



Capital Markets Day

Monday 2nd December 2019

LSE: FRES BMV: FRES
www.fresnilloplc.com

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the Fresnillo Group’s intentions, beliefs or current expectations concerning, among other things, the Fresnillo Group’s results of operations, financial position, liquidity, prospects, growth, strategies and the silver and gold industries.

By their nature, 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, political and economic uncertainty.

Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this document speak only as of the date of this document, reflect the Fresnillo Group’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Fresnillo Group’s operations, results of operations, growth strategy and liquidity. Investors should specifically consider the factors identified in this document which could cause actual results to differ before making an investment decision. Subject to the requirements of the Prospectus Rules, the Disclosure and Transparency Rules and the Listing Rules or applicable law, the Fresnillo Group explicitly disclaims any obligation or undertaking publicly to release the result of any revisions to any forward-looking statements in this document that may occur due to any change in the Company’s expectations or to reflect events or circumstances after the date of this document.

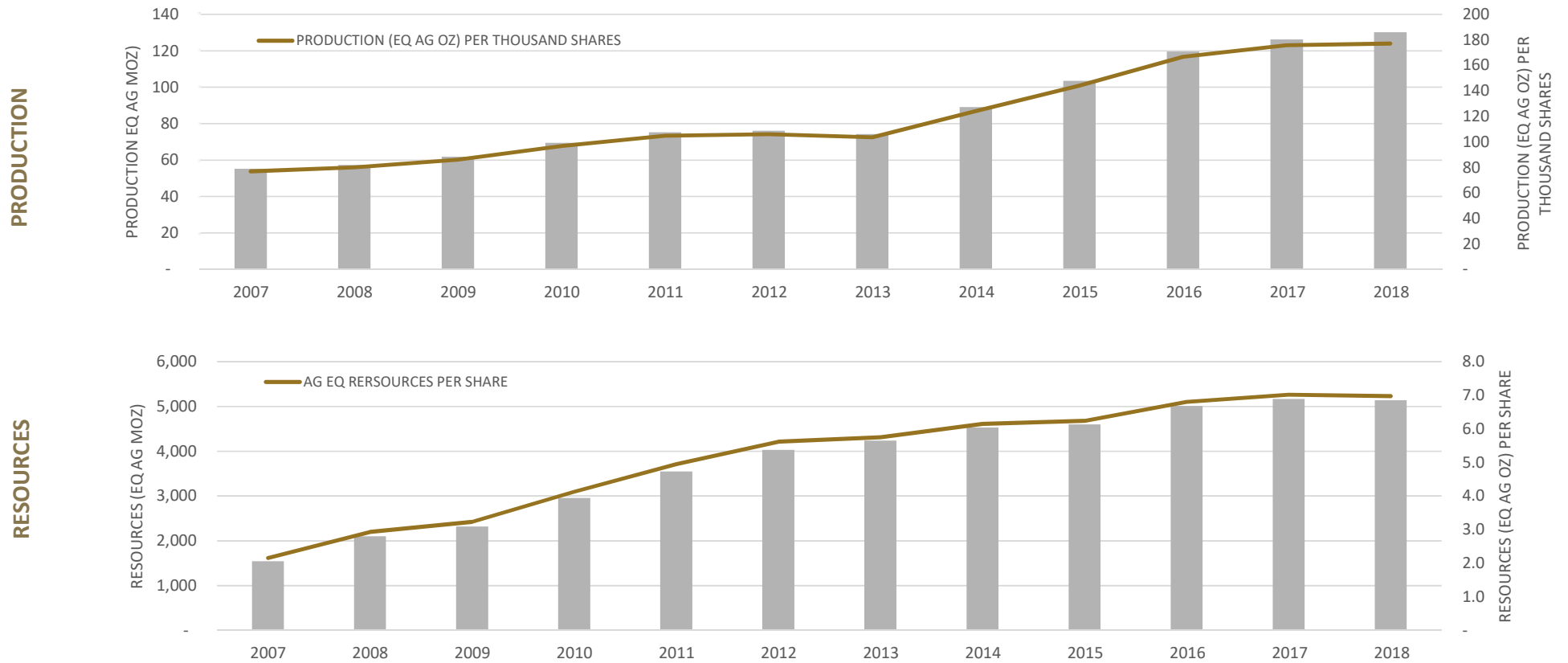
TIME	MIN	PRESENTER	TOPIC
08:30 – 08:35	05	Octavio Alvidrez	Introduction
08:35 – 09:35	60	Andre Sougarret	Operations
09:35 – 09:50	15	David Giles	Geological Model/ R&R (operating mines)
09:50 – 10:10	20	Octavio Alvidrez	Projects
10:10 – 10:40	30	David Giles	Exploration (new projects)
10:40 – 10:50	10		BREAK
10:50 – 11:20	30	Mario Arreguín	Costs
11:20 – 11:45	25	Exequiel Rolón	ESG
11:45 – 11:50	5	Octavio Alvidrez	Closing remarks
11:50 – 12:30	40		Q&A

FRESNILLO TODAY



- **7 OPERATIONS** ACROSS MEXICO
- **WORLD'S LARGEST** SILVER PRODUCER & MEXICO'S LARGEST GOLD PRODUCER
- SILVER RESOURCES OF **2.2 BILLION OUNCES** AND GOLD RESOURCES OF **39.1 MILLION**
- **GROWTH POTENTIAL** SUPPORTED BY MINING CONCESSIONS ACROSS MEXICO, PERU AND CHILE
- SUBSTANTIAL, HIGH QUALITY PROJECT PIPELINE AND STRONG COMMITMENT TO **DISCIPLINED** AND **SUSTAINABLE GROWTH**
- **DEDICATED AND EXPERIENCED** MANAGEMENT TEAM SUPPORTED BY AN INTERNATIONAL HIGH CALIBER BOARD WITH A COMMITMENT TO **STRONG GOVERNANCE**
- FOCUS ON GREENFIELD AND BROWNFIELD PROJECTS THAT CAN BE DEVELOPED INTO LOW-COST, **WORLD-CLASS MINES**

A DECADE OF PRODUCTION AND RESOURCE GROWTH PER SHARE



8.1% CAGR in Production since IPO

GROWTH AND RETURNS

INVESTING IN GROWTH

Total Exploration Expenses from the last decade (2008 to 2018)

US\$ 1,738.6 million

Total CAPEX from the last decade (2008 to 2018)

US\$ 4,950.7 million

GROWTH OUTCOME

Increase in silver equivalent resources (2007-2018)

4,817.4 million ounces*
(Increase of 143%)

Production growth (2007 to 2018)

Silver – 80%
Gold – 230%

RETURNS

EBITDA (2008 to 2018)

Total EBITDA – US\$ 9,485m
Average EBITDA – US\$ 862m
Average EBITDA margin – 52%

Total Dividends Paid since IPO (2008 to 2018)

US\$ 2,790.2 million

*Measured, Indicated and Inferred resources, considering a Gold/Silver ratio of 74. Includes resources mined and processed.

OUR KEY COMPETITIVE ADVANTAGES POSITION US TO MEET NEAR-TERM COMMITMENTS AND DRIVE LONG-TERM VALUE

INVESTMENT PROPOSITION



HIGH QUALITY ASSETS

COMPETITIVE MARGINS
SUPPORTED BY A FOCUS ON
COST

DISCIPLINED APPROACH TO
DEVELOPMENT

COMMITMENT TO SUSTAINABLE
BUSINESS PRACTICES

STRONG BALANCE SHEET

2.2 BNOZ OF SILVER
RESOURCES

CONSOLIDATED SILVER
CASH COST OF US\$7.88¹
PER OZ.

[ATTRACTIVE/SOLID]
PROJECT PIPELINE

DEDICATED TEAMS
FOCUSED ON PROMOTING
AND SUPPORTING LOCAL
COMMUNITIES

TRAILING 12 MONTH NET
DEBT TO EBITDA OF 0.67x

39.1 MOZ OF GOLD
RESOURCES

I CARE WE CARE
PROGRAMME

TODAYS FOCUS

CHALLENGES

- Flat Production
- Greater variability in the operations
 - Lower operational flexibility
 - Lack of skilled personnel
 - Contractor underperformance
- Higher costs
 - Longer haulage distances
 - Mining at deeper levels
 - Lower productivity
- Project execution
- Country risk uncertainty

FOCUSED ACTION PLAN

- Stabilise current operations and improve performance
- Prepare quality growth - Juanicipio
- Intensive infill drilling programme
- Innovative training facilities
- [Improve/enhance our attraction and retention processes]
- Increase development rates
- Selective contractor base including larger and more experienced international contractors
- Improve operational control and short term planning
- Infrastructure projects
- Improve mine coordination and efficiency with IT
- Increase utilisation indicators
- Efficiency agreements with union
- Implement innovation projects (LNG)
- Project development framework to reflect permitting and construction timings/considerations
- Proactive communications with government officials through the mining and industry chambers and directly



OPERATIONS

ANDRÉ SOUGARRET - CHIEF OPERATING OFFICER

BACKGROUND



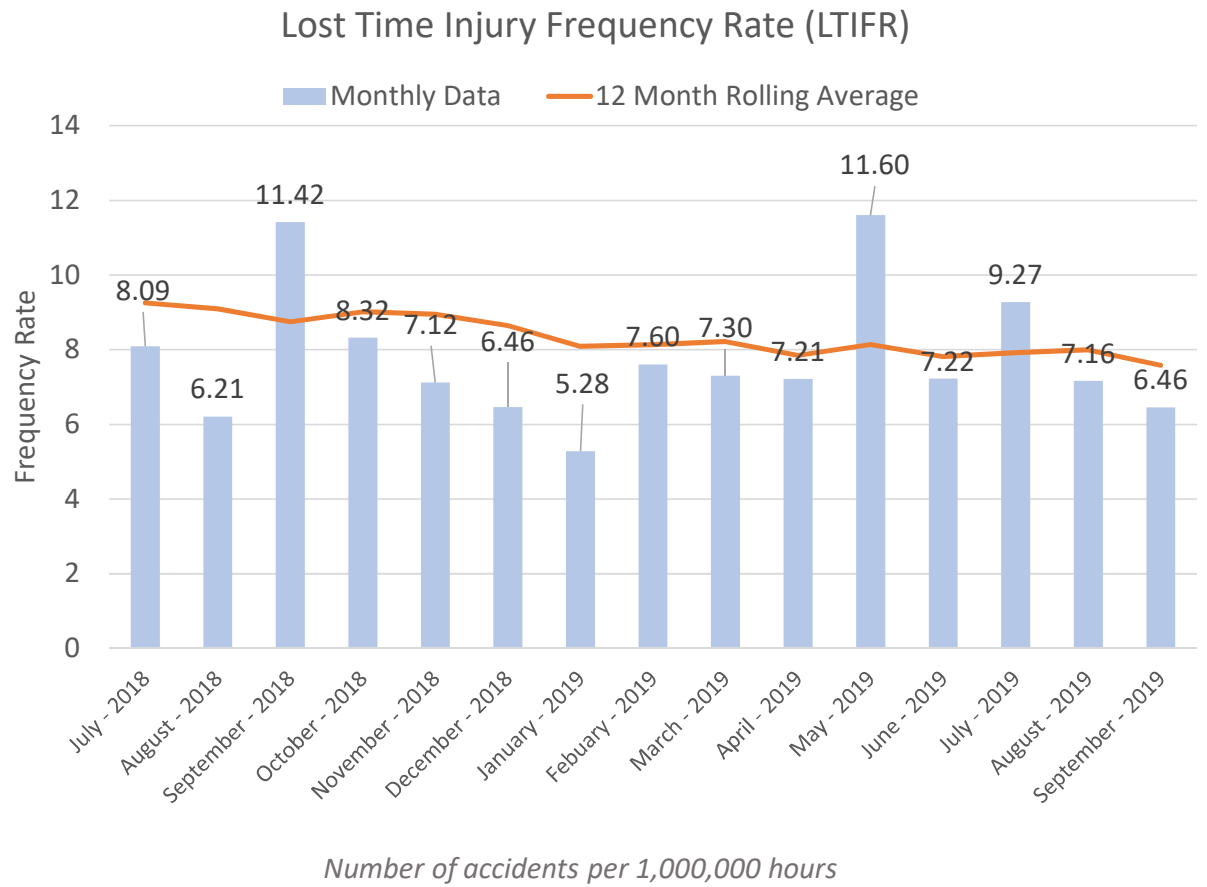
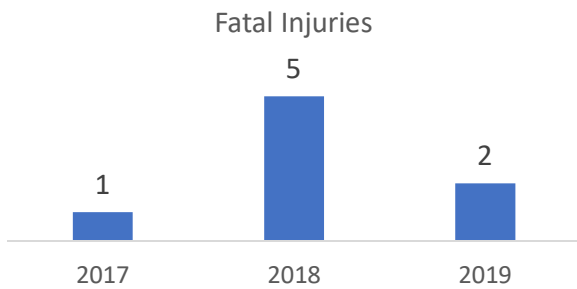
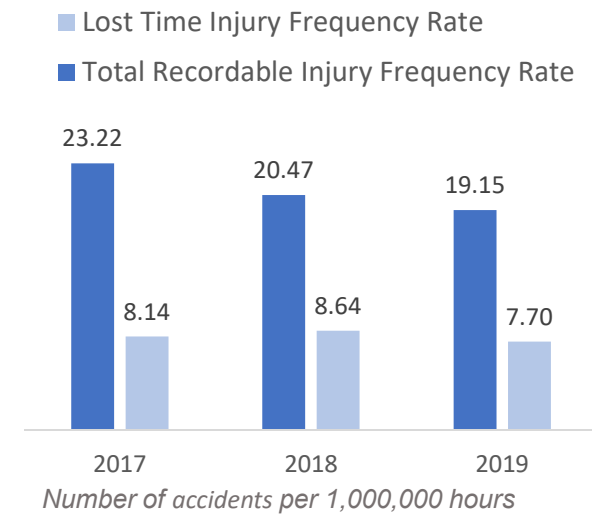
FIRST IMPRESSIONS

- Major Mexican business with long track record
- Cultural commitment to safety, community and staff development
- Magnificent resource base – massive long term sustainable operation
- Manageable near term operational challenges that are being proactively addressed
- Employees have a good level of technical ability

CORE AREAS OF FOCUS

1. Safety
2. Addressing near term operational challenges head-on
3. Reduce costs and improve efficiency of our assets
4. Strengthen the long term planning
5. Delivering sustainable turnaround of Fresnillo

SAFETY PERFORMANCE



“I CARE, WE CARE” PROGRAMME - STRATEGIES

- Global **health and safety** programme
- Based on shared values across the entire organisation **“caring for our people”**
- Driven by **senior management**
- Focus on **high potential incidents**



LEADERSHIP
VALUES-DRIVEN LEADERSHIP

- SENIOR LEADERSHIP EDUCATION COURSES
- SUPERVISOR EDUCATION COURSES
- COACHING OUR PEOPLE



ACCOUNTABILITY
INTEGRATION OF SAFETY AND OPERATIONAL MANAGEMENT SYSTEMS

- MOVE SAFETY TO LINE MANAGEMENT
- SENIOR MANAGEMENT INVOLVEMENT IN PROCESSES, SYSTEMS, OPERATIONS AND REPORTS



RISK COMPETENCIES – BEHAVIOURS
A MATURE AND “RESILIENT” SAFETY CULTURE

- STEPBACK & THINK
- POSITIVE RECOGNITION



RISK COMPETENCIES – SYSTEMS
ESTABLISH A RISK-BASED MANAGEMENT SYSTEM

- INTERNAL DOCUMENTS ALLIGNED WITH ISO STANDARDS
- CRITICAL RISK CONTROL PROTOCOLS AND ORGANISATIONAL IMPLEMENTATION



LEARNING ENVIRONMENT
REDUCE RISKS THROUGH ENGINEERING, SYSTEMS, BEHAVIOURS AND LESSONS LEARNED

- COMMUNICATE AND IMPLEMENT IMPROVEMENTS AND CORRECTIVE ACTIONS
- PEER REVIEWS – EYE ON RISK

TAILINGS DAMS - REVIEW UPDATE

Fresnillo remains committed to updating TSF governance practices to meet all industry standards



- Internal annual peer reviews
- Water quality monitoring and control
- Third party risk review
- External consultants for design, analysis and construction
- Environmental reviews and certification by regulators
- Incorporation of international design criteria in designs for new TSFs

Fresnillo PLC	Site	Status
Minera Panmont	Depósito Herradura	On operation
Minera San Julián	Depósito 1	On operation
Minera Saucito	Depósito 1	On operation
Minera Mexicana La Ciénega	Depósito 1	On operation
	Depósito 2	On construction
	Depósito 3	On construction
Minera Fresnillo	Depósito Beleña	Closed
	Depósito Los Chinos	On operation
	Depósito San Carlos	On operation
	Depósito San Luis	On operation
	Antigua	Closed
	Sajon	Closed
	Sección II	Closed
	Emergencia	Closed
Other Closed TSF	Las Torres	Closed
	Las Torres Cedros 1	Closed
	Las Torres Cedros 2	Closed
	Las Torres Cedros 3	Closed
	Las Torres Cedros 4	Closed
	Las Torres Coronelas 1	Closed
	Las Torres Coronelas 2	Closed
	Tocayoc	Closed

A series of initiatives were launched in early 2019 to align governance practices with current best practice

- Updating the inventory of TSFs and validating data register
- Starting a programme of third party (Wood PLC) Dam Safety Inspections (DSIs) for TSFs
- Establishment of an Independent Tailing Review Panel (ITRP)
- Accelerated programme of independent expert site reviews for all sites

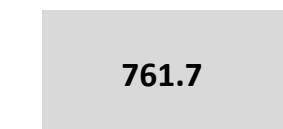
Fresnillo has engaged ITRP to advise on design and implementation of new a governance standard and organisational structure

- The new governance standard, based on ICOLD, CDA, MAC and ICMM guidelines, is being formalised and implemented
- Overarching organisational structures are being implemented
- Currently identifying and engaging Engineers of Record (EoRs) for all sites
- Initiating programme of Dam Safety Reviews (DSRs) for all sites (to be combined with engagement of EoRs where possible)
- Intensified initial period of participation by ITRP

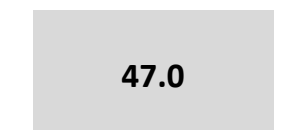
FRESNILLO PLC – GROUP LEVEL

OPERATIONAL PRIORITIES

GOLD PRODUCTION (KOZ)



SILVER PRODUCTION (MOZ)



KEY OBJECTIVES

1. Increase personnel safety
2. Operate the seven mines at full capacity and as efficiently as possible
3. Focus on costs and increasing productivity
4. Implement industry best practices
5. Prepare mines for the medium & long term
6. Extend mine life by converting resources into reserves

