125	7,581
Provision for mine closure cost		253,374	233,748
Provision for pensions and other post-employment benefit plans		13,599	11,454
Deferred tax liability	7	56,224	209,213
		<u>1,168,931</u>	<u>1,301,503</u>

Current liabilities		
Trade and other payables	317,266	223,779
Notes payable	-	2,055
Income tax payable	213,015	113,221
Derivative financial instruments	18 -	189
Lease liabilities	4,722	4,312
Provision for mine closure cost	11,781	11,781
Employee profit sharing	10,177	13,248
	<u>556,961</u>	<u>368,585</u>
Total liabilities	<u>1,725,892</u>	<u>1,670,088</u>
Total equity and liabilities	<u>5,883,320</u>	<u>5,880,458</u>

Interim Consolidated Statement of Cash Flows

	Notes	For the six months ended 30 June 2025 (Unaudited) (in thousands of US dollars)	2024 (Unaudited) (in thousands of US dollars)
Net cash from operating activities	17	1,040,086	399,574
Cash flows from investing activities			
Purchase of property, plant and equipment		(157,881)	(170,278)
Proceeds from the sale of property, plant and equipment and other assets		258	574
Silverstream contract	10	34,251	13,677
Interest received		42,097	19,162
Disposal of equity instruments at FVOCI ¹		149,458	-
Dividends received from equity instruments at FVOCI		1,752	-
Short-term investments		(90,466)	-
Net cash used in investing activities		(20,531)	(136,865)
Cash flows from financing activities			
Payment of note payable		(2,053)	(43,301)
Dividends paid to shareholders of the Company ²		(501,006)	(30,978)
Dividends paid to non-controlling interests in subsidiaries		(59,400)	-
Principal elements of lease payment		(2,288)	(3,306)
Interest paid ³		(20,134)	(24,126)
Net cash used in financing activities		(584,881)	(101,711)
Net increase in cash and cash equivalents during the period		434,674	160,998
Effect of exchange rate on cash and cash equivalents		2	(4,608)
Cash and cash equivalents at 1 January	13	1,110,413	534,580
Cash and cash equivalents at 30 June	13	1,545,089	690,970

¹ Following the investment strategy of the Group, in May 2025, it was decided to dispose of the position held in MAG Silver Corp. As of 30 June 2025, the Group has disposed of 8,068,100 out of its 9,314,877 owned shares and collected US\$149.5 million. The gain on the disposal of US\$114.3 million has been transferred from the Fair value reserve of financial assets at FVOCI to retained earnings, net of tax of US\$34.3 million.

Except for the disposal disclosed above, there were no further additions or disposals of equity investments during the period.

² Includes the effect of hedging of dividend payments made in currencies other than US dollar (note 14).

³ As of 30 June 2025 includes US\$0.6 million (30 June 2024: US\$0.5 million) related to a commitment fee in respect of undrawn amounts of the syndicated revolving credit facility entered by the Group. No amounts have been drawdown from the credit facility as of 30 June 2025.

Interim Consolidated Statement of Changes in Equity

		Share capital	Share premium	Capital reserve	Hedging Reserve	Fair value reserve of financial assets at FVOCI (in thousands of US dollars)	Foreign currency translation reserve	Retained earnings	Total attributable to shareholders of the Company	Non- controlling interests	Total equity
Balance at 1 January 2024 (Audited)		368,546	1,153,817	(526,910)	50	42,591	(4,204)	2,737,962	3,771,852	295,345	4,067,197
Profit for the period								78,646	78,646	39,030	117,676
Other comprehensive income, net of tax		-	-	-	(101)	12,315	1,077	-	13,291	(20)	13,271
Total comprehensive income for the period					(101)	12,315	1,077	78,646	91,937	39,010	130,947
Hedging gain transferred to the carrying value of PPE purchased during the period		-	-	-	(12)	-	-	-	(12)	1	(11)
Dividends declared and paid	14	-	-	-	-	-	-	(30,950)	(30,950)	-	(30,950)
Balance at 30 June 2024 (Unaudited)		368,546	1,153,817	(526,910)	(63)	54,906	(3,127)	2,785,658	3,832,827	334,356	4,167,183
Balance at 1 January 2025 (Audited)		368,546	1,153,817	(526,910)	(92)	66,594	(7,570)	2,800,956	3,855,341	355,029	4,210,370
Profit for the period								393,779	393,779	73,784	467,563
Other comprehensive income, net of tax		-	-	-	343	37,739	95	-	38,177	114	38,291
Total comprehensive income for the period		-	-	-	343	37,739	95	393,779	431,956	73,898	505,854
Hedging loss transferred to the carrying value of PPE purchased during the period					170			-	170	79	249
Transfer of gain on disposal of equity investments at FVOCI to retained earnings (net of tax)		-	-	-	-	(80,000)	-	80,706	706	-	706
Dividends declared and paid	14	-	-	-	-	-	-	(500,351)	(500,351)	(59,400)	(559,751)
Balance at 30 June 2025 (Unaudited)		368,546	1,153,817	(526,910)	421	24,333	(7,475)	2,775,090	3,787,822	369,606	4,157,428

Notes to the Interim Condensed Consolidated Financial Statements

1 Corporate Information

Fresnillo plc ("the Company", together with its subsidiaries, "the Group") is a public limited company registered in England and Wales with the registered number 6344120.

Industrias Peñoles S.A.B. de C.V. ("Peñoles") currently owns 75 percent of the shares of the Company and the ultimate controlling party of the Company is the Baillères family, whose beneficial interest is held through Peñoles. The registered address of Peñoles is Calzada Legaria 549, Mexico City 11250. Copies of Peñoles' accounts can be obtained from www.penoles.com.mx. Further information on related party balances and transactions with Peñoles group companies is disclosed in Note 16.

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2025 ("interim consolidated financial statements") were authorised for issue by the Board of Directors of Fresnillo plc on 4 August 2025.

The Group's principal business is the mining and beneficiation of non-ferrous minerals, and the sale of related production. The primary contents of this production are silver, gold, lead and zinc. Further information about the Group's operating mines and its principal activities is disclosed in Note 3.