885 ±1%

55 ±1%

INVESTING IN THE DRIVERS

1. Operational discipline and best practices
2. Flexible long term mine plan
3. Mining infrastructure and preparation and mine development on time
4. Data and technology
5. Technical competences and supervision skills

665 ±5%

71 ±5%

2015A

2019E

2022E

OPERATIONS

FRESNILLO MINE

OVERVIEW

Ore grade (g/t)

220

190 ±1%

215 ±5%

SILVER
PRODUCTION (MOZ)

15.6

13.2 ±1%

21.0 ±5%

2015A

2019E

2022E

KEY CHALLENGES

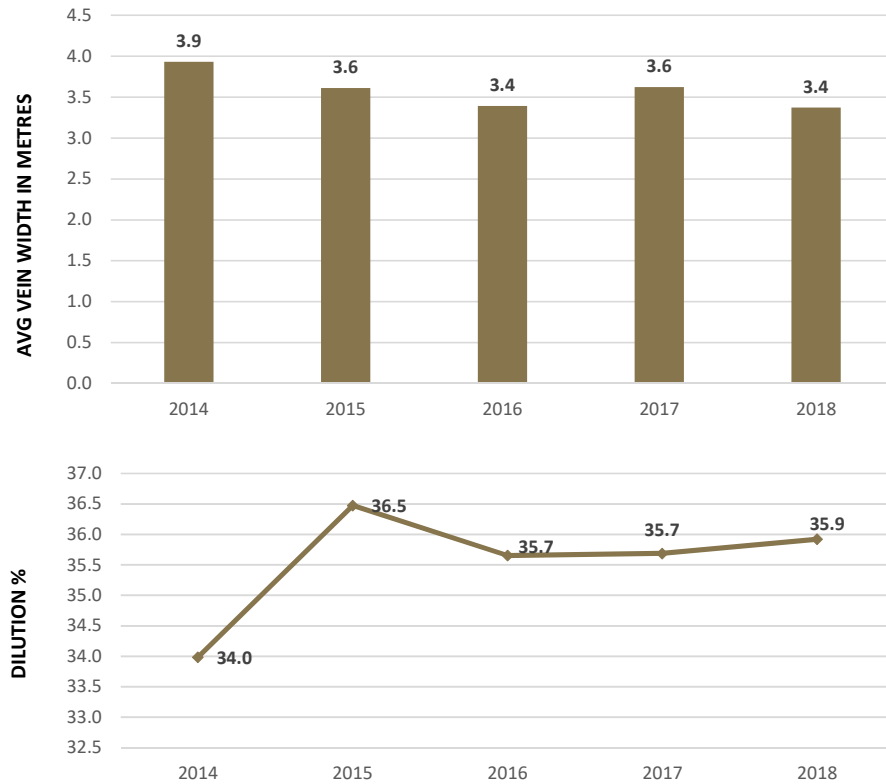
1. Decreasing vein width, increased dilution
2. Ore grade variability
3. Increased base metal content
4. Contractor under-performance / development delays
5. Deep infrastructure

FOCUSED ACTION PLAN

1. Dilution control: improved appraising, drilling, and blasting
2. Infill drilling, sampling and assaying
3. Beneficiation plant
4. Rationalise contractors, tunnel boring machine
5. Increase productivity
6. Shaft deepening, pumping and elevator

FRESNILLO MINE

1. DECREASING VEIN WIDTH, INCREASED DILUTION



Action Plan

- **Topographic scanner**
 - Implementing full 3D cavity monitoring system scanning
 - 51% of total production stopes
- **Improved drilling techniques**
- Adjust **blasting patterns**
- Adjust **size of equipment**

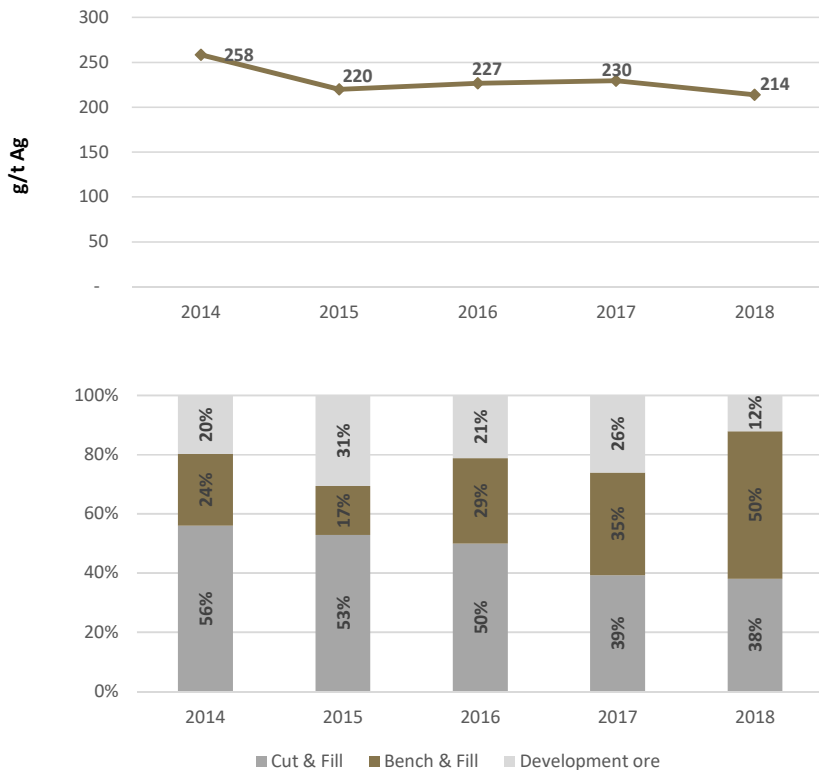


TARGET

- Dilution reduced to 34% by 2020 and to 31% by 2021
- Improvement in ore grade to 210-225 g/t by 2022
- Enforce stronger operational control procedures

FRESNILLO MINE

2. ORE GRADE VARIABILITY



DEVELOPMENT ORE WITH LOWER ORE GRADE

Action Plan

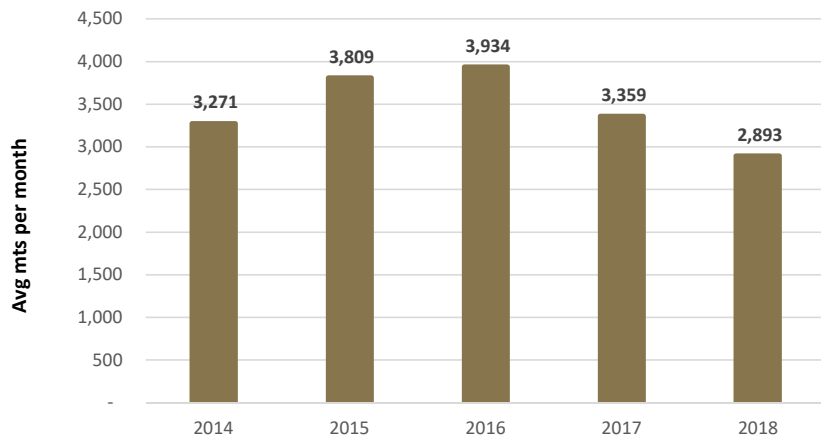
- **Infill drilling programme**
 - Reduce drilling pattern from 150m to 75m, and up to 40m in some areas
- **Sampling and assaying**
 - Sampling procedure review, additional qa/qc steps introduced
 - 3d scanning technology for mapping introduced
 - Exploring methods to improve sample collections
- **QA/QC & Laboratories**
 - Improved sample preparation procedure
 - Stricter qa/qc procedures & exploration service agreement
 - Hiring additional technical staff to increase focus on qa/qc

TARGET

- Continue infill drilling programme in 2020 (85-90k mts)
- 85% of samples below 20% of variability

FRESNILLO

3. CONTRACTOR UNDERPERFORMANCE AND DEVELOPMENT DELAYS



Recent challenges with contractors:

- Changes in administration
- Lower equipment availability, and corrective maintenance required
- Breach of safety protocols by contractors

Action Plan

- Increase development to an estimated average of 3,150 mts per month in 2019
- **Rationalise contractors:** 4 houses developing 1,000m per month each
- Review **incentive scheme** for contractors
- **Tunnel boring machine:** commissioned in Nov 2019
- Increase **services for mine preparation** (ventilation, water drainage)

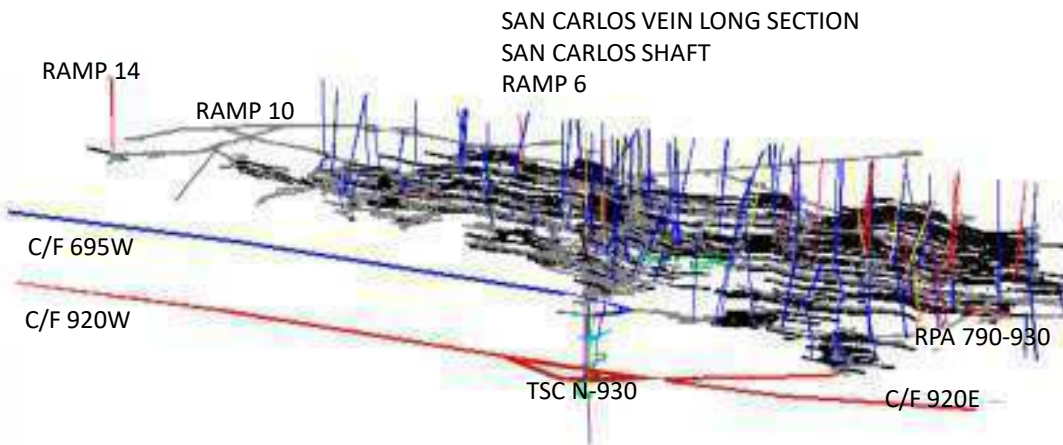
TARGET

- Increase development rates to 3,500-3,800m per month by year end 2020
- Ramp-up tunnel boring machine in 1Q 2020
- Hire a new contractor house in 1Q 2020

FRESNILLO

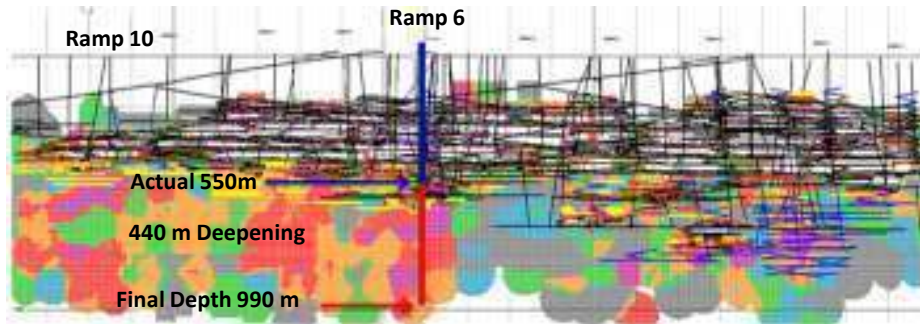
3a. TUNNEL BORING MACHINE

- **Capex:** US\$22.7 million
- **Start date:** Dec 2016
- **Finish date:** Q4 2019
- **Ramp up:** 1Q 2020
- **300 mts per month**
- **Total of 11 km will be developed**



FRESNILLO MINE

4. DEEP INFRASTRUCTURE



60% of haulage is currently through ramps

Action Plan

- **Deepen San Carlos shaft:** access 56% of reserves through extending existing 550m shaft to 990m
 - \$35m capex
 - Start date: Jun 2016
 - End date: Q4 2020
- **San Alberto General pump station:** drainage at 720m by Q4 2020 (\$11m capex)
- **Alimak elevator:** Reduce personnel travel time underground by 1 hour by Q3 2020 (\$5m capex)

TARGET

- Shaft deepening, pumping and elevator complete by Q3-Q4 2020

5. PRODUCTIVITY



Action Plan

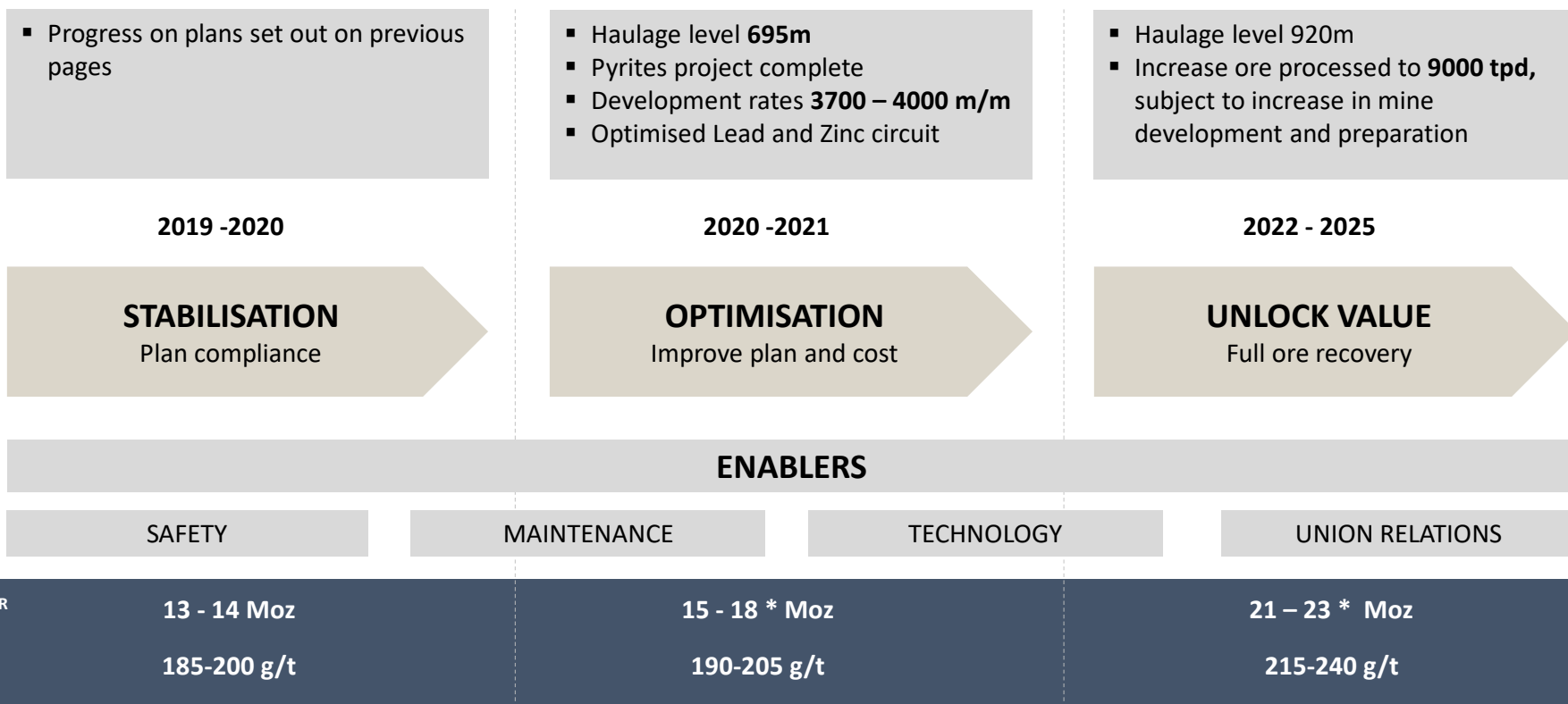
- **Reduce downtime through improved access to work areas**
- **Semi automatic equipment**
 - 12-15% more productivity
- **Sunday shifts**
 - Currently 4,000-4,500 tpd
- **Reliability Centered Maintenance**
 - 1st phase: critical mine equipment
 - 2nd phase: Include contractors' equipment
 - 3rd phase: beneficiation plant equipment

TARGET

- Increase effective work time by 30 mins
- Improve reliability
 - Mean time before failure (MTBF 12 hrs)
 - Mean time to repair (MTTR 8 hrs)

FRESNILLO OUTLOOK

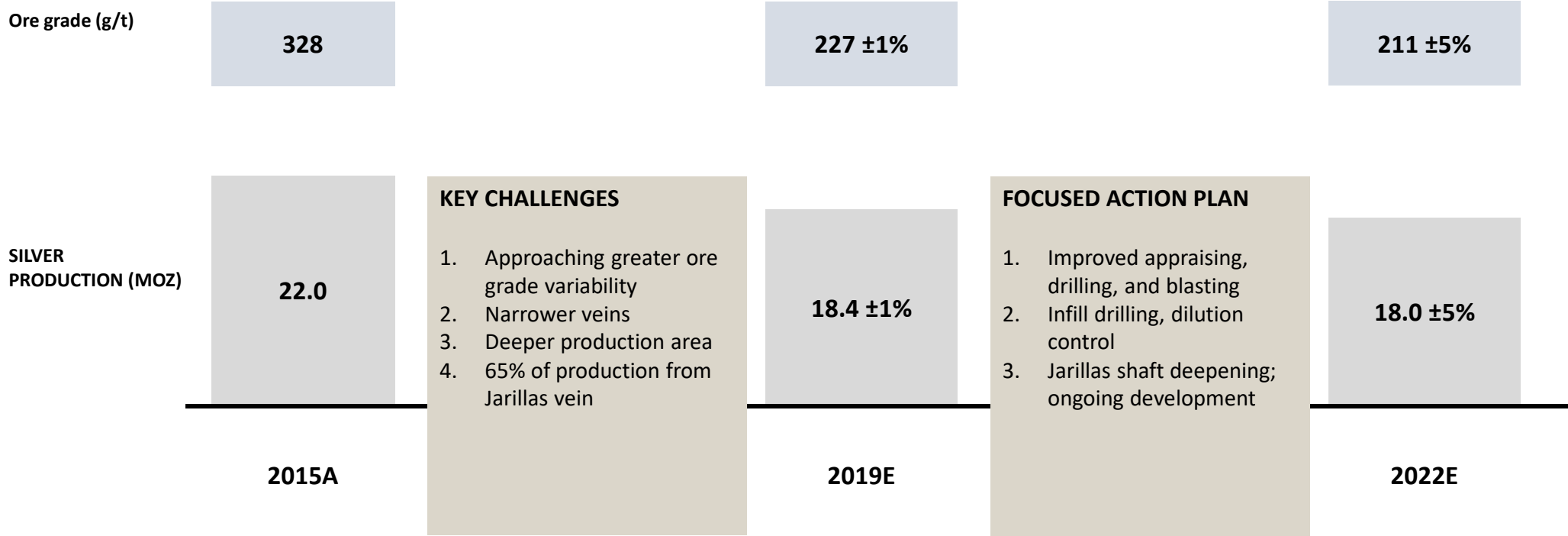
OPERATIONAL KPIs



* Includes pyrites plant production

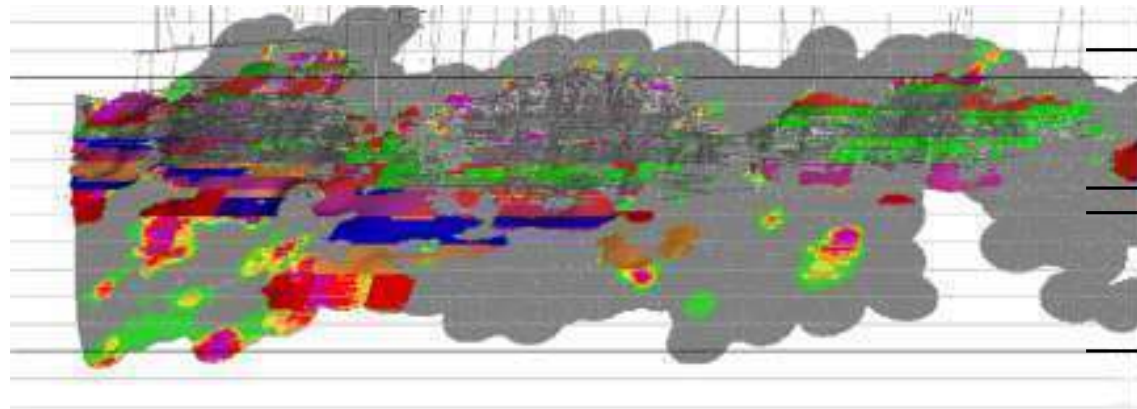
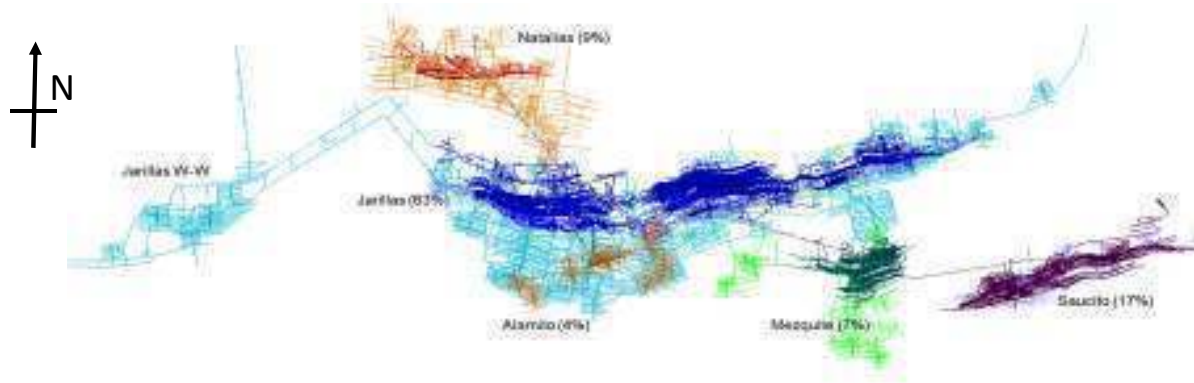
SAUCITO

OVERVIEW



SAUCITO

1. SAUCITO MINE LAYOUT

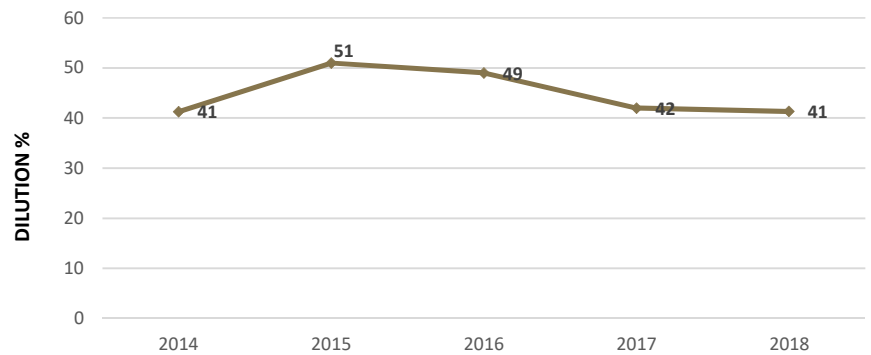
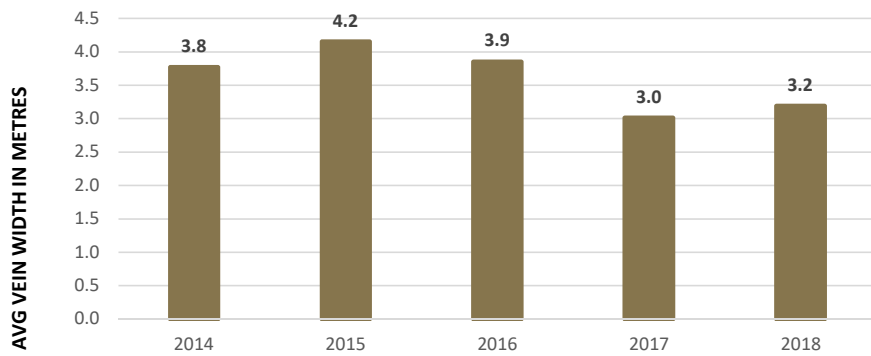


Bonanza area
(250 mts – 600 mts)

New production areas
(600 mts – 950 mts)

SAUCITO

1. DECREASING VEIN WIDTH, INCREASED DILUTION



Action Plan

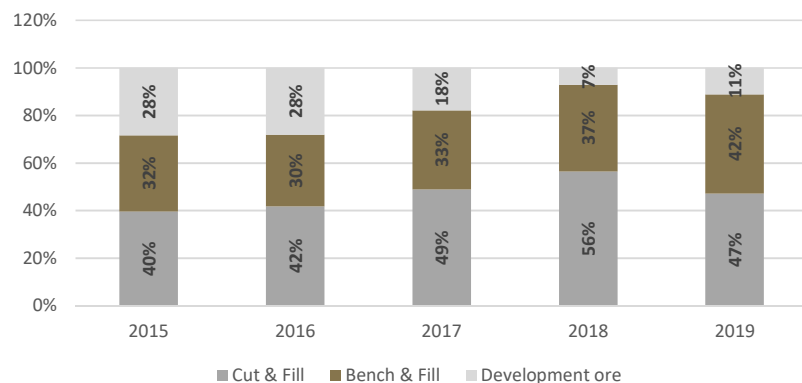
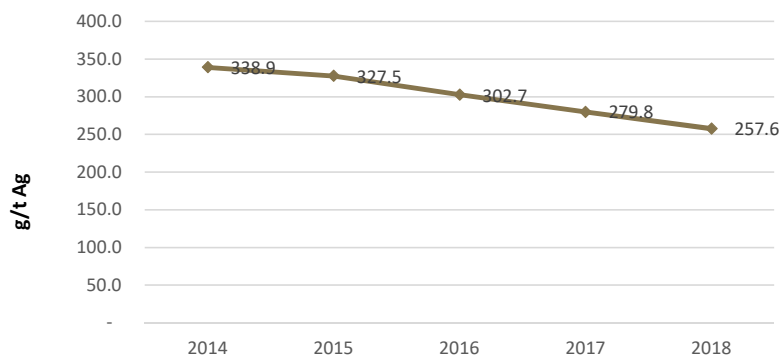
- **Topographic scanner**
 - Implementing full 3D cavity monitoring system scanning
 - 51% of total production stopes
- **Improved drilling techniques**
- Adjust **blasting patterns**
- Adjust **size of equipment**

TARGET

- Dilution reduced to 37% by 2020 and to 34% by 2021
- Improvement in ore grade to 210-240 g/t by 2022
- Enforce stronger operational control procedures

SAUCITO MINE

2. ORE GRADE VARIABILITY



DEVELOPMENT ORE WITH LOWER ORE GRADE

Action Plan

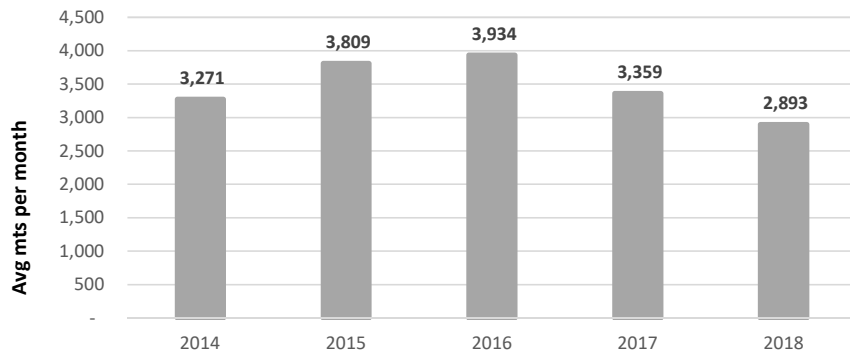
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 - Reduce drilling pattern from 150m to 75m, and up to 40m in some areas
- **Sampling and assaying**
 - Sampling procedure review, additional qa/qc steps introduced
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 - Exploring methods to improve sample collections
- **QA/QC & Laboratories**
 - Improved sample preparation procedure
 - Stricter qa/qc procedures & exploration service agreement
 - Hiring additional technical staff to increase focus on qa/qc

TARGET

- Continue infill drilling programme in 2020 (110-120k mts)
- 85% of samples below 20% of variability

SAUCITO

3. CONTRACTOR UNDERPERFORMANCE AND DEVELOPMENT DELAYS



Recent challenges with contractors:

- Personnel turnover
- Lower equipment availability, and corrective maintenance required
- Breach of safety protocols by contractors

Action Plan

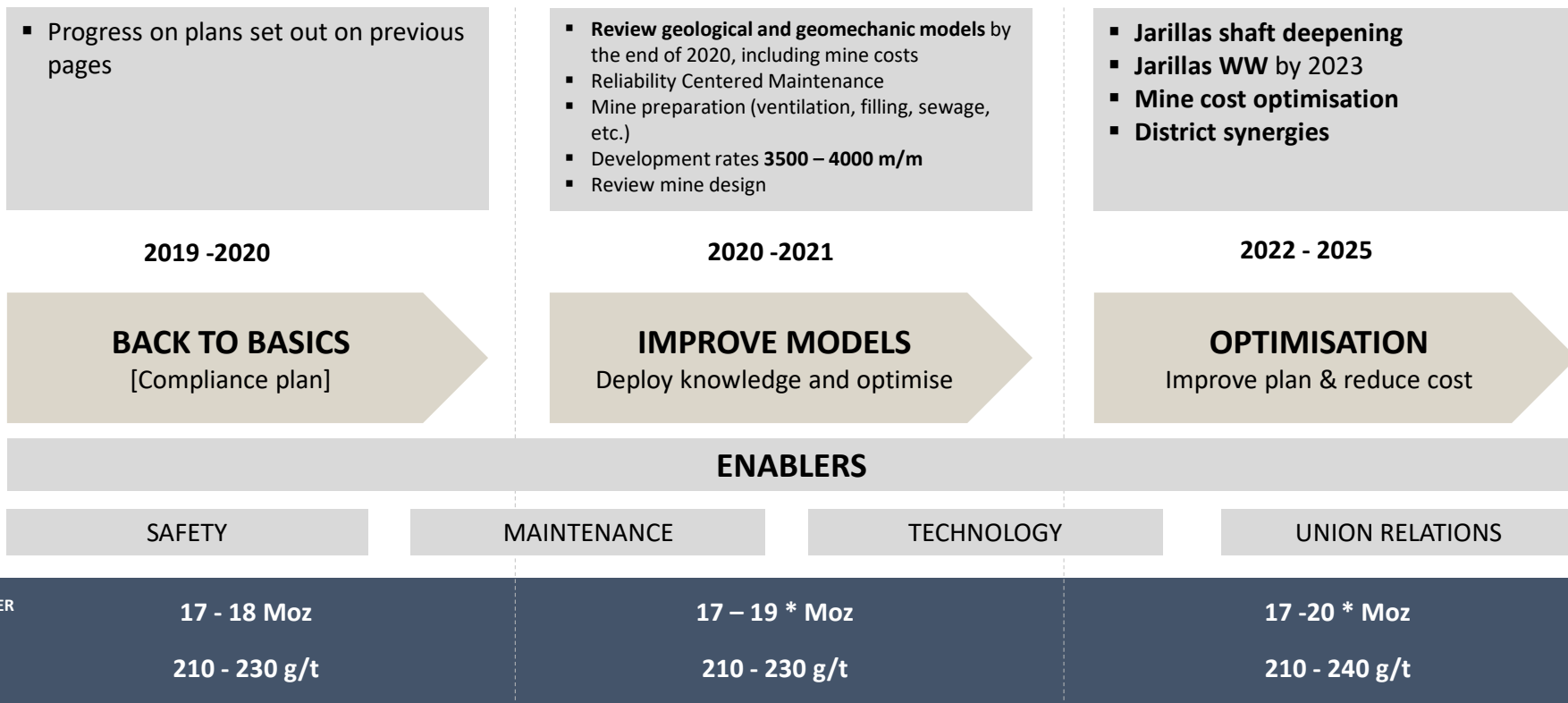
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- **Rationalise contractors:** 4 houses developing 1,000m per month each
- Review **incentive scheme** for contractors
- Increase **services for mine preparation** (ventilation, water drainage)

TARGET

- Increase development rates to 3,500-3,800m per month by end-2020
- Hire a new contractor house in 2H 2020

SAUCITO

OUTLOOK



* Includes pyrites plant production

SAN JULIÁN

VEINS

Ag ore grade (g/t)	173	115 ±1%	145 ±5%
Au ore grade (g/t)	2.5	1.6 ±1%	1.4 ±5%

SILVER PRODUCTION (MOZ)	2.1	4.3 ±1%	4.7 ±5%
GOLD PRODUCTION (KOZ)	31.4	62.1 ±1%	39.0 ±5%
	2016A	2019E	2022E

KEY CHALLENGES

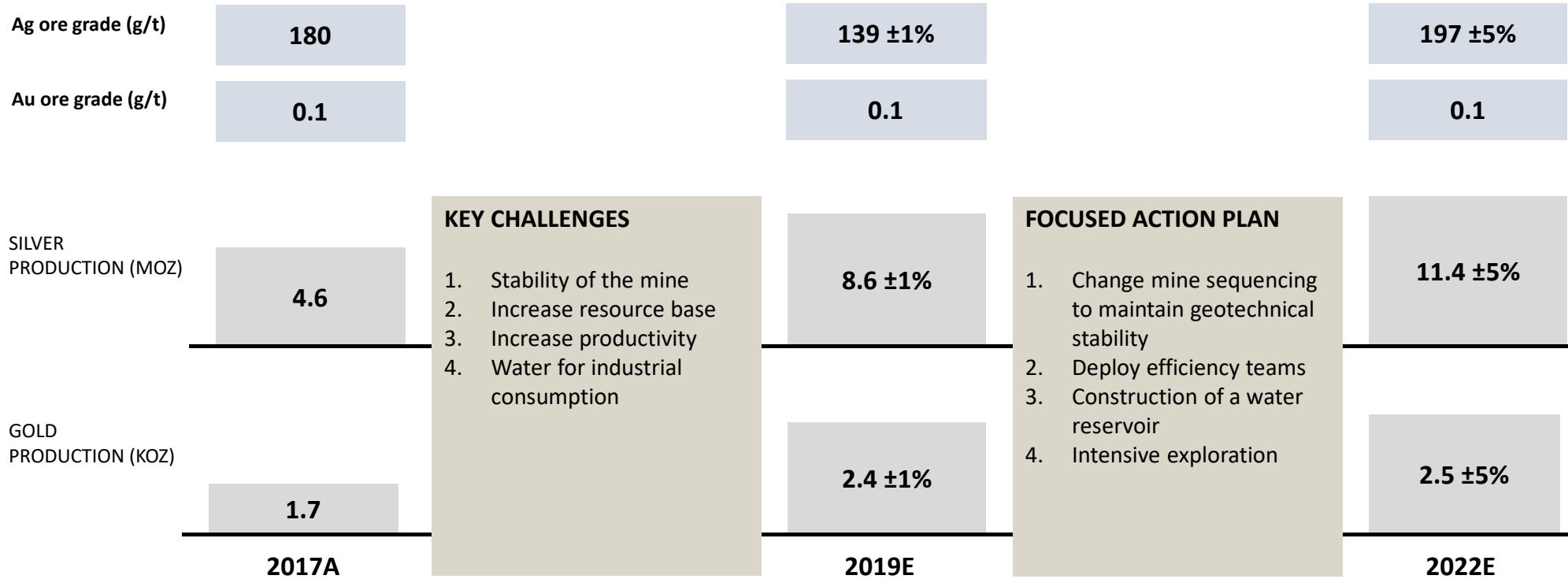
1. Disperse, narrow veins
2. Ore grade variability
3. Convert resources into reserves
4. Water for industrial consumption

FOCUSED ACTION PLAN

1. Improved appraising, drilling, and blasting
2. Infill drilling, dilution control
3. Exploration programme and mining works
4. Construction of water reservoir

SAN JULIÁN

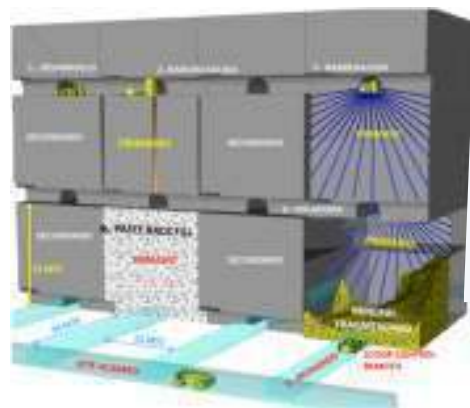
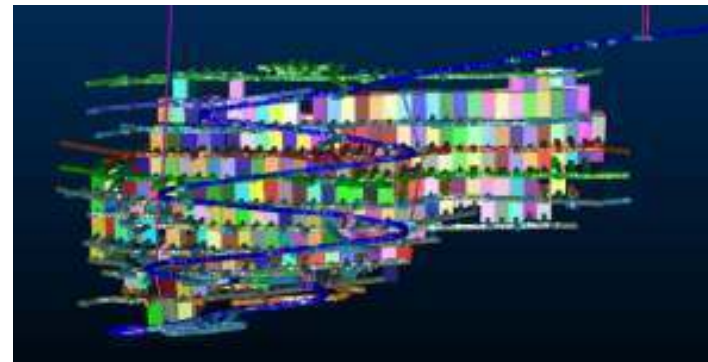
DISSEMINATED ORE BODY



SAN JULIÁN

DISSEMINATED ORE BODY

- Backfill mining method
- Stope unit 16 m x 25 m x 20 m (WxHxD)
- Parallel sequence in three areas
- Rock falls issues resulting from mining along horizontal advances
- Adjust sequence to concave shape
- Adjustment is expected to be concluded by 1H 2020