2 Significant accounting policies

(a) Basis of preparation and statement of compliance

The interim consolidated financial statements of the Group for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting* included in the UK-adopted International Accounting Standards.

These interim consolidated financial statements do not constitute statutory accounts as defined in section 435 of the Companies Act 2006. A copy of the statutory accounts for the year ended 31 December 2024 has been delivered to the Registrar of Companies. The auditor's report in accordance with Chapter 3 of Part 16 of the Companies Act 2006 in relation to those accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report and did not contain a statement under section 498(2) or section 498(3) of the UK Companies Act 2006.

The interim consolidated financial statements have been prepared on a historical cost basis, except for trade receivables, derivative financial instruments, equity securities and defined benefit pension scheme assets which have been measured at fair value.

The interim consolidated financial statements are presented in dollars of the United States of America (US dollars or US\$) and all values are rounded to the nearest thousand (\$000) except where otherwise indicated.

The impact of seasonality or cyclicity on operations is not considered significant on the interim consolidated financial statements.

(b) Basis of consolidation

The interim consolidated financial statements set out the Group's financial position as of 30 June 2025 and 31 December 2024, and its operations and cash flows for the six-month periods ended 30 June 2025 and 30 June 2024.

The basis of consolidation adopted in the preparation of the interim consolidated financial statements is consistent with that applied in the preparation of the consolidated financial statements for the year ended 31 December 2024.

(c) Changes in accounting policies and presentation

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those applied in the preparation of the consolidated financial statements for the year ended 31 December 2024.

New standards, amendments and interpretations as adopted by the Group

A number of new or amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

Impact of standards issued but not yet applied by the Group

The IASB has issued other amendments resulting from improvements to IFRSs that management considers do not have any impact on the accounting policies, financial position or performance of the Group. The Group has not early adopted any standard, interpretation or amendment that was issued but is not yet effective.

Significant accounting judgments, estimates and assumptions

Significant accounting judgments, estimates and assumptions are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2024, except for the estimates related to the assessment of fair value of the Silverstream contract, as explained in note 10.

(d) Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out above in the Operational Review, with further detail in the Annual Report 2024. The financial position of the Group, its cash flows and liquidity position are described in the Financial Review. In addition, note 18 to the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

In making their assessment of the Group's ability to manage its future cash requirements, the Directors have considered the Company and Group budgets, and the cash flow forecasts for the period to 31st December 2026 (being the going concern assessment period). In addition, they reviewed a more conservative cash flow scenario with reduced silver and gold prices of US\$30.2 per ounce and US\$2,568 per ounce respectively throughout this period, whilst maintaining current budgeted expenditure while only considering projects approved by the Executive Committee. This resulted in our current cash balances reducing over time but maintaining sufficient liquidity throughout the period.

The Directors have further calculated prices (US\$5.0 per ounce and US\$445 per ounce for silver and gold respectively), which would need to prevail to the end of 2026 to result in cash balances decreasing to minimal levels by the end of 2026, without applying mitigations.

Should metal prices remain below the stressed prices above for an extended period, management have identified specific elements of capital and exploration expenditures which could be deferred without adversely affecting production profiles throughout the period. On the other hand, management could amend the mining plans to concentrate on production with a higher margin to accelerate cash generation without affecting the integrity of the mine plans. Finally, to maintain a strong liquidity, in January 2024 management acquired a committed revolving credit facility of US\$350 million, which could be used if needed.

After reviewing all of the above considerations, the Directors have a reasonable expectation that management have sufficient flexibility in adverse circumstances to maintain adequate resources to continue in operational existence for the foreseeable future. The Directors, therefore, continue to adopt the going concern basis of accounting in preparing the interim financial statements.

3 Segment reporting

For management purposes, the Group is organised into operating segments based on producing mines.

At 30 June 2025 the Group has seven reportable operating segments represented by seven producing mines as follows:

- The Fresnillo mine, located in the State of Zacatecas, an underground silver mine;
- The Saucito mine, located in the State of Zacatecas, an underground silver mine;
- The Cienega mine, located in the State of Durango, an underground gold mine;
- The Herradura mine, located in the State of Sonora, a surface gold mine;
- The Noche Buena mine, located in the State of Sonora, a surface gold mine;
- The San Julian mine, located on the border of Chihuahua / Durango states, an underground silver-gold mine; and
- The Juanicipio mine, located in the State of Zacatecas, an underground silver mine.

The operating performance and financial results for each of these mines are reviewed by management. As the Group's Chief Operating Decision Maker (CODM) does not review segment assets and liabilities, the Group has not disclosed this information.

In the six months ended 30 June 2025 99.7% (30 June 2024: 99.8%) of revenue was derived from customers based in Mexico.

Management monitors the results of its operating segments separately for the purpose of performance assessment and making decisions about resource allocation. Segment performance is evaluated without taking into account certain adjustments included in Revenue as reported in the Interim Consolidated Income Statement, and certain costs included within Cost of sales and Gross profit which are considered to be outside of the control of the operating management of the mines. The table below provides a reconciliation from segment profit to Gross profit as per the Interim Consolidated Income Statement. Administrative expenses, Exploration expenses, Selling expenses, and Other income and expenses not related to production activities included in the Interim Consolidated Income Statement are not allocated to operating segments. Also, the Group's financing (including Finance cost and Finance income) and Income taxes are managed on a Group basis and are not allocated to operating segments. Transactions between reportable segments are accounted for on an arm's length basis similar to transactions with third parties.

Operating segments

The following tables present revenue and profit information regarding the Group's operating segments for the six months ended 30 June 2025 and 2024, respectively. Revenues for the six months ended 30 June 2025 and 2024 include those derived from contracts with customers and other revenues, as shown in note 4.