SAN JULIÁN

WATER RESERVOIR

- **Capex:** US\$15 million
- **Indigenous consultation:** 3Q 2018
- **Start date:** 4Q 2018
- **Finish date:** 4Q 2019
- **Capacity:** 1,200,000m³
- **Ensure water supply for the San Julián mine**



SAN JULIÁN

OUTLOOK

- Progress on plans set out on previous pages

- Optimise operation costs
- Technology projects: Ventilation on demand, operational control, Remote operations
- Increase resource base
- New mining areas
- Control sustaining capex

2019 -2020

2020 -2021

CONSOLIDATE OPERATIONS

RECOVERY AND OPTIMISATION
Capture value

ENABLERS

SAFETY

MAINTENANCE

TECHNOLOGY

UNION RELATIONS

TOTAL EXPECTED ANNUAL SILVER PRODUCTION

12.5 - 13.5 Moz

13.5 – 14.5 Moz

TOTAL EXPECTED ANNUAL GOLD PRODUCTION

63.5 – 64.5 Koz

50.0- 63.5 Koz

SILVER ORE GRADE (G/T)

110 - 120 (VS) / 140 – 150 (DOB)

115 - 145 (VS) / 150 – 170 (DOB)

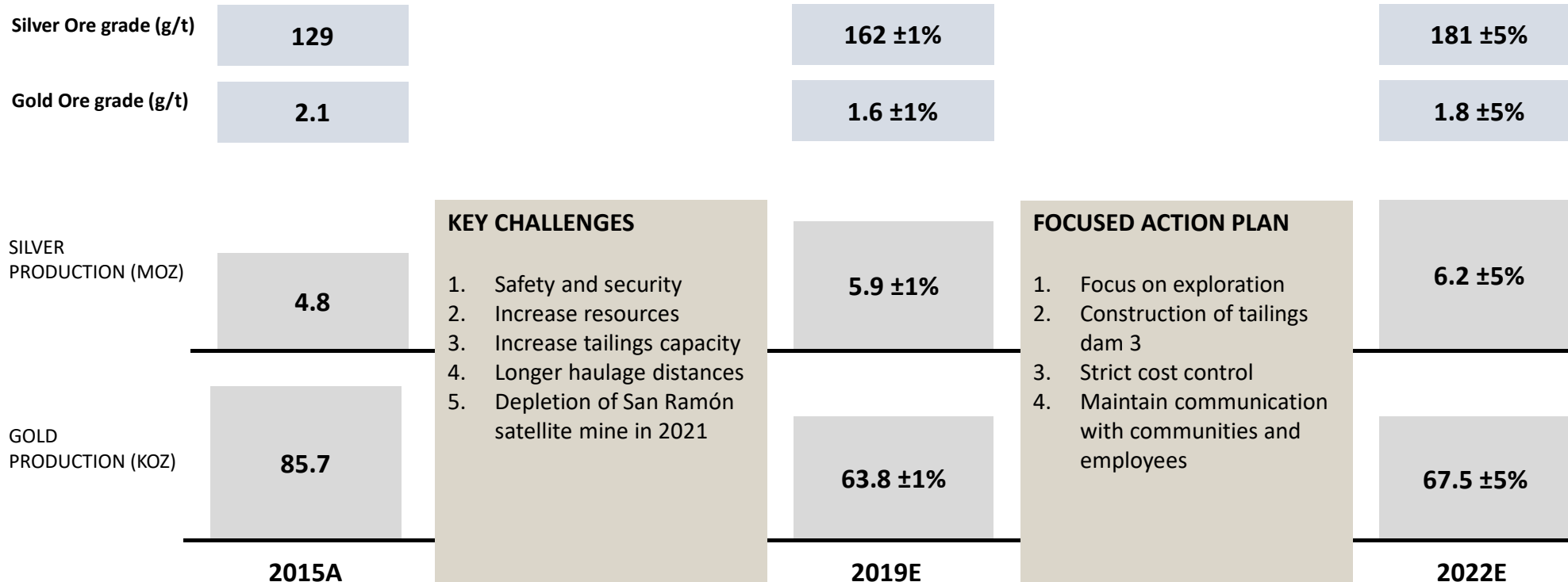
GOLD ORE GRADE (G/T)

1.6 - 1.7 (VS) / 0.1 (DOB)

1.6 – 1.7 (VS) / 0.1 (DOB)

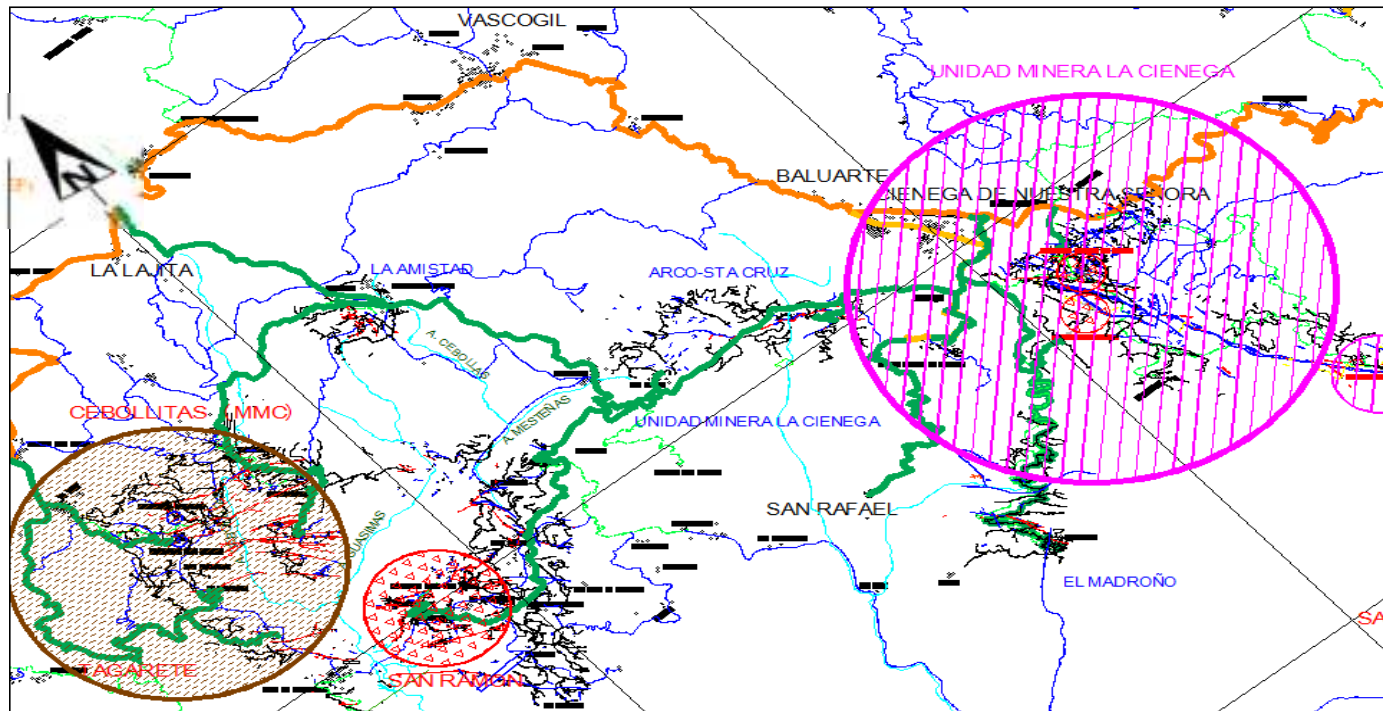
CIÉNEGA

OVERVIEW



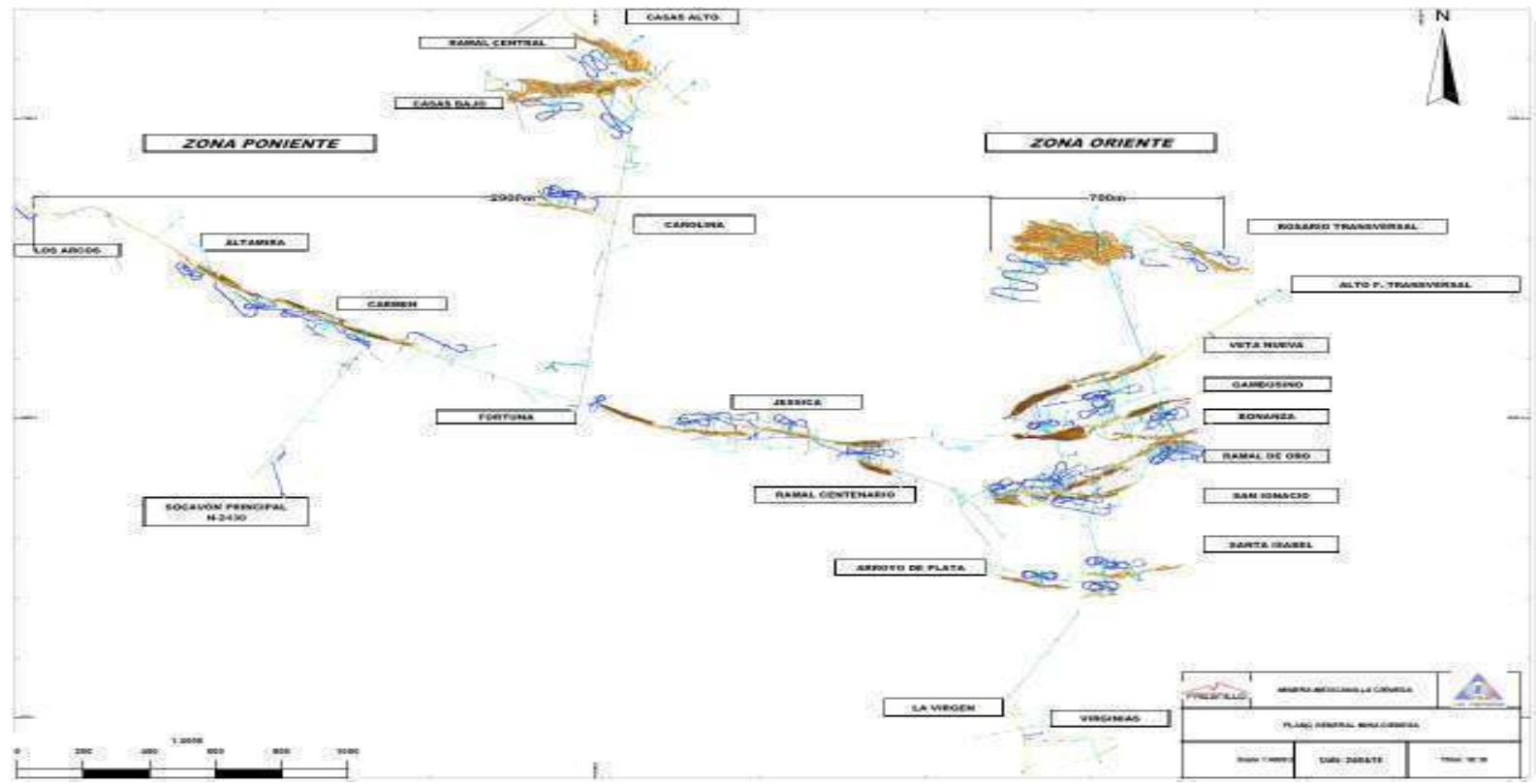
CIÉNEGA

CIÉNEGA LAYOUT

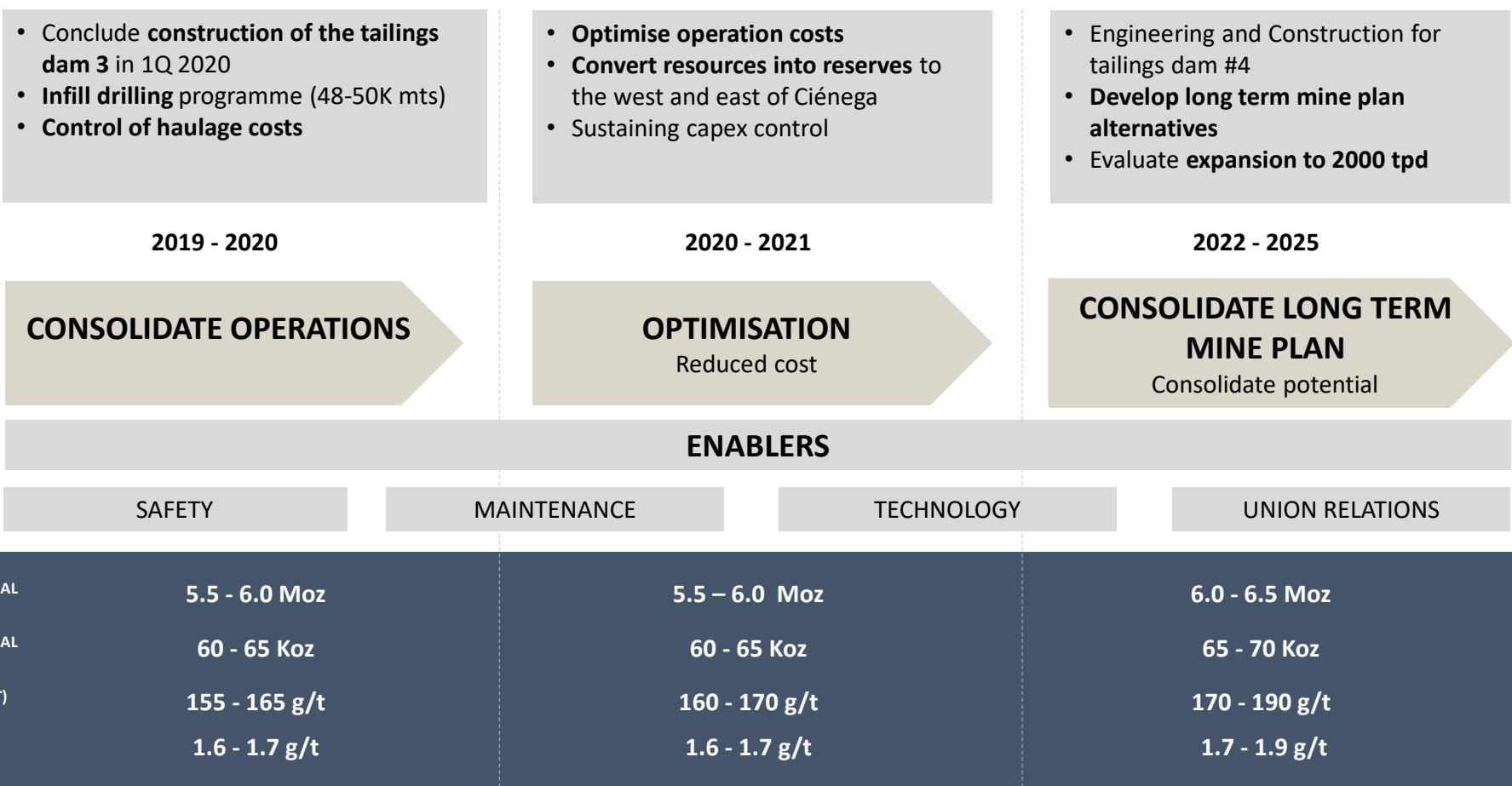


CIÉNEGA

CIÉNEGA LAYOUT



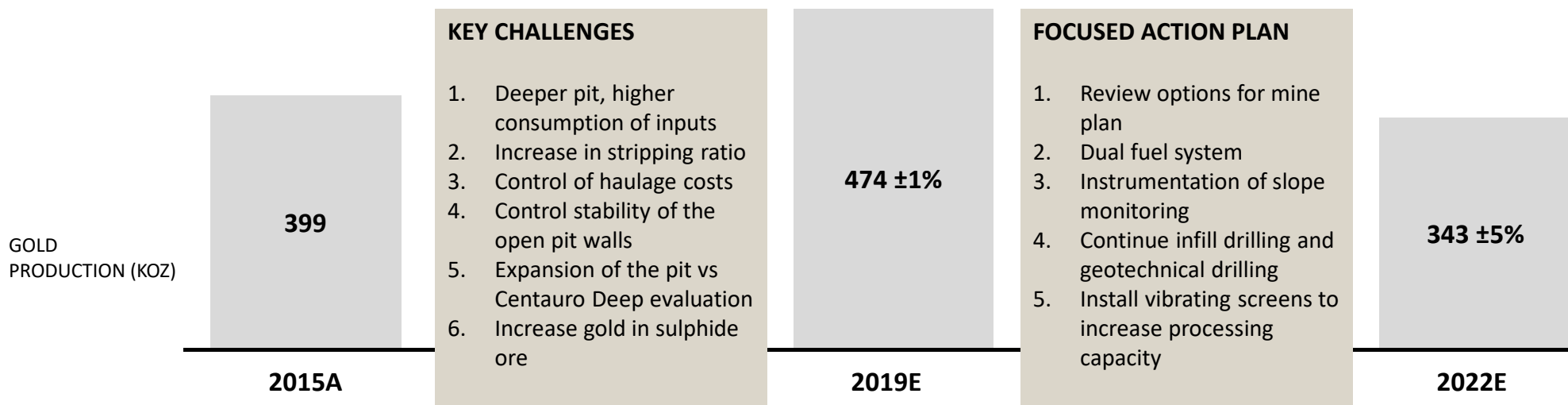
CIÉNEGA



HERRADURA

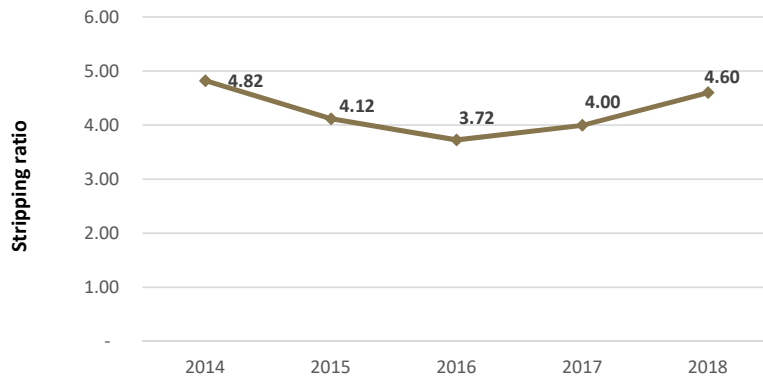
OVERVIEW

Ore grade HL (g/t)	0.57	0.5 ±1%	0.7 ±5%
Ore grade DLP (g/t)	2.1	1.5 ±1%	1.1 ±5%



HERRADURA

1. INCREASING STRIPPING RATIO



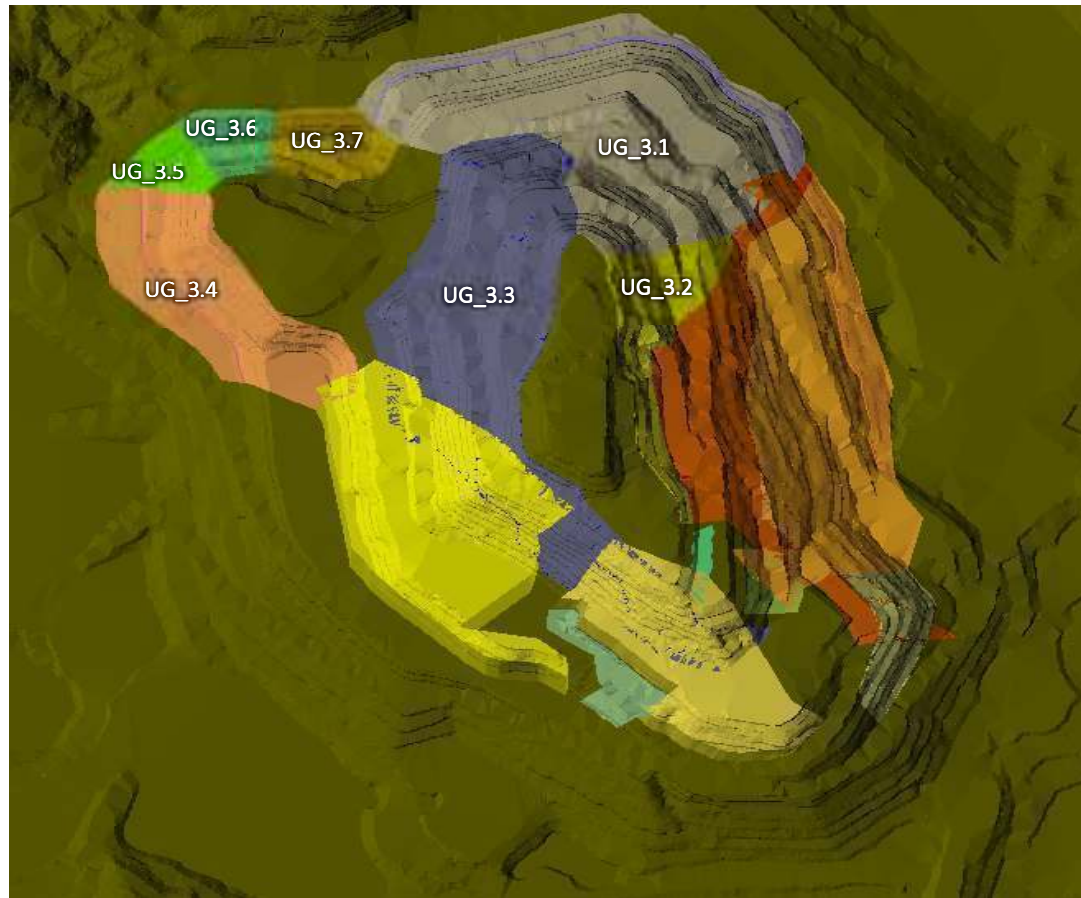
Action Plan

- Ongoing review of LOM and profitability
- Deploy efficiency and cost reduction initiatives
 - Shorten distance to leaching pads and waste dumps
 - Implement dual fuel systems in trucks
 - Optimise consumption of operating materials
- Review the design of the pit walls

TARGET

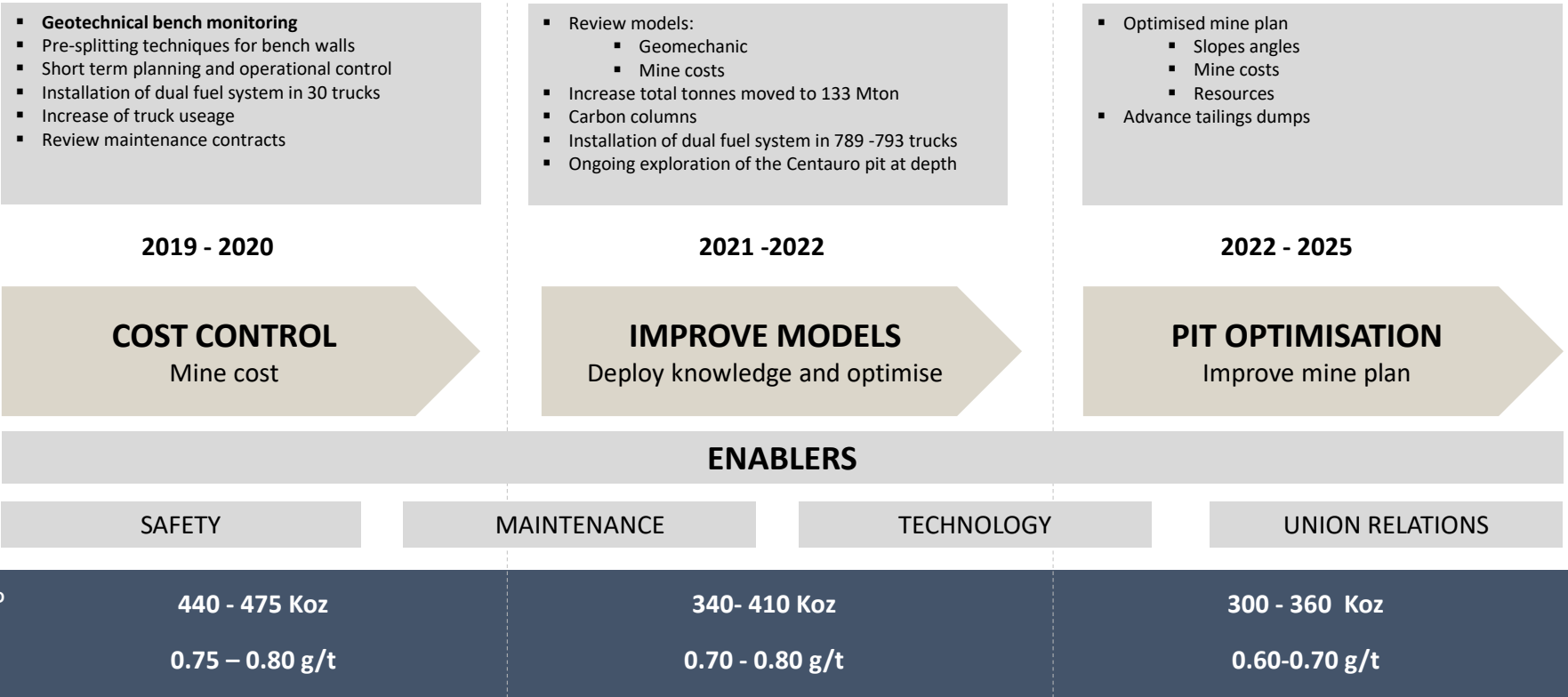
- Install fuel dual system in 70 trucks: 30 in 2020, 10 in 2021 and 30 in 2022
- Geotechnical campaign in 2020
- Geotechnical model in 2Q 2021

2. GEOTECHNICAL MODEL



HERRADURA

OUTLOOK



NOCHE BUENA

OVERVIEW

Ore grade (g/t)

0.50

0.56 ±1%

0.53 ±1%

GOLD PRODUCTION (KOZ)

158

141 ±1%

97 ±5%

2015A

2019E

2021E

KEY CHALLENGES

- 1. Deeper pit, higher consumption of inputs
- 2. Increase gold recovery
- 3. Mine depleted by 2021

FOCUSED ACTION PLAN

- 1. Strict cost control, deploy efficiency teams
- 2. Install carbon columns
- 3. Mine closure activities

NOCHE BUENA

OUTLOOK

- Geotechnical bench monitoring
- Pre-splitting techniques for bench walls
- Short term planning and operational control
- Mine closure
- Review final design of walls
- Carbon in columns

- Gold recovery on leaching pads
- Adjust fixed costs structure
- Closure plan
 - Site characterisation
 - Closure options
 - Define options
 - Monitoring and control

2019 - 2021

2022 - 2024

COST CONTROL & CLOSE MINE
Mine cost

GOLD RECOVERY & CLOSURE PLAN

ENABLERS

SAFETY

MAINTENANCE

TECHNOLOGY

UNION RELATIONS

EXPECTED ANNUAL GOLD PRODUCTION (Koz)	160 ±5% (2020) Koz	30 - 10 Koz
ORE GRADE	0.50 - 0.58 g/t	N/A

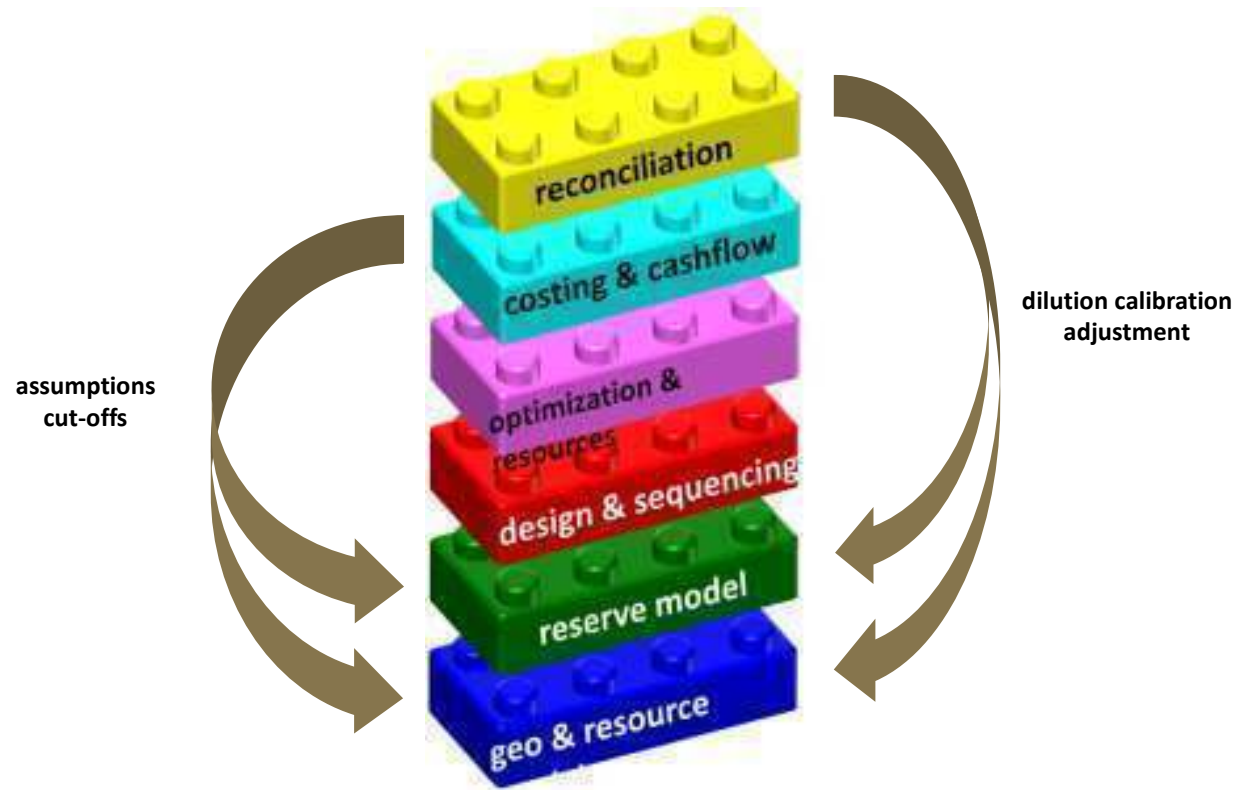


GEOLOGICAL MODEL – RESERVES & RESOURCES

MODELLING AND PLANNING CYCLE

OVERVIEW

- Resources & reserves audited & certified by independent competent persons under JORC every year



RESERVE ORE GRADE VS PRODUCTION ORE GRADE

FRESNILLO

	2015	2018	2019
Grade in production (Ag g/t)	220	214	187
Grade in reserve (Ag g/t)	266	240	243
Dif (Ag g/t)	- 46	- 26	- 56
% Chg	- 17.3	- 10.9	- 23.0

RESERVE GRADE

- Silver grade decrease in reserves was larger in the initial years 2008-2012
- Reserves have been **replaced with lower silver ore grade** due to vein nature at depth
- **Reserve grades are stabilising** at current levels
- Increased certainty as drilling spacing is reduced from an average of 150 mts to 75 mts, and up to 40 mts in some areas

PRODUCTION GRADE

- Ore grade in production from 2008-2013 was above reserve grade
- Since 2013 ore grade in production has been below the reserve grade
- Gap between reserve grade and production grade from 2016-2018 has been between -10% and -23% and the target is to minimise the difference to less than 10% in two years.
- Actions in progress:
 - More **dilution control**
 - **Less marginal ore being processed** as we increase development rates and operational flexibility
 - Infill drilling
 - Higher grades as we **open more production stopes to the west** in the upper area (2022 – 2026)

RESERVE ORE GRADE VS PRODUCTION ORE GRADE

SAUCITO

	2015	2018	2019
Grade in production (Ag g/t)	328	258	227
Grade in reserve (Ag g/t)	389	261	272
Dif (Ag g/t)	- 62	- 3	- 45
% Chg	- 15.8	- 1.3	- 16.5

RESERVE GRADE

- Reserves have been **replaced with lower silver ore grade** due to vein nature at depth
- Year on year differences of the reserves at the end of 2016-2018 have been decreasing from -21.7%, +6.5% and +4.2%, reflecting that **it has stabilised**
- Increased certainty as drilling spacing is reduced from an average of 150 mts to 75 mts, and up to 40 mts in some areas

PRODUCTION GRADE

- Ore grade in production has been within reasonable variability vs.ore grade in reserves (2016: -3.3%; 2018: -1.3%)
- However the gap of the ore grade in production vs ore grade in reserves widens in 2019. The objective is to return to the previous variability
- Actions in process:
 - More **dilution control**
 - Less marginal ore processed as we increase development rates and operational flexibility
 - Infill drilling
 - Higher grades as we **open more production stopes in the Jarillas and Natalias veins**

RESERVE ORE GRADE VS PRODUCTION ORE GRADE

San Julián (Veins)

	2016	2018	2019
Grade in production (Au g/t)	2.47	2.01	1.60
Grade in reserve (Au g/t)	2.11	1.79	1.62
Dif (Au g/t)	0.36	0.22	-0.02
% Chg	16.9	12.1	-1.2

	2016	2018	2019
Grade in production (Ag g/t)	172	144	115
Grade in reserve (Ag g/t)	180	150	126
Dif (Ag g/t)	- 7.54	-5.94	-11.00
% Chg	- 4.2	-4.0	- 8.7

San Julián (Disseminated Ore Body)

	2017	2018	2019
Grade in production (Au g/t)	180	154	139
Grade in reserve (Au g/t)	228	199	209
Dif (Au g/t)	-47.67	-44.63	-70.00
% Chg	-20.9	-22.4	-33.5

RESERVE GRADE

- Gold ore grade in reserves has decreased year on year
- Higher grade veins are in infill drilling in the South area

- Silver ore grade in reserves has decreased in two veins with development
- Higher grade veins are in infill drilling in the South area to compensate

- Silver ore grade in reserves is well established

PRODUCTION GRADE

- Gold ore grade in production has been above the reserve grade, until this year when it is expected to be in line with the reserve ore grade

- Silver ore grade in production has been below the reserve grade due to the lower silver ore grade in two of the veins
- Development has recently reached the South veins

- Silver ore grade in production has been below the ore grade in reserves as a result of the adjustment to the mining sequence

MEASURES UNDERWAY

4 TEAMS HAVE BEEN WORKING IN 2019 ON THE RESERVE (GEOLOGICAL) MODEL TO EVALUATE:

- Interdisciplinary teams comprised of operations and exploration personnel
- Identify areas of opportunity, following recommendations from the reserve and resources auditors.
- Focused on:

The accuracy of mine mapping and sampling

The geostatistical parameters employed, and infill drilling spacing

The extent of dilution

The quality of the Fresnillo lab assays

CONCLUSIONS TO DATE

- The reserve model at the Fresnillo mine meets industry standards, with local variances of up to 10 g/t silver.
- Infill drilled areas tend to have lower ore grade, and areas with new development have increased ore grade.
- The reserve model at the Saucito mine also meets industry standards, and shows local variances with the infill drilling. The overall reserve silver grade is stable.
- Sections of the Jarillas vein at Saucito resulted in lesser width with the infill drilling, reducing tonnage.
- The reserve model is dynamic, annual mining depletion and at the same time addition of tons from inferred resources conversion and reserves on new veins will result in future changes to the overall reserve tonnage and grade



PROJECTS

FRESNILLO

OBJECTIVE

95% of our growth has been organic

Stringent criteria

- 15 years of Resources
- 7-10 years of Reserves
- Internal IRR in excess of 15%
- Use prices of US\$1,250 & US\$15 /oz for gold and silver respectively
- Profitable through the full mining cycles – sensitivity analysis
- Favourable/manageable mining jurisdictions

Advance projects with the potential to improve the overall quality of the asset base

Dynamic risk assessment

Addressing stakeholder issues from an early stage

Project prioritisation considering all of the above

FRESNILLO

OPTIMISATION OF BENEFICIATION PLANT

Three phases:

1. Zinc thickener installed in 2017
2. Increase flotation cells (Ongoing)
3. Install vibrating screens to increase capacity to 9000 tpd **only when the mine is developed and prepared for this expansion:**



Main requirements to increase capacity

- Robbins equipment MDM 5000 for W San Alberto
- San Carlos shaft deepening
- Infrastructure for East and West mine cages for personnel transport and time reduction
- Implement workshops in different areas of the mine
- Develop a pumping station from level 695 to surface
- Increase contractors development
- Agree a strategy with the union in order to increase labour productivity

PROJECTS

FRESNILLO FLOTATION PLANT (2ND PHASE OF THE PYRITES PLANT)

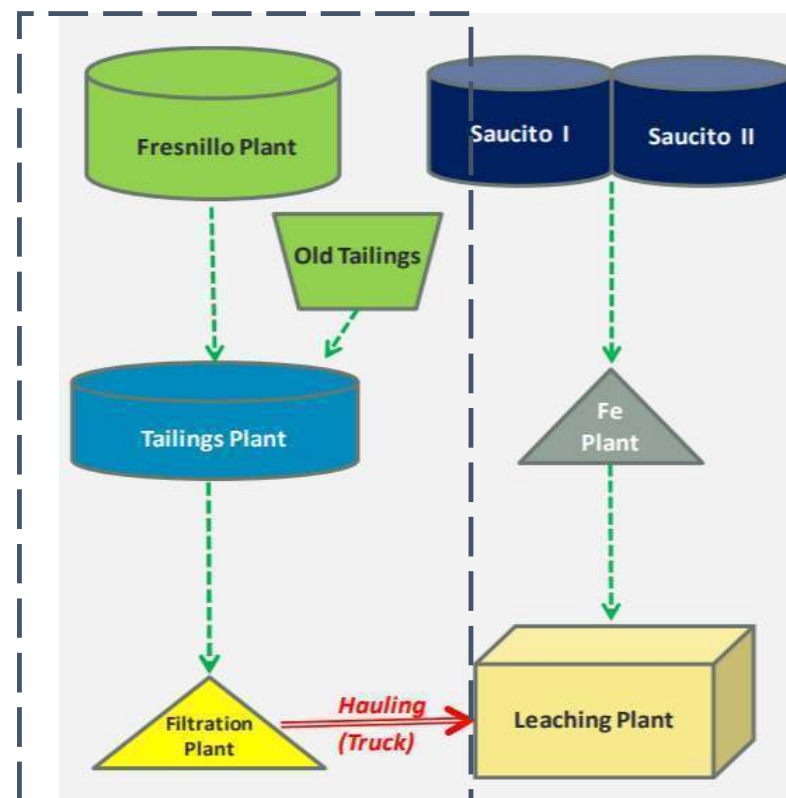
OVERVIEW

The second phase of the Pyrites plant is expected to increase silver and gold recoveries at the Fresnillo mine by processing historic and ongoing tailings.