Six months ended 30 June 2025

US\$ thousands	Fresnillo	Herradura	Cienega	Saucito	Noche Buena	San Julian	Juanicipio	Other ⁴	Adjustments and eliminations	Total
Revenues:										
Third party ¹	250,922	622,594	97,328	376,443	15,947	213,882	359,036			1,936,152
Inter-Segment	22,471						2,664	24,888	(50,023)	-
Segment revenues	273,393	622,594	97,328	376,443	15,947	213,882	361,700	24,888	(50,023)	1,936,152
Segment profit²	161,736	374,192	43,124	235,132	3,924	137,117	292,108	24,015	877	1,272,225
Depreciation and amortisation										(241,425)
Employee profit sharing										(7,866)
Gross profit as per the income statement										1,022,934
Capital expenditure³	39,050	27,336	11,308	37,360	-	18,315	24,353	159		157,881

¹ During 2025 all segment revenues were related to sales to Met-Mex, except in Juanicipio which includes sales to other external customers of US\$6.3 million.

² The Group's CODM primarily uses this measure to monitor the operating results directly related to the production of its business units separately to make decisions about resource allocation and performance assessment. Segment profit excluding foreign exchange hedging gains, depreciation and amortisation and employee profit sharing.

³ Capital expenditure represents the cash outflow in respect of additions to property, plant and equipment, including stripping cost, mine development and purchase of mine equipment, excluding additions relating to changes in the mine closure provision. Significant additions include expansion of tailings dam at Juanicipio and Saucito, mining works at Fresnillo, Saucito and San Julian, and stripping cost at Herradura mine.

⁴ Other inter-segment revenue corresponds to leasing services provided by Minera Bermejil, S.A. de C.V.; capital expenditure mainly corresponds to exploration entities.

Six months ended 30 June 2024

US\$ thousands	Fresnillo	Herradura	Cienega	Saucito	Noche Buena	San Julian	Juanicipio	Other ⁴	Adjustments and eliminations	Total
Revenues:										
Third party ¹	219,855	305,047	109,958	325,815	20,470	216,491	290,616	-	-	1,488,252
Inter-Segment	14,663						152	25,918	(40,733)	-
Segment revenues	234,518	305,047	109,958	325,815	20,470	216,491	290,768	25,918	(40,733)	1,488,252
Segment profit²	102,952	60,540	43,183	146,493	(408)	110,630	214,756	25,187	(737)	702,596
Depreciation and amortisation										(304,230)
Employee profit sharing										(5,982)
Gross profit as per the income statement										392,384
Capital expenditure³	42,984	21,915	7,659	51,983	-	28,956	16,363	418		170,278

¹ During 2024 all segment revenues were related to sales to Met-Mex, except in Juanicipio which includes sales to other external customers of US\$5.6 million.

² The Group's CODM primarily uses this measure to monitor the operating results directly related to the production of its business units separately to make decisions about resource allocation and performance assessment. Segment profit excluding foreign exchange hedging gains, depreciation and amortisation and employee profit sharing.

³ Capital expenditure represents the cash outflow in respect of additions to property, plant and equipment, including stripping cost, mine development and purchase of mine equipment, excluding additions relating to changes in the mine closure provision. Significant additions include expansions of tailings dam at Saucito and San Julian, mining works at San Julian, Fresnillo and Saucito and stripping cost at Herradura mine.

⁴ Other inter-segment revenue corresponds to leasing services provided by Minera Bermejil, S.A. de C.V.; capital expenditure mainly corresponds to Minera Bermejil, S. de R.L. de C.V.

4 Revenues

Revenues reflect the sale of goods, being concentrates, doré, slag, precipitates and activated carbon of which the primary contents are silver, gold, lead and zinc.

(a) Revenues

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>(in thousands of US dollars)</i>	
Revenues from contracts with customers	1,931,534	1,491,486
Revenues from other sources		
Provisional pricing adjustment on products sold	4,618	(3,234)
	1,936,152	1,488,252

(b) Revenues by product sold

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>(in thousands of US dollars)</i>	
Lead concentrates (containing silver, gold, lead and by-products)	830,678	743,456
Doré and slag (containing gold, silver and by-products)	379,667	288,355
Zinc concentrates (containing zinc, silver and by-products)	163,362	178,156
Precipitates (containing gold and silver)	297,303	235,540
Activated carbon (containing gold, silver and by-products)	258,875	37,162
Iron concentrates (containing silver, gold, lead and by-products)	6,267	5,583
	1,936,152	1,488,252

(c) Value of metal content in products sold

Invoiced revenues are derived from the value of metal content which is determined by commodity market prices and adjusted for the treatment and refining charges to be incurred by the metallurgical complex of our customer. The value of the metal content of the products sold, before treatment and refining charges is considered as an alternative performance measure for the Group. The Group considers this a useful additional measure to help understand underlying factors driving revenue in terms of volumes sold and realised prices. The value of production sold by metal is as follows:

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>(in thousands of US dollars)</i>	
Silver	827,671	774,027
Gold	959,834	580,296
Zinc	135,866	67,696
Lead	59,572	138,199
Value of metal content in products sold	1,982,943	1,560,218
Refining and treatment charges ¹	(46,791)	(71,966)
Total revenues ²	1,936,152	1,488,252

¹ The methodology to determine the refining and treatment charges takes into account industry benchmark charges and adjustments to reflect ore composition and transport costs, refer to note 16(b).

² Includes provisional price adjustments which represent changes in the fair value of trade receivables resulting in a gain of US\$4.6 million (2024: loss of US\$3.2 million).

The average realised prices for the gold and silver content of products sold prior to the deduction of treatment and refining charges, were:

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>(in US dollars per ounce)</i>	
Gold	3,167.62	2,171.91
Silver	33.67	27.62

i. Cost of sales

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>(in thousands of US dollars)</i>	
Depreciation and amortisation	241,425	304,230
Contractors	156,108	184,292
Operating materials	121,408	158,785
Maintenance and repairs	134,270	156,077
Energy	100,686	134,874
Personnel expenses ¹	112,350	123,172
Mining concession rights and contributions	13,445	13,447
Mine equipment leased	7,637	37,751
Surveillance	9,880	11,054
Insurance	6,460	6,618
IT services	5,325	4,064
Freight	3,350	4,044
Other ²	10,465	15,964
Cost of production	922,809	1,154,372
Loss on foreign currency hedges	-	29
Change in work in progress and finished goods (ore inventories)	(9,591)	(58,533)
Cost of sales	913,218	1,095,868

¹ Personnel expenses include employees' profit sharing of US\$7.9 million for the six months ended 30 June 2025 (six months ended 30 June 2024: US\$6.0 million).