KEY METRIC ESTIMATES (100% BASIS)*

Estimated capex	US\$53.8 million
Expected avg. annual production (Fresnillo) <i>(2020-2024) Note: Higher grade expected in first years</i>	2 - 5 moz of silver 7 - 15 koz of gold
Expected project completion	2H20
Capacity	14,000 tpd



JUANICIPIO

PROGRESS HIGHLIGHTS - PLANNING



April 2019 project approval based on a Feasibility Study developed from Basic Engineering for the project

- ✓ **Detailed Engineering has now been advanced sufficiently to allow:**
 - Freezing of project scope
 - Detailed estimating, scheduling and execution planning
 - Establishment of Control Budgets and Control Schedules
 - Full mobilisation to site and initiation of Process Plant construction

- ✓ **Detailed Engineering did not result in any material changes to project scope:**
 - Mine layout production plan
 - Plant head grades
 - Plant process design and production rates
 - Plant recovery rates
 - Concentrate production (quantity and quality)

JUANICIPIO

PROGRESS HIGHLIGHTS



- **Mine development according to plan**
 - 22Km still to be developed
 - First production stope expected October 2020
- **Construction of the flotation plant**
 - December 2020 – optimistic
 - Review and update in due course
- **Original tailings dam construction permitted**

	ATTRIBUTABLE SILVER PRODUCTION	
	Feasibility Study (Moz)	Expected Production (Moz)
2021 – Ramp up (at 65% nameplate capacity for the FS estimate)	4.3	3.6
2022 – Ramp up (at 95% nameplate capacity for the FS estimate)	6.2	6.5

JUANICIPIO

CURRENT PROJECT LAYOUT



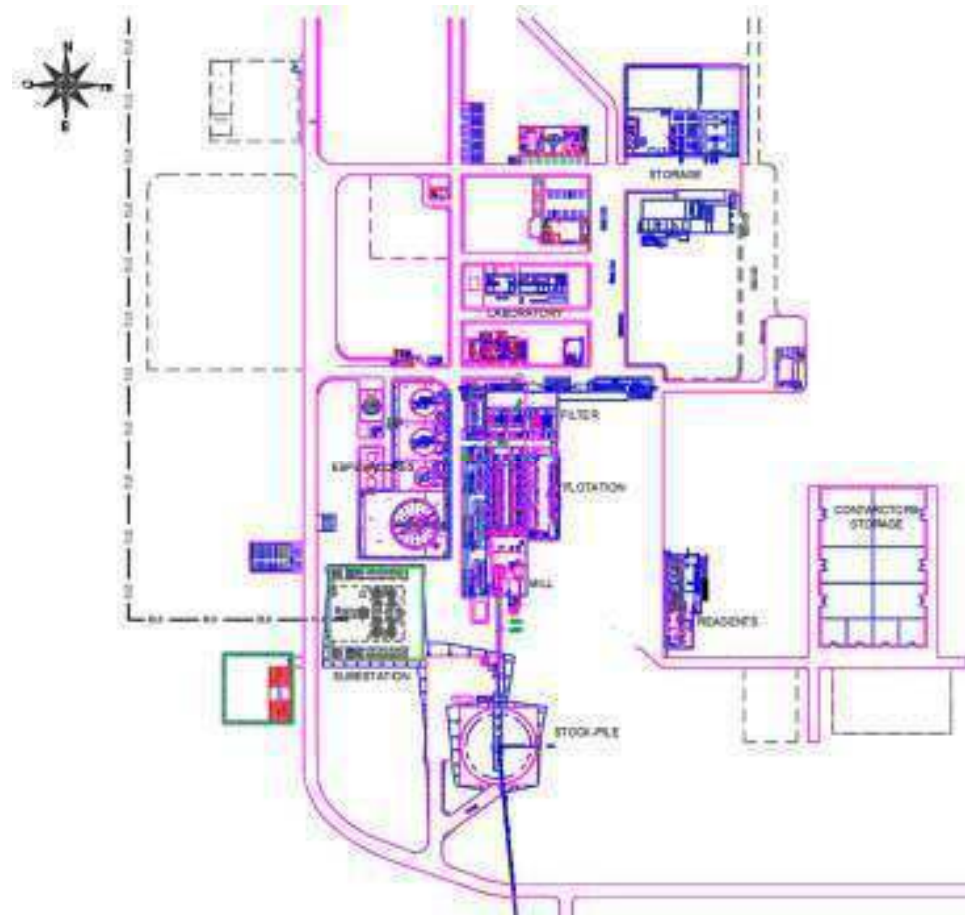
Processing plant

Mine entry and infrastructure

PROJECTS

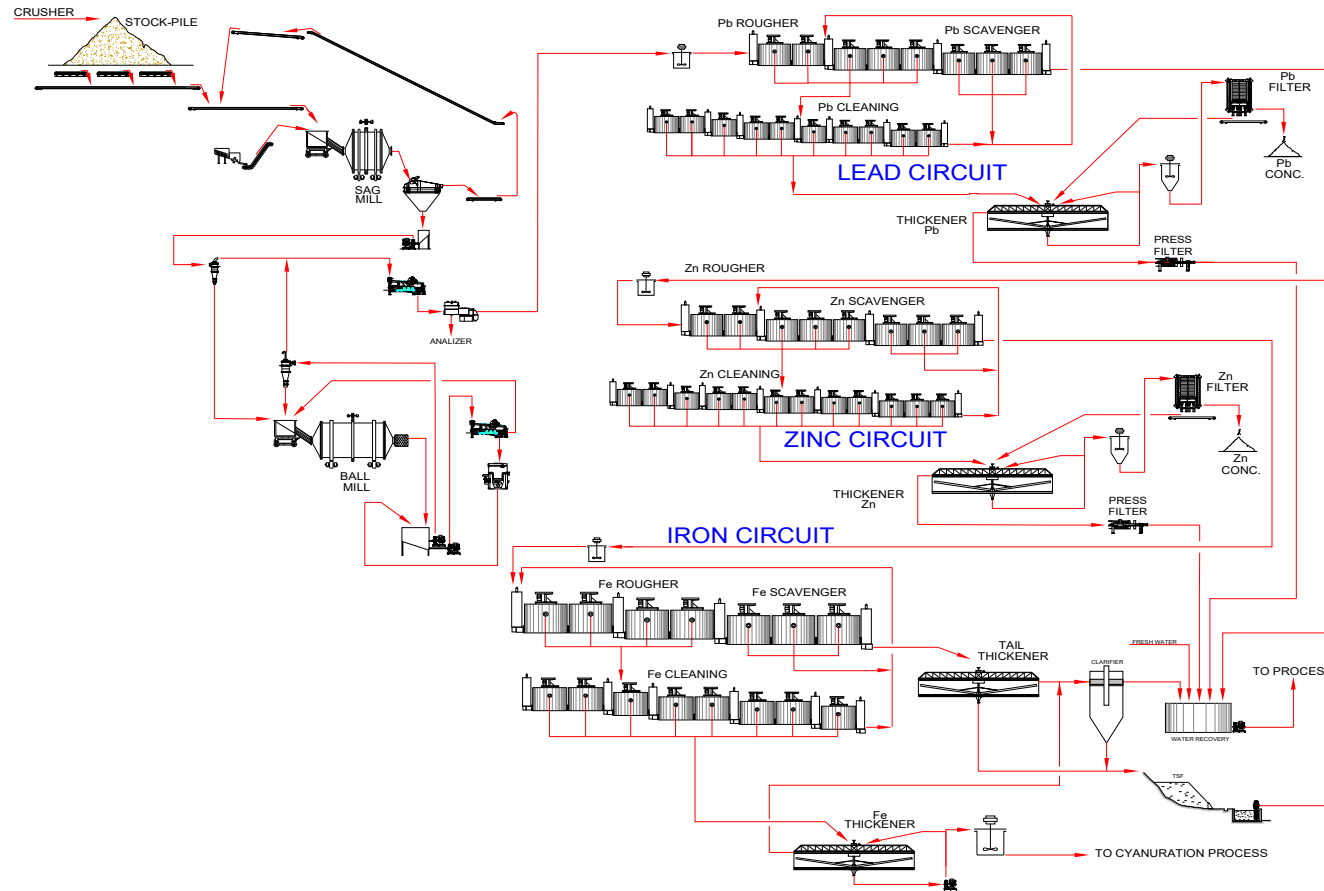
JUANICIPIO

PROCESS PLANT GENERAL ARRANGEMENT



JUANICIPIO

PROCESS PLANT
BASIC FLOW SHEET



JUANICIPIO

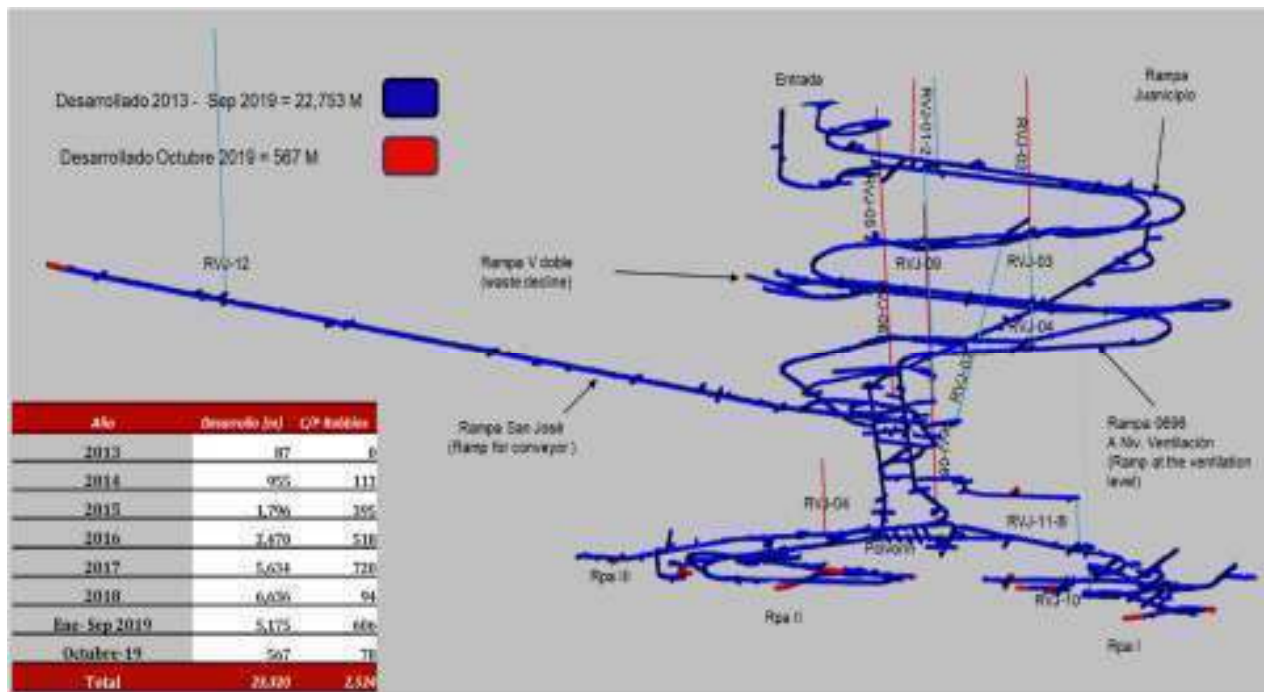
PROCESS PLANT EQUIPMENT



- 90% of all critical process plant equipment requisitioned
- 70% of all critical process plant equipment ordered with firm delivery dates
- Outotec TC 20 and TC 50 flotation cells built and on site
- 35 meter tailing thickener built and on site

JUANICIPIO

PROGRESS HIGHLIGHTS – MINE DEVELOPMENT



Critical Mine Equipment Procurement

- 100% of mobile mining equipment required for start of production requisitioned
- Sandvik cable installer manufactured and on site
- Horizontal development 26% complete
- Vertical development 23% complete

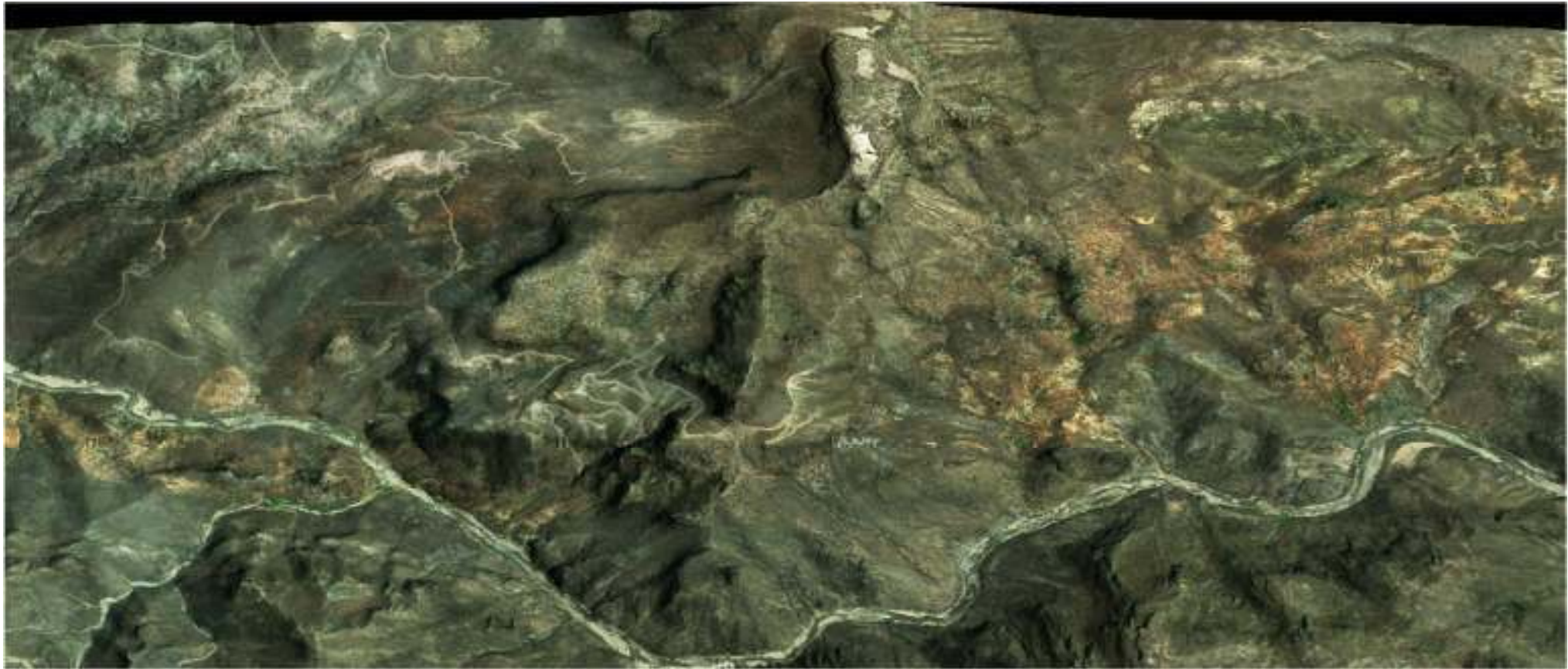
ORISYVO PROJECT

CHIHUAHUA



- Underground resources of 4.65 moz of gold at 1.98 g/t. (50 % oxides, 50% sulphides)
- Open-pit alternative: 9.6 moz of gold at 1.0 g/t, stripping ratio high
- Advancing metallurgical studies in sulphide material (65 to 80% recoveries)
- Advancing geotechnical studies for mine design and feasibility study
- Pending additional exploration

ORISYVO – INITIAL MODEL





EXPLORATION

INVEST	REPLACE	CONSOLIDATE	FOCUS	ESG
in exploration through the cycles	at least reserves mined each year	districts in selected gold-silver belts (budget 70% brownfield, 30% greenfield)	On quality, min 2 Moz gold equivalent	Community & Environment engagement

PROJECT CRITERIA HURDLES

Location	Focused on Mexico and other LATAM countries
Size	Minimum size of 2 Moz gold equivalent
District Potential Metallurgy / Ore grades Extraction Costs	Quality projects showing strong and consistent recoveries and grades, expected extraction costs in the lowest quartile and strong growth potential
Land ownership	Look to purchase surface land – consolidate districts
ESG	Grow community trust and support from an early stage. Minimise our environmental impact

EXPLORATION STRATEGY

3



MEXICO

- Extensive exploration concessions in key districts
- Herradura, Fresnillo, San Julián, Ciénega Districts (reserves and resources)
- Guanajuato, Orisyvo, Rodeo, Tajitos advanced projects (resources)

FOCUS BUDGET ON THE FRESNILLO AND SAN JULIAN DISTRICTS
MAINTAIN AND COMPLETE ASSESSMENT WORK ON PROJECTS

PERU

- Exploration concessions on prospective areas
- Sto. Domingo, Supaypacha, large potential