² Mainly include buildings cleaning and maintenance services, short-term and low value leases and communications services.

6 Finance income and finance costs

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>(in thousands of US dollars)</i>	
Finance income:		
Interest on short-term deposits and investments	38,481	17,037
Interest on tax receivables	1,787	2,105
Other	1,882	20
	42,150	19,162
Finance costs:		
Interest on interest-bearing loans and notes payables	19,747	22,904

Interest on lease liabilities	456	511
Unwinding of discount on provisions	10,779	13,210
Other	795	2,522
	<u>31,777</u>	<u>39,147</u>

7 Income tax expense

	Six months ended 30 June	
	2025	2024
	(in thousands of US dollars)	
<i>Current corporate income tax:</i>		
Income tax charge	263,121	60,355
Amounts over provided in previous periods	(23,049)	(158)
	<u>240,072</u>	<u>60,197</u>
<i>Deferred corporate income tax:</i>		
Origination and reversal of temporary differences	(60,839)	9,379
Revaluation effects of Silverstream contract	(57,017)	19,938
	<u>(117,856)</u>	<u>29,317</u>
Corporate income tax	<u>122,216</u>	<u>89,514</u>
<i>Current special mining right:</i>		
Special mining right charge ¹	93,427	21,251
	<u>93,427</u>	<u>21,251</u>
<i>Deferred special mining right:</i>		
Origination and reversal of temporary differences	(22,875)	49,334
Special mining right	<u>70,552</u>	<u>70,585</u>
Income tax expense as reported in the income statement	<u>192,768</u>	<u>160,099</u>

¹ The total mining concession rights paid during the six-month period were US\$11.9 million (2024: US\$16.2 million) and have been recognised in the income statement within cost of sales and exploration expenses.

Tax charged within the six-month period ended 30 June 2025 has been calculated by applying the effective rate of tax which is expected to apply to the Group for the period ended 31 December 2025 using rates substantively enacted by 30 June 2025 as required by IAS 34 Interim Financial Reporting. The effective income tax rate expected for the full financial year is 18.5%, generating an income tax expense of US\$122.2 million.

The effective tax rate for corporate income tax for the six months ended 30 June 2025 is 18.5% (six months ended 30 June 2024: 32.2%) and 29.2% including the special mining right (six months ended 30 June 2024: 60.4%). The main factors that decrease the effective tax rate for corporate income tax below 30% are the foreign exchange effect on tax value of assets and liabilities (3.4)% the uplift of tax values corresponding to fixed assets (3.7)%, the Special Mining Right credit (3.2)% and the incentive for Northern Border Zone (3.3)%. The net deferred tax asset increase to US\$381.7 million (31 December 2024: net deferred tax asset of US\$257.5 million) is primarily due the increase in the value of tax assets due to effect of the devaluation of the US Dollar against the Mexican peso.

8 Earnings per share

Earnings per share ('EPS') is calculated by dividing profit for the period attributable to equity shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

The Company has no dilutive potential ordinary shares.

For the six months ended 30 June 2025 and 30 June 2024, earnings per share have been calculated as follows:

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>(in thousands of US dollars)</i>	
Earnings:		
Profit from the period attributable to equity holders of the Company	393,779	78,646
Adjusted profit from the period attributable to equity holders of the Company	526,818	32,125

Adjusted profit is profit for the period as disclosed in the Interim Consolidated Income Statement adjusted to exclude revaluation effects of the Silverstream contract of US\$190.0 million loss (US\$133.0 million net of tax) (2024: US\$66.5 million gain and US\$46.5 million net of tax).

Adjusted earnings per share have been provided in order to provide a measure of the underlying performance of the Group, prior to the revaluation effects of the Silverstream contract, a derivative financial instrument.

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Number of shares:		
Weighted average number of ordinary shares in issue ('000)	736,894	736,894

	<i>Six months ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
Earnings per share:		
Basic and diluted earnings per ordinary share (US\$)	0.534	0.107
Adjusted basic and diluted earnings per ordinary share (US\$)	0.715	0.044

9 Property, plant and equipment

The changes in property, plant and equipment, including right-of-use assets, during the six months ended 30 June 2025 are principally additions of US\$156.7 million (six months ended 30 June 2024: US\$135.6 million) and depreciation and amortisation of US\$242.5 million, of which US\$0.6 million was capitalised as a part of the cost of other fixed assets (six months ended 30 June 2024: US\$302.9 million, of which US\$0.7 million was capitalised). Significant additions include expansion of tailings dams at Juanicipio and Saucito, mining works at Fresnillo, Saucito and San Julian, and stripping cost at Herradura mine.

As of 30 June 2025, the Group has contractual commitments related to the construction and acquisition of property, plant and equipment of US\$101.8 million (30 June 2024: US\$78.9 million).

10 Silverstream contract

On 31 December 2007, the Group entered into an agreement with Peñoles through which it is entitled to receive the proceeds received by the Peñoles Group in respect of the refined silver sold from the Sabinas Mine ('Sabinas'), a base-metal polymetallic mine owned and operated by the Peñoles Group. The agreement required an upfront payment of US\$350 million by Fresnillo. In addition, a per ounce cash payment of US\$2.00 in years one to five and US\$5.00 thereafter (subject to an inflationary adjustment that commenced from 31 December 2013) is payable to Peñoles. The cash payment per ounce for the period ended 30 June 2025 was US\$5.83 per ounce (30 June 2024: US\$5.74 per ounce). Under the contract, the Group has the option to receive a net cash settlement from Peñoles attributable to the silver produced and sold from Sabinas, to take delivery of an equivalent amount of refined silver or to receive settlement in the form of both cash and silver. If, by 31 December 2032, the amount of silver produced by Sabinas is less than 60 million ounces, a further payment is due from Peñoles of US\$1.0 per ounce of shortfall.

On 12 November 2024 Fresnillo announced it had received notification from Peñoles, the owner and operator of the Sabinas mine, that the mine was experiencing operational and financial difficulties impacting silver production and the long-term viability of the mine and consequently of the Agreement. Fresnillo and Peñoles immediately set up a working group to assess the extent of the challenges faced by the mine and identify a realistic and sustainable solution for the Sabinas mine and the Agreement. As result, Fresnillo reported a revaluation loss of the Agreement, net of its amortisation and before taxes, of US\$182.3 million in its 2024 accounts, valuing the Agreement at US\$258.6 million before taxes.

In May 2025 the Group received an updated reserves report that is based on additional information obtained in 2025 from Peñoles for the Sabinas mine, audited independently by SRK Consulting in July, which used a rigorous criteria, including higher cut off grades and analysis new of infill exploration data. This showed a significant reduction in reserves from previous reports (more than 50%). In light of this additional information, a revised mine plan and sequencing programme were drawn up which materially impacted future production and free cash flow projections.

The Group together with Peñoles assessed strategic options for Sabinas given the financial profile of the mine whereby revenues did not cover its operational costs, nor the obligations imposed by the Agreement. These options included changing the terms and conditions of the Silverstream Agreement (increasing the strike price), the transfer of ownership of the mine to Fresnillo (becoming the owner and operator) and other ownership structures, in lieu of the Agreement, or immediate suspension of mine operations for an indefinite period. Based on the analysis and after careful consideration, it was concluded there were no realistic prospect of increasing the expected value of the mine nor the possibility of continuing with the Agreement in its current form.

Finally, Peñoles offered US\$40 million to buy back the Silverstream agreement as an additional alternative. Based on the above-mentioned analysis Management considers this to be the best option in terms of risk and rewards.

The Silverstream contract represents a derivative financial instrument which has been recorded at Fair Value Through Profit or Loss (FVPL) and classified within non-current and current assets as appropriate. Changes in the contract's fair value, other than those represented by the realisation of the asset through the receipt of either cash or refined silver, are charged or credited to the Interim Consolidated Income Statement.

As of 30 June 2025, the Group has adjusted the fair value of the Silverstream contract to reflect the offer of US\$40 million from Peñoles to buyback the Contract.

Judgments and key estimates used to determine the fair value as of 30 June 2025 consider key new information obtained during the period. The various strategic alternatives were assessed from a financial and operational perspective, including the assessment of the expected remaining value of the mine, considering the revised mine plan. The Group has performed relevant procedures, including financial and operational due diligence, which was validated by SRK in July, and has held discussions between the parties and internal governance procedures, comprising Board and Audit Committee meetings.

The Independent Directors of Fresnillo have received financial advice from BofA Securities in relation to the consideration payable by Peñoles to Fresnillo to buy back the Silverstream agreement.

The Independent Directors believe the valuation offered by the buyback of the Silverstream Agreement is fair and in the best interests of Fresnillo shareholders given the considerable challenges identified.

Although the final acceptance of Peñoles' offer is expected subsequent to the reporting period, taking into account the due diligence performed and the external advice taken, the Group has concluded that the offer from Peñoles represents the fair value of the underlying silver capable of being mined at Sabinas. This value has been used as the key input into the fair value model for the Silverstream derivative as at 30 June 2025.

In the six months ended 30 June 2025, total proceeds received in cash were US\$34.2 million (2024: US\$13.7 million) of which, US\$5.8 million was in respect of proceeds receivable as at 30 June 2025 (2024: US\$16.5 million). Cash received in respect of the period of US\$17.7 million (six months ended 30 June 2024: US\$8.6 million) corresponds to 1.6 million ounces of payable silver (six months ended 30 June 2024: 0.7 million ounces). As at 30 June 2025, a further US\$10.8 million (30 June 2024: US\$8.2 million) of cash corresponding to 194,962 ounces of silver is due (30 June 2024: 346,983 ounces).

A reconciliation of the beginning balance to the ending balance as at 30 June 2025 and 31 December 2024 is shown below.

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>(in thousands of US dollars)</i>	
Beginning balance	258,641	482,340
Cash received in respect of the period	(17,735)	(24,907)
Cash receivable	(10,851)	(16,515)
Remeasurement gain recognised in profit or loss	(190,055)	(182,276)
Ending balance	40,000	258,641
Less-Current portion	40,000	44,204
Non-current portion	-	214,437

The US\$190.0 million unrealised loss recorded in the Interim Consolidated Income Statement (six months ended 30 June 2024: US\$66.4 million gain) resulted mainly resulted from the decrease in reserves in Sabinas mine which underlies the change in the expected future proceeds.

As of 31 December 2024, the fair value of Silverstream contract was based on the following significant assumptions:

- Forecasted volumes (millions of ounces/moz):
 - Silver to be produced and sold over the life of mine 29.0 moz
 - Average annual silver to be produced and sold 2.9 moz
- Weighted average discount rate 20.1%
- Future silver prices (US\$ per ounce)

As at	Year 1	Year 2	Year 3	Year 4	Year 5	Long-term
31 December 2024	29.70	31.36	32.74	33.31	33.77	24.5

11 Inventories

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
	<i>(in thousands of US dollars)</i>	
Finished goods ¹	81,977	36,766
Work in progress ²	242,744	274,936
Ore stockpile ³	3,370	6,281
Operating materials and spare parts	177,295	177,043
Inventories at lower of cost and net realisable value	505,386	495,026
Allowance for obsolete and slow-moving inventories	(14,535)	(12,849)
Balance at lower of cost and net realisable value	490,851	482,177
Less-Current portion	421,091	412,417
Non-current portion ⁴	69,760	69,760

¹ Finished goods include metals contained in concentrates and doré bars, and concentrates on hand or in transit to a smelter or refinery.

² Work in progress includes metals contained in ores on leaching pads for an amount of US\$212.6 million (2024: US\$253.5 million) and in stockpiles US\$30.1 million (2024: US\$21.4 million) that will be processed in dynamic leaching plants.

³ Ore stockpile includes ore mineral obtained at Juanicipio.

⁴ Non-current inventories relate to ore in leaching pads where the leaching process has stopped and is not expected to restart within twelve months. As at 30 June 2025 and 31 December 2024 non-current inventories corresponds to Soledad & Dipolos mine unit.