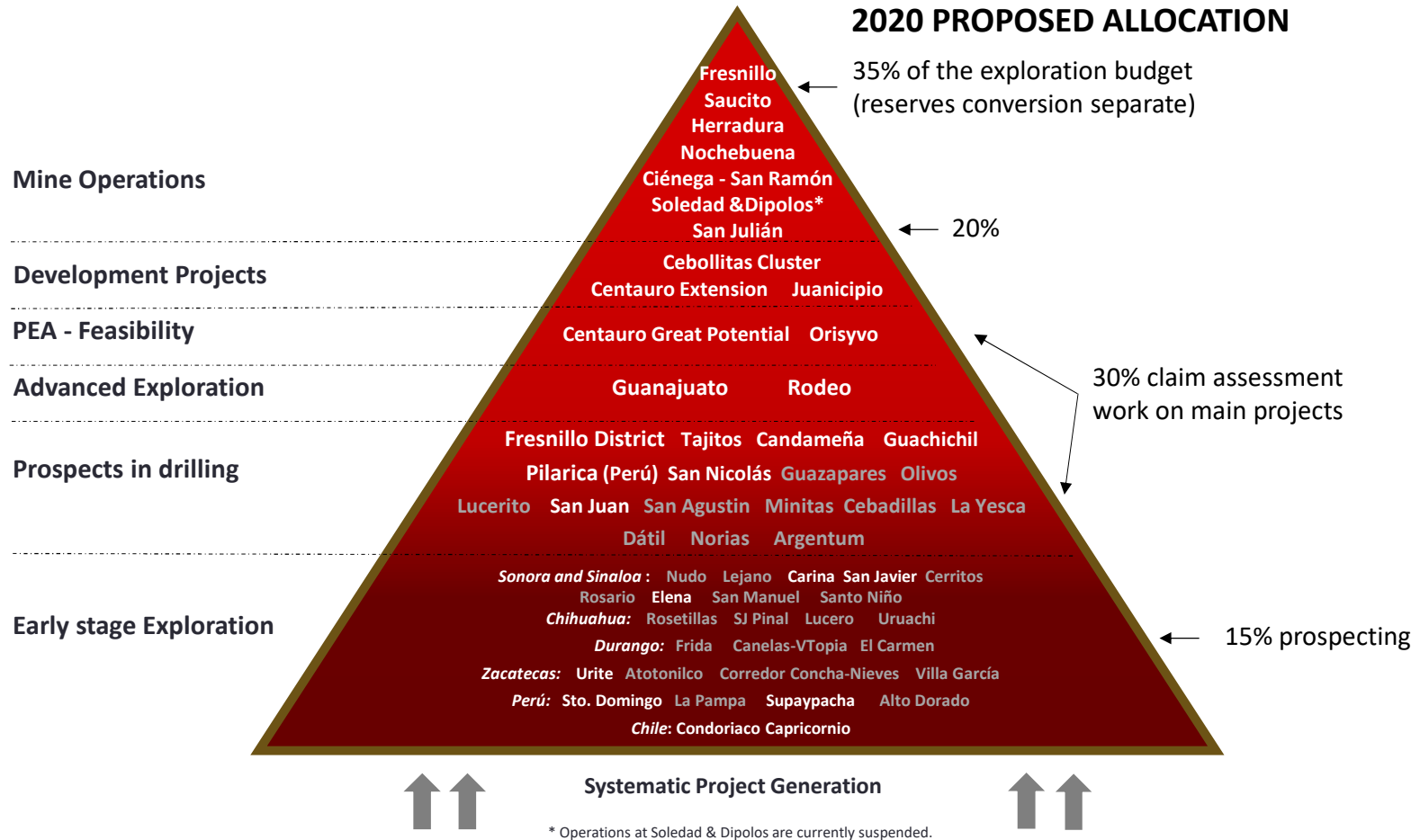
BUDGET ON PERMITS AND PARAMETRIC HOLES

CHILE

- Land position 2 options 15,000 hectares
- Capricornio, Condoriaco, large potential

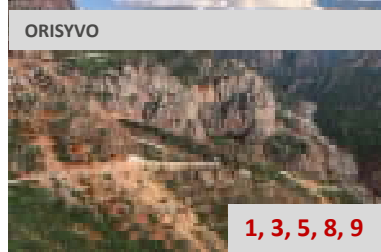
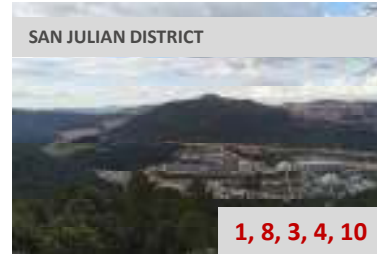
BUDGET MINIMUM ON OPTION COMMITMENTS

FRESNILLO PLC STRATEGIC PORTFOLIO: A MOVING PIPELINE



RISK ASSESSMENT

5



RISK ASSESSMENT

1. Impact of metal prices
2. Potential actions by government
3. Access to land
4. Security
5. Public perception against mining
6. Safety
7. Union relations
8. Exploration
9. Projects performance
10. Environment

WHY FRESNILLO?

6

- Best value margin
- In house experience
- 9 targets identified
- 3 areas in drilling with 15 rigs







WHY SAN JULIÁN?

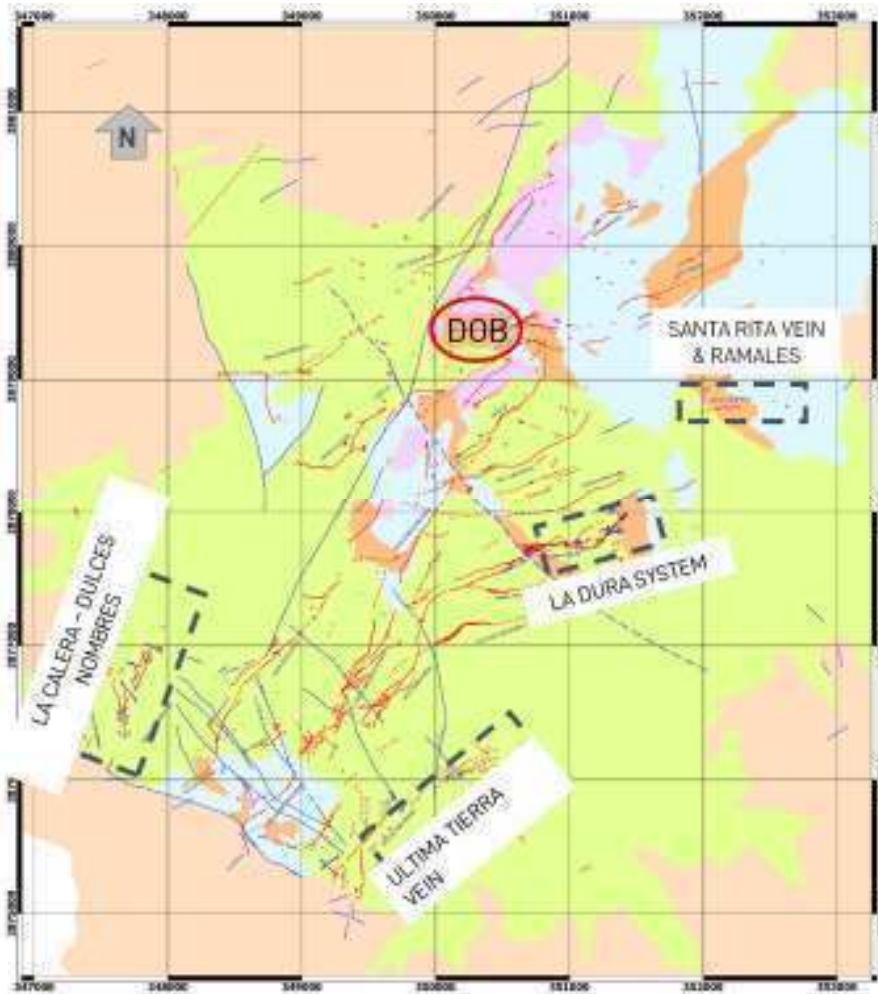
9

- Convert resources into reserves
- Successful gold-silver vein exploration
- 3 DOB (Disseminated Ore Body) silver type targets to be explored
- Follow-up ground geophysics and mapping in process

SAN JULIÁN DISTRICT

SAN JULIÁN DISTRICT

10

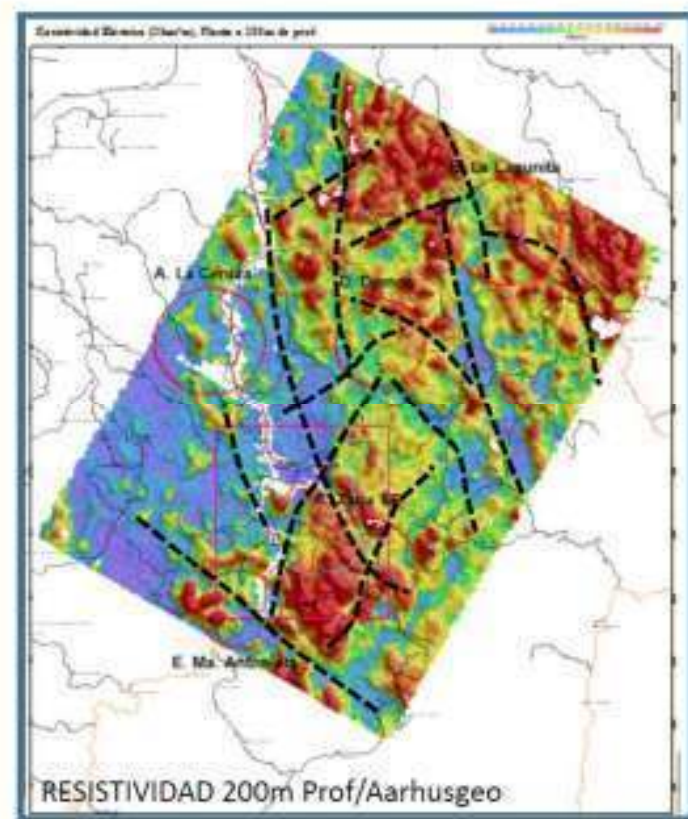
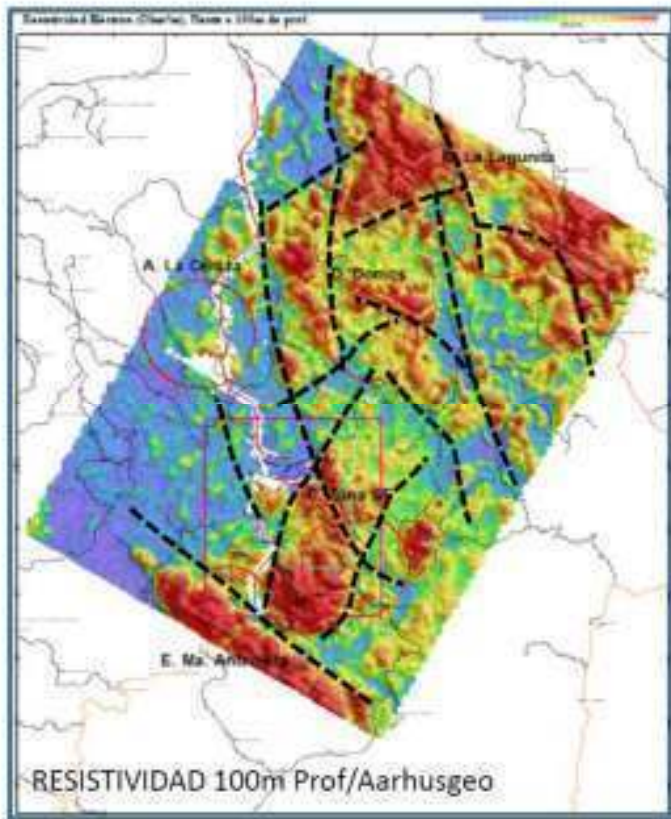


San Julián District new vein discoveries

KEY

T-IGA	Ignimbrite
R-MAS	Massive Rhyolite
TL	Felsic Tuff
D-RdFL	Rhyodacite
DAC	Tuffs and Dacite
	Vein
	Fault
	Diamond drill

SAN JULIÁN DISTRICT, RESISTIVITY MAPS, LATEST VERSATEM AIRBORNE TECHNOLOGY







- Exploration along gold mineralised regional faults
- Potential open at depth

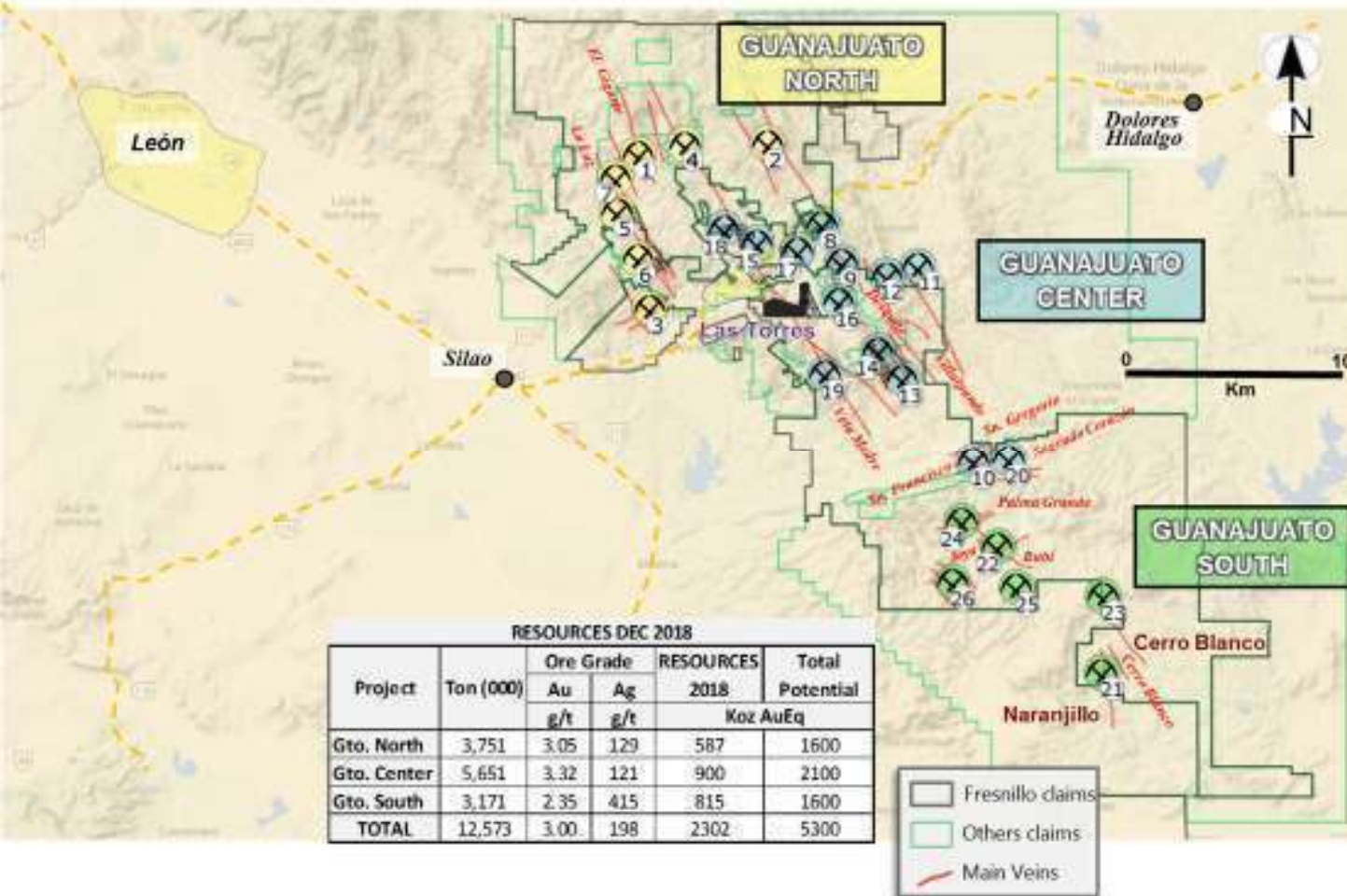
LA HERRADURA, SONORA

HERRADURA MINE, SONORA

14



- Mine exploration in depth extension
- Geotechnical study in process
- Grade and stripping sensitive
- Cost alternatives, feasibility study
- Exploration in district



GUANAJUATO NORTH

1. Gigante
2. La Fragua
3. Sabino
4. Veta Madre N
5. La Luz
6. Opulencia
7. Nevada

GUANAJUATO CENTER

8. Desquite-San Cosme
9. Desquite SE
10. San Gregorio
11. Cebolletas
12. Villalpando
13. Mesa Paredes
14. Nayal
15. Apolo
16. Gloria-Hallazgo
17. Falla del Cubo
18. Sirena
19. Beleña
20. Ventana de Allende

GUANAJUATO SOUTH

21. Co Blanco-Naranjillo
22. La Joya
23. San Diego
24. Potrerillos
25. Crucitas
26. Falla Antonia

3. Target priority



- Operational flotation plant
- Reopening mine reserves on the Veta Madre vein



Gigante vein

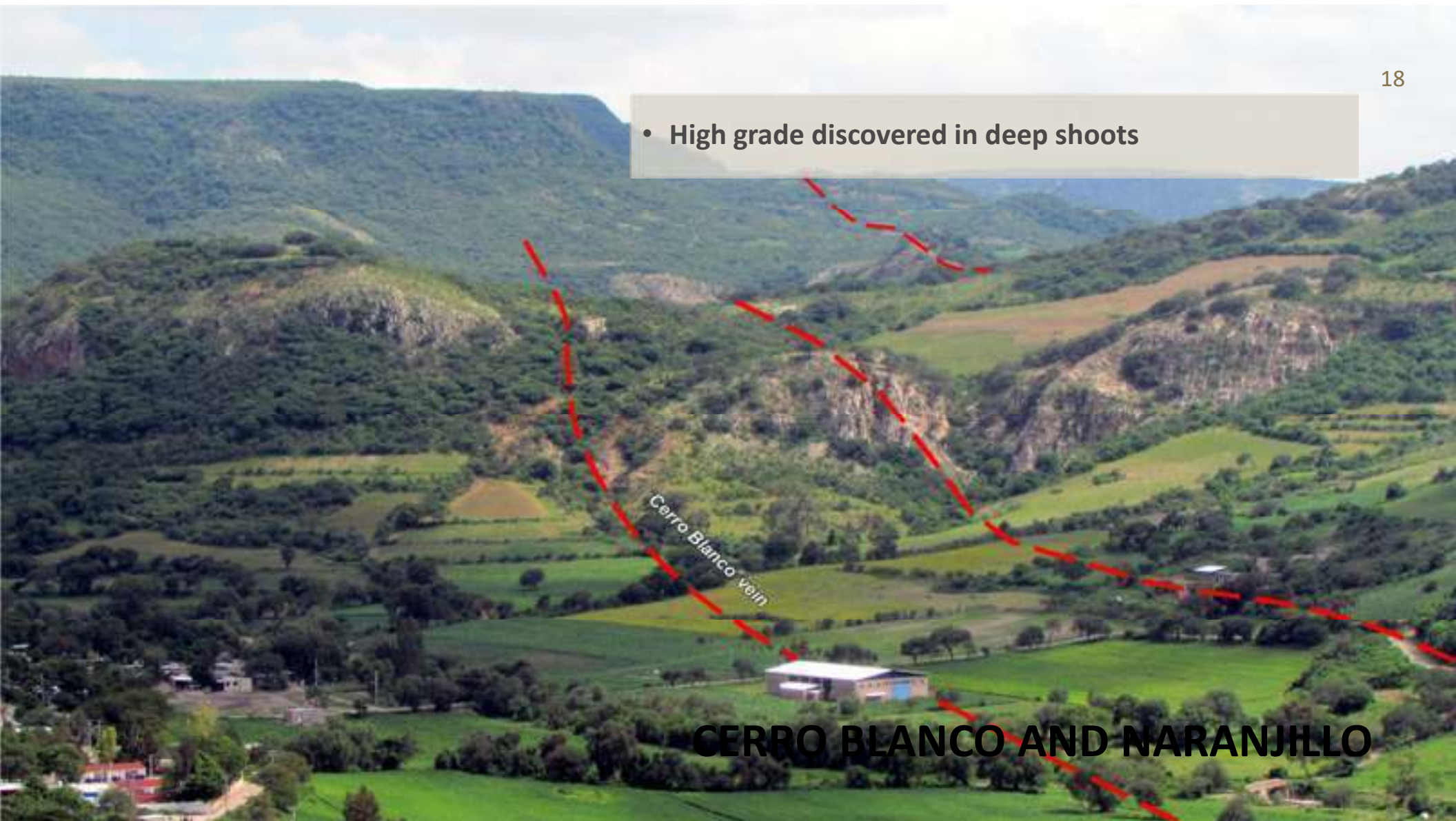
- 4 new veins discovered
- Drilling in process