12 Trade and other receivables

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
	<i>(in thousands of US dollars)</i>	
Trade receivables from related parties (Note 16) ¹	457,431	548,760
Value Added Tax receivable ²	38,732	89,441
Other receivables from related parties	17,675	17,339
Other trade receivables ¹	405	2,079
Other receivables	18,443	16,885
	532,686	674,504
Expected credit loss of 'Other receivables'	(350)	(293)
	532,336	674,211
Other receivables classified as non-current assets:		
Other receivables	4,769	5,264
Value Added Tax receivable ²	39,084	-
	43,853	5,264
	576,189	679,475

¹ Trade receivables from related parties and other trade receivables are valued at fair value based on forward market prices.

² During the first half of 2025, the Group received a new ruling corresponding to Value Added Tax favourable balances that were already undergoing a legal process. Based on the latest ruling, the Group expects to recover the balances in a period that exceeds twelve months; thus, the corresponding balance has been presented as long-term.

Balances corresponding to Value Added Tax receivables and US\$2.3 million within Other receivables (2024: US\$2.3 million) are not financial assets.

13 Cash and cash equivalents

The Group considers cash and cash equivalents when planning its operations and in order to achieve its treasury objectives.

	<i>As at 30 June 2025 (in thousands of US dollars)</i>	<i>As at 31 December 2024</i>
Cash at bank and on hand	8,265	2,194
Short-term deposits	1,536,824	1,108,219
Cash and cash equivalents	1,545,089	1,110,413

Cash at bank earns interest at floating rates based on daily bank deposits. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. Short-term deposits can be withdrawn at short notice without any penalty or loss in value.

	<i>As at 30 June 2025 (in thousands of US dollars)</i>	<i>As at 31 December 2024</i>
Short-term investments	277,869	187,403

Short-term investments are made for fixed periods longer than three months and earn interest at fixed rates without an option for early withdrawal. As at 30 June 2025 short-term investments are held in fixed-term bank deposits of US\$277.9 million (31 December 2024: US\$187.4 million).

14 Dividends paid

Dividends declared and authorised by the Company are as follows:

	<i>Per share US Cents</i>	<i>Amounts US\$ Million</i>
Six months ended 30 June 2025		
Total dividends paid during the period ^{1,2}	67.9	500.3
Six months ended 30 June 2024		
Total dividends paid during the period ³	4.2	30.9

¹ Final dividend for 2024 US\$26.1 cents approved at the Annual General Meeting on 20 May 2025 and paid on 30 May 2025.

² Special dividend for 2024 US\$41.8 cents approved at the Annual General Meeting on 20 May 2025 and paid on 30 May 2025.

³ Final dividend for 2023 approved at the Annual General Meeting on 21 May 2024 and paid on 29 May 2024.

A reconciliation between dividend declared, dividends recognised in retained earnings and dividend presented in the cash flow statements is as follows:

	<i>Six months ended 30 June</i>	
	<i>2025 US\$ thousands</i>	<i>2024 US\$ thousands</i>
Dividends declared and authorised	500,351	30,950
Foreign exchange and hedging effect	655	28
Dividends paid	501,006	30,978

The directors have declared an interim dividend of US\$20.8 cents per share and is not recognised as a liability as at 30 June 2025. Dividends paid from the profits generated from 1 January 2014 to residents in Mexico and to non-resident shareholders may be subject to an additional tax of up to 10%, which will be withheld by the Group.

15 Contingencies

The contingencies in the Group's annual consolidated financial statements for the year ended 31 December 2024 as published in the 2024 Annual Report, are still applicable as of 30 June 2025, with the following updates:

(Regarding the 2017 tax audit of Comercializadora de Metales Fresnillo, on 4 April 2025, PRODECON concluded the process, and no agreement was reached between Comercializadora de Metales Fresnillo and the Mexican tax authorities (SAT) on the Conclusive Agreement procedure. The SAT must issue its conclusion on this matter no later than September 2025.

Regarding the 2018 tax audit of Comercializadora de Metales Fresnillo, findings were shared by the SAT on 10 March 2025, which mainly relate to the tax treatment of the Silverstream transaction. The Company responded on 4 April 2025 and began a Conclusive Agreement procedure before the Mexican tax ombudsman (PRODECON).

On 6 November 2024, the SAT initiated an audit of the income tax computation of Comercializadora de Metales Fresnillo for the year 2019.

The Company has continued to discuss with the SAT the Silverstream transaction for the years 2016 through 2019, and it is expected that a favourable outcome for the Company is finalized no later than September 2025.

It is not practical to determine the amount of any potential claims or the likelihood of any unfavourable outcome arising from this or any future inspections that may be initiated.).

The Directors and their external tax advisors consider management's interpretation of the relevant legislation and assessment of taxation to be appropriate, that the Group has complied with all regulations and paid or accrued all taxes and withholdings that are applicable and that it is probable that the Group's tax position will be sustained.

Regarding Soledad and Dipolos rulings on occupation agreements over land where no extraction took place, in April 2025 the Agrarian Court issued a highly irregular order (in form and substance) as it encompasses extraction of minerals carried out in the Dipolos Pit, which matter was already the subject of a different and final unappealable judicial ruling which did not include restitution of any minerals extracted from the Dipolos pit. Fresnillo strongly refutes the court order and has challenged it before the competent federal courts where definitive stay orders have been granted in favour of Minera Penmont with the effect of suspending any payment obligation on behalf of Minera Penmont until the matter is definitively settled by the federal courts. At this stage, the Company holds strong arguments to believe that the Agrarian Court's decision will be overturned by the higher federal courts, therefore, no provision has been recorded in respect of this matter..

16 Related party balances and transactions

The Group had the following related party transactions during the six months ended 30 June 2025 and 30 June 2024 and balances as at 30 June 2025 and 31 December 2024.

Related parties are those entities owned or controlled by the ultimate controlling party, as well as those who have a minority participation in Group companies and key management personnel of the Group.

(a) Related party accounts receivable and payable

	<i>Accounts receivable</i>		<i>Accounts payable</i>	
	<i>As at 30</i>	<i>As at 31</i>	<i>As at 30</i>	<i>As at 31</i>
	<i>June 2025</i>	<i>December 2024</i>	<i>June 2025</i>	<i>December 2024</i>
	<i>(in thousands of US dollars)</i>			
<i>Trade:</i>				
Metalúrgica Met-Mex Peñoles, S.A. de C.V.	457,431	548,760		6,622
<i>Other:</i>				
Industrias Peñoles, S.A.B. de C.V.	15,597	16,516	8,485	-
Metalúrgica Met-Mex Peñoles, S.A. de C.V.	1,656	322	695	1,791
Servicios Administrativos Peñoles, S.A. de C.V.			28,865	6,420
Servicios Especializados Peñoles, S.A. de C.V.			5,299	10,374
Fuentes de Energía Peñoles, S.A. de C.V.			19,141	6,373
Termoeléctrica Peñoles, S. de R.L. de C.V.			-	439
Peñoles Tecnología, S.A. de C.V.			4,004	1,640
Eólica de Coahuila S.A. de C.V.			3,483	2,693
Minera Capela, S.A. de C.V.			2	2
Grupo Nacional Provincial, S.A. B. de C.V.	374	357		
Other	48	144	2,101	2,849
	<u>475,106</u>	<u>566,099</u>	<u>72,075</u>	<u>39,203</u>

Related party accounts receivable and payable will be settled in cash.

Other balances due from related parties:

	<i>As at 30 June 2025</i>	<i>As at 31 December 2024</i>
	<i>(in thousands of US dollars)</i>	
<i>Silverstream contract:</i>		
Industrias Peñoles, S.A.B. de C.V.	<u>40,000</u>	<u>258,641</u>

Details of the Silverstream contract are provided in note 10.

(b) Principal transactions with affiliates are as follows:

	<i>Six months ended 30 June 2025</i>	<i>2024</i>
	<i>(in thousands of US dollars)</i>	
<i>Income:</i>		
<i>Sales¹:</i>		
Metalúrgica Met-Mex Peñoles, S.A. de C.V.	<u>1,929,885</u>	<u>1,482,686</u>
<i>Other income</i>	<u>4,641</u>	<u>915</u>
Total income	<u>1,934,526</u>	<u>1,483,601</u>

Six months ended 30 June
2025 2024
(in thousands of US dollars)

Expenses:

Administrative Services:

Servicios Administrativos Peñoles, S.A. de C.V. ²	22,367	27,798
Servicios Especializados Peñoles, S.A. de C.V. ³	2,583	8,852
Peñoles Tecnología, S.A. de C.V.	2,438	2,389
	<u>27,388</u>	<u>39,039</u>

Energy:

Fuentes de Energía Peñoles, S.A. de C.V.	19,503	15,183
Termoeléctrica Peñoles, S. de R.L. de C.V.	-	9,009
Eólica de Coahuila, S.A. de C.V.	21,215	27,457
	<u>40,718</u>	<u>51,649</u>

Operating materials and spare parts:

Wideco Inc	2,688	2,720
Metalúrgica Met-Mex Peñoles, S.A. de C.V.	7,894	29,828
	<u>10,582</u>	<u>32,548</u>

Equipment repairs and administrative services:

Serviminas, S.A. de C.V.	311	576
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Insurance premiums:

Grupo Nacional Provincial, S.A.B. de C.V.	5,868	2,224
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Other expenses

	1,824	1,354
Total expenses	<u>86,691</u>	<u>127,390</u>

2 Includes US\$0.1 million (2024: US\$0.5 million) corresponding to expenses reimbursed.

3 Includes US\$ null (2024: US\$4.2 million) relating to engineering costs that were capitalised.

(c) Compensation of key management personnel of the Group

Key management personnel include the members of the Board of Directors and the Executive Committee who receive remuneration.

Six months ended 30 June
2025 2024
(in thousands of US dollars)

Salaries and bonuses	4,378	2,015
Post-employment pension	197	148
Other benefits	230	248
Total compensation paid to key management personnel	<u>4,805</u>	<u>2,411</u>

17 Notes to the consolidated statement of cash flows

	Notes	Six months ended 30 June	
		2025	2024
(in thousands of US dollars)			
Reconciliation of profit for the period to net cash generated from operating activities			
Profit for the period		467,563	117,676
Adjustments to reconcile profit for the period to net cash inflows from operating activities:			
Depreciation and amortisation		241,898	304,781
Employee profit sharing		8,024	6,403
Deferred income tax (credit)/expense	7	(140,731)	78,651
Current income tax expense	7	333,499	81,448
Loss on the sale of property, plant and equipment		706	209
Net finance (income)/costs		(7,407)	14,732
Foreign exchange gain		11,051	9,668
Difference between pension contributions paid and amounts recognised in the income statement		721	829
Dividends received from equity instruments at FVOCI		(1,752)	-
Changes in fair value of Silverstream	10	190,055	(66,459)
Operating cash flow before change in working capital		1,103,627	547,938
Working capital adjustments			
Decrease/(increase) in trade and other receivables		103,938	(12,817)
(Increase)/decrease in prepayments and other assets		(5,094)	12,154
Increase in inventories		(8,674)	(46,259)
Increase/(decrease) in trade and other payables		101,693	(30,022)
Cash generated from operations		1,295,490	470,994
Income tax paid ¹		(243,772)	(69,358)
Employee profit sharing paid		(11,632)	(2,062)
Net cash from operating activities		1,040,086	399,574

¹ Income tax paid includes US\$177.1 million corresponding to corporate income tax (June 2024: US\$46.5 million) and US\$63.2 million corresponding to special mining right (June 2024: US\$22.9 million), for further information refer to note 7.

18 Financial instruments

a. Classification

As at 30 June 2025				
US\$ thousands				
Financial assets:	Amortised cost	Fair value through OCI	Fair value (hedging instruments)	Fair value through profit or loss
Trade and other receivables ¹	12,164	-	-	468,282
Equity instruments at FVOCI	-	39,677	-	-
Silverstream contract				40,000
Derivative financial instruments	-	-	819	-
Financial liabilities:		Amortised Cost	Fair value (hedging instruments)	Fair value through profit or loss
Interest-bearing loans			839,609	-
Trade and other payables			210,634	-

As at 31 December 2024				
US\$ thousands				
Financial assets:	Amortised cost	Fair value through OCI	Fair value (hedging instruments)	Fair value through profit or loss
Trade and other receivables ¹	8,542	-	-	565,276
Equity instruments at FVOCI	-	139,968	-	-
Silverstream contract	-	-	-	258,641
Financial liabilities:		Amortised Cost	Fair value (hedging instruments)	Fair value through profit or loss
Interest-bearing loans		839,507	-	-
Notes payable ²		2,055	-	-
Trade and other payables		150,094		
Derivative financial instruments			189	-

¹ Trade and other receivables and embedded derivative within sales contracts are presented net in Trade and other receivables in the balance sheet.

² Corresponds to interest-bearing notes payable received from Minera los Lagartos, S.A. de C.V. which holds a non-controlling interest in Juanicipio project. The notes were denominated in US Dollars and bear interest at a rate that ranges between 6.76% to 7.34%. During the period of six months ended June 2025 payments from these notes amounted to US\$2.1 million (2024: nil). Interest paid amount US\$0.1 million (2024: US\$4.0 million).

b. Fair value measurement

Fair value hierarchy

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the interim consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The value of financial assets and liabilities other than those measured at fair value are as follows:

	Carrying amount		Fair value	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	<i>US\$ thousands</i>			
Financial assets:				
Trade and other receivables	12,164	8,542	12,164	8,542
Financial liabilities:				
Interest-bearing loans ¹	839,609	839,507	613,734	605,396
Trade and other payables	210,634	150,094	210,634	150,094
Notes payable	-	2,055	-	2,055

¹ Interest-bearing loans are categorised in Level 1 of the fair value hierarchy.

The carrying amounts of all other financial instruments are measured at fair value.

The financial assets and liabilities measured at fair value are categorised into the fair value hierarchy as follows:

As of 30 June 2025				
	Fair value measure using			
	Quoted prices in active markets (Level 1)	Significant observable (Level 2)	Significant unobservable (Level 3)	Total
	US\$ thousands			
Financial assets:				
Trade receivables	-	-	457,431	457,431
Other receivables from related parties ¹	-	-	10,851	10,851
Derivative financial instruments:				
Silverstream contract	-	-	40,000	40,000
Option and forward foreign exchange contracts	-	819	-	819
Other financial assets:				
Equity instruments at FVOCI	39,677	-	-	39,677
	39,677	819	508,282	508,282

¹ This balance corresponds to the cash receivable related to the Silverstream contract, see note 10.

As of 31 December 2024				
	Fair value measure using			
	Quoted prices in active markets (Level 1)	Significant observable (Level 2)	Significant unobservable (Level 3)	Total
	US\$ thousands			
Financial assets:				
Trade receivables	-	-	548,760	548,760
Other receivables from related parties ¹	-	-	16,516	16,516
Derivative financial instruments:				
Silverstream contract	-	-	258,641	258,641
Other financial assets:				
Equity instruments at FVOCI	139,968	-	-	139,968
	139,968		823,917	963,885

¹ This balance corresponds to the cash receivable related to the Silverstream contract, see note 10.

There have been no significant transfers between Level 1 and Level 2 of the fair value hierarchy, and no transfers into or out of Level 3 fair value measurements.

A reconciliation of the opening balance to the closing balance for Level 3 financial instruments other than Silverstream and the related receivable with the contract (which is disclosed in Note 10) is shown below:

	2025	2024
	<i>US\$ thousands</i>	
Balance at 1 January	548,760	307,302
Sales	1,931,388	1,491,486
Cash collection	(2,027,481)	(1,436,436)
Changes in fair value	16,762	5,556
Realised embedded derivatives during the year	(11,998)	(8,790)
Balance at 30 June	457,431	359,118

The fair value of financial assets and liabilities is included at reflects the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Valuation techniques

The following valuation techniques were used to estimate the fair values:

Option commodity contracts

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The Level 2 option commodity contracts are measured based on observable spot commodity prices, the yield curves of the respective commodity as well as the commodity basis spreads between the respective commodities. The option contracts are valued using the Black-Scholes model, the significant inputs to which include observable spot commodities price, interest rates and the volatility of the commodity.

Option and forward foreign exchange contracts

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The Level 2 foreign currency forward contracts are measured based on observable spot exchange rates, the yield curves of the respective currencies as well as the currency basis spreads between the respective currencies. The foreign currency option contracts are valued using the Black-Scholes model, the significant inputs to which include observable spot exchange rates, interest rates and the volatility of the currency.

Silverstream contract

For further information relating to the valuation techniques were used to estimate the fair value of the Silverstream contract refer to note 10.

Equity investments

The fair value of equity investments is derived from quoted market prices in active markets.

Interest-bearing loans

The fair value of the Group's interest-bearing loan is derived from quoted market prices in active markets.

Trade receivables

Sales of concentrates, precipitates and doré bars are ‘provisionally priced’ and revenue is initially recognised using this provisional price and the Group’s best estimate of the contained metal. Revenue is subject to final price and metal content adjustments subsequent to the date of delivery. This price exposure is considered to be an embedded derivative and therefore the entire related trade receivable is measured at fair value.

At each reporting date, the provisionally priced metal content is revalued based on the forward selling price for the quotational period stipulated in the relevant sales contract. The selling price of metals can be reliably measured as these metals are actively traded on international exchanges but the estimated metal content is a non-observable input to this valuation.

c. Capital management

The primary objective of the Group’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratios that support its business and maximise shareholder value. Management considers capital to consist of equity and interest-bearing loans, including loans from related parties, as disclosed in the balance sheet, excluding net unrealised gains or losses on revaluation of cash flow hedges and debt instruments. In order to ensure an appropriate return for shareholder’s capital invested in the Group management thoroughly evaluates all material projects and potential acquisitions and approves them at its Executive Committee before submission to the Board for ultimate approval, where applicable. The Group’s dividend policy is based on the profitability of the business and underlying growth in earnings of the Group, as well as its capital requirements and cash flows, including cash flows from the Silverstream.

One of the Group’s metrics of capital is cash and other liquid assets which as at 30 June 2025 and 2024 consisted of only cash and cash equivalents.