GUANAJUATO - GIGANTE

- High grade discovered in deep shoots

Cerro Blanco vein

CERRO BLANCO AND NARANJILLO

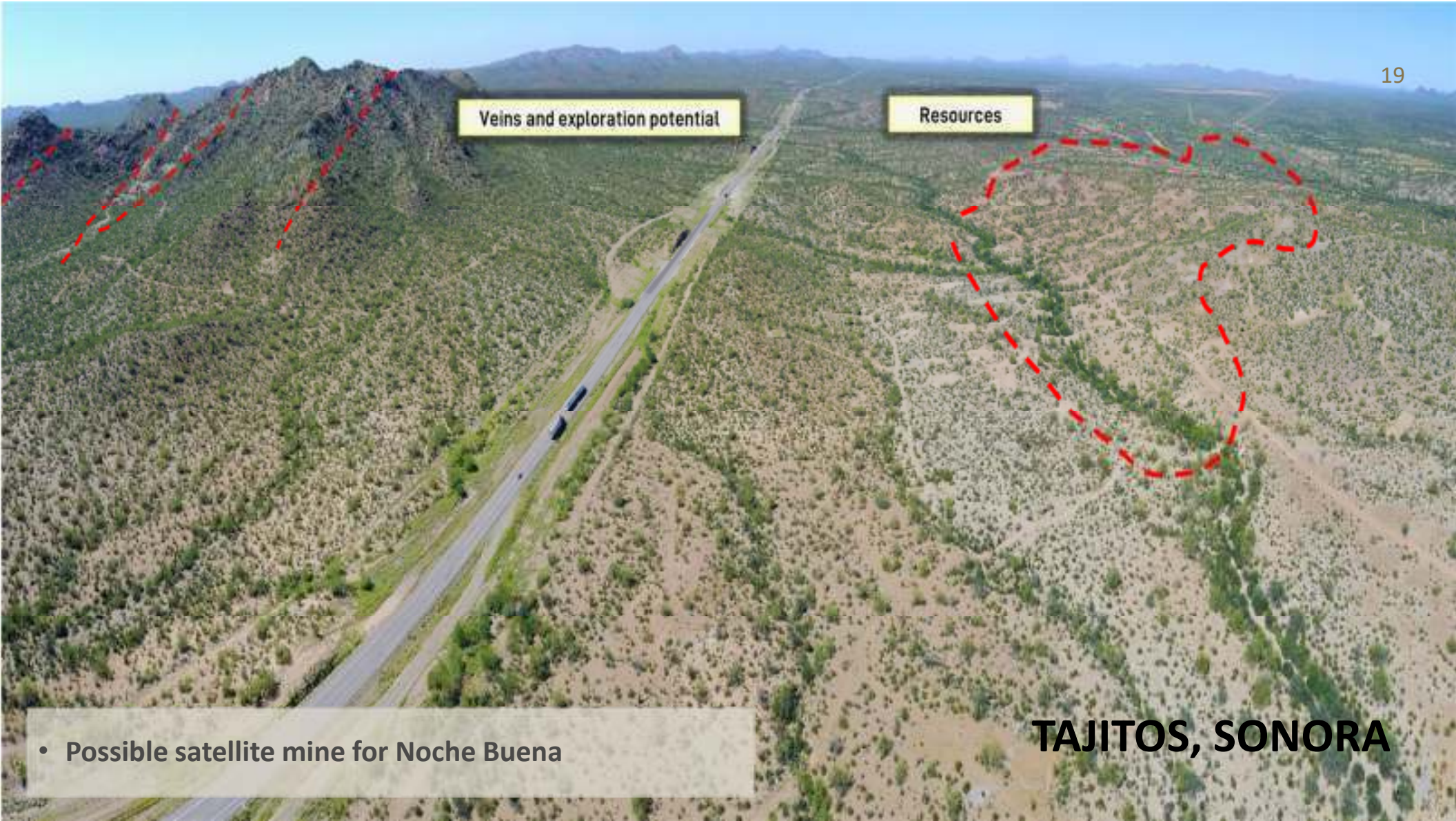


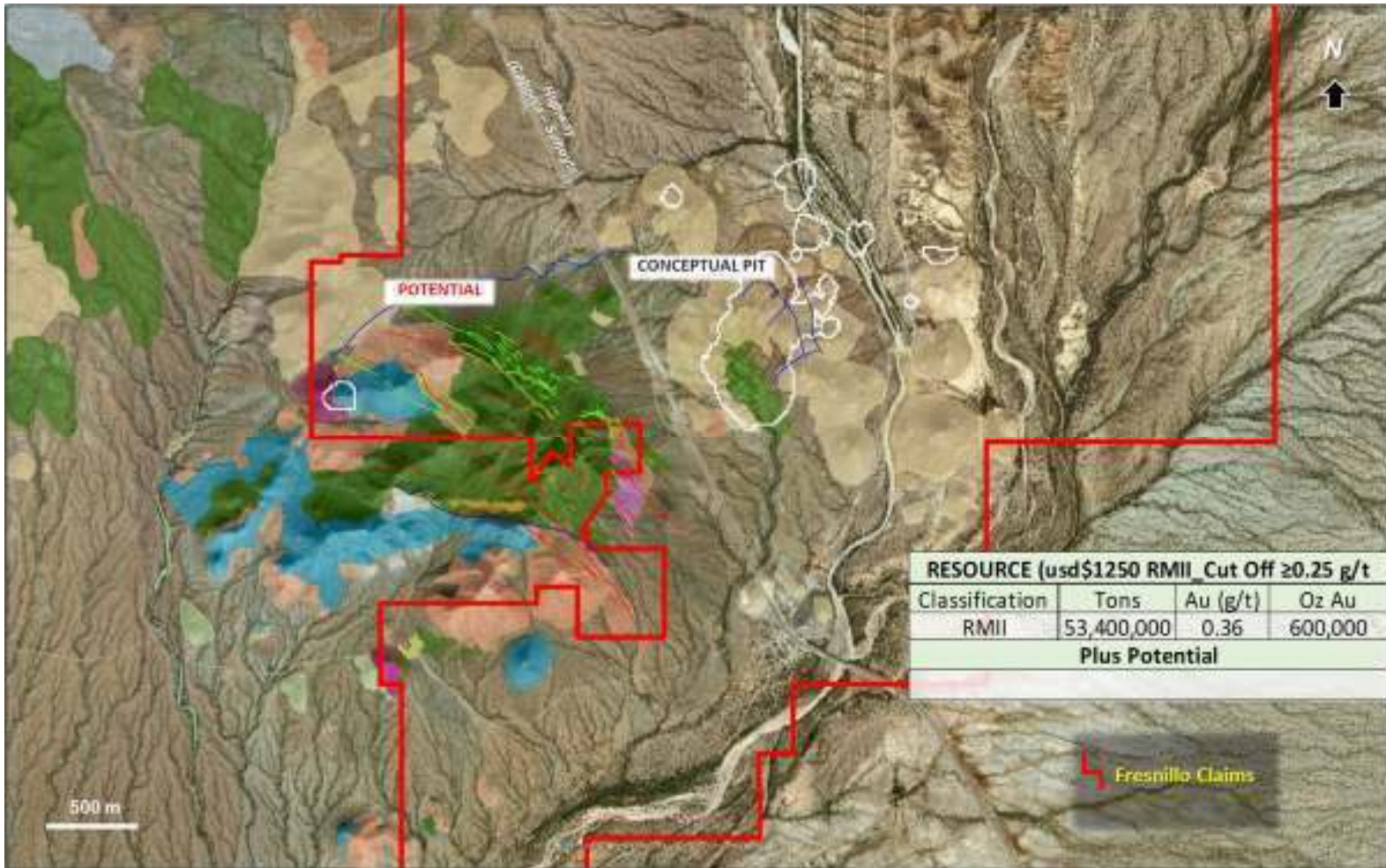
Veins and exploration potential

Resources

- Possible satellite mine for Noche Buena

TAJITOS, SONORA





PERÚ MINERALISED TRENDS, MINES, AND FRESNILLO PROJECTS

21



Mineralised trends, mines, and Fresnillo projects

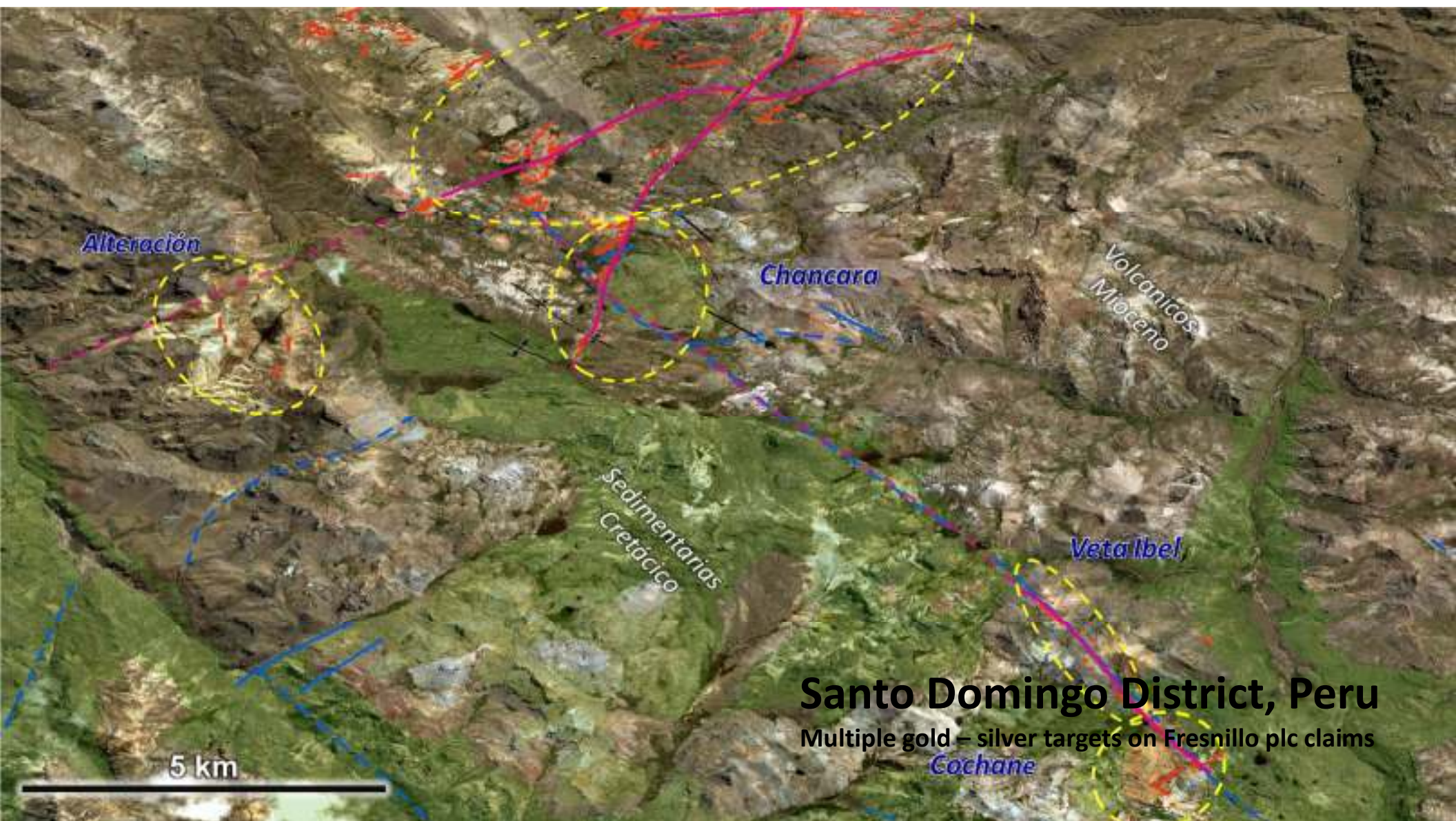
-  Mineralised trend
-  Gold mine
-  Silver mine
-  Fresnillo project 2020
-  Fresnillo mining claims
-  City

WHY SANTO DOMINGO IN PERU ?

22

- Large gold – silver potential
- Unexplored, claims controlled by Fresnillo plc
- Some community and permitting advance

SANTO DOMINGO DISTRICT, PERU



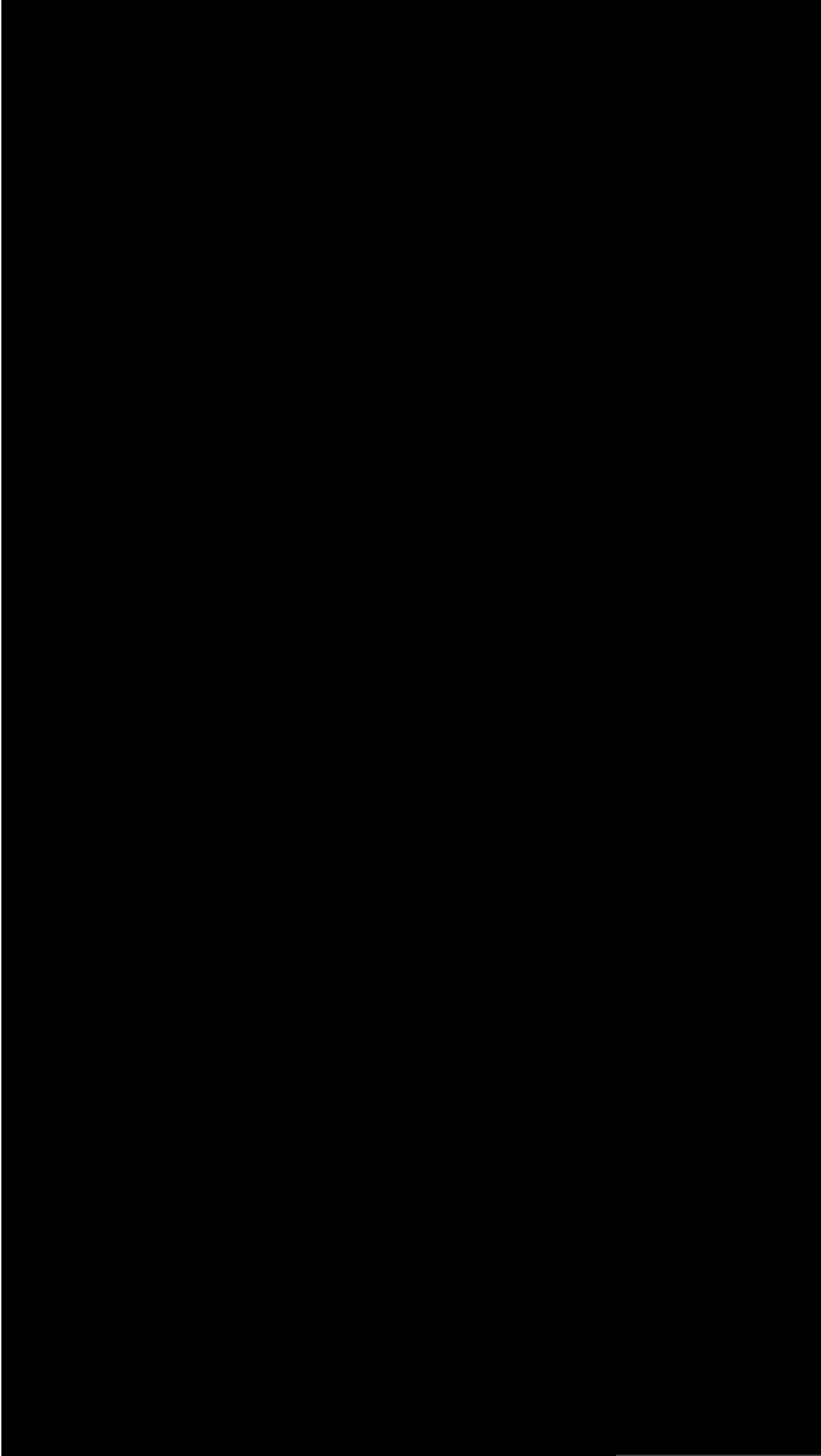
Santo Domingo District, Peru

Multiple gold – silver targets on Fresnillo plc claims

Cochane

- Exploring a consolidated gold – silver district
- 15 veins in drilling with interesting results







BREAK

LSE: FRES BMV: FRES
www.fresnilloplc.com



COSTS

INCOME STATEMENT EXCERPT (IFRS)

2

C O N C E P T	ACCUM JUNE				CHANGE	
	2019	%	2018	%	\$	%
ADJUSTED REVENUES	1,069.0		1,189.9		(120.9)	(10.2)
HEDGING (METALS)	0.1		0.0		0.1	N/A
TREATMENT AND REFINING CHARGES	(67.1)		(74.8)		7.8	10.4
REVENUES	1,002.0	100.0	1,115.0	100.0	(113.1)	(10.1)
ADJUSTED PRODUCTION COST	(566.4)	(56.5)	(429.9)	(38.6)	(136.5)	(31.7)
PROFIT SHARING	(4.3)	(0.4)	(11.8)	(1.1)	7.5	63.3
DEPRECIATION	(240.5)	(24.0)	(192.8)	(17.3)	(47.6)	(24.7)
CHANGE IN INVENTORIES	14.0	1.4	21.7	1.9	(7.7)	(35.3)
UNPRODUCTIVE COST	0.7	0.1	(0.0)	0.0	0.7	N/A
COST OF SALES	(796.5)	(79.5)	(612.9)	(55.0)	(183.6)	(30.0)
GROSS PROFIT	205.5	20.5	502.2	45.0	(296.7)	(59.1)

CONSOLIDATED COST INFLATION 1H19 (USD BASED)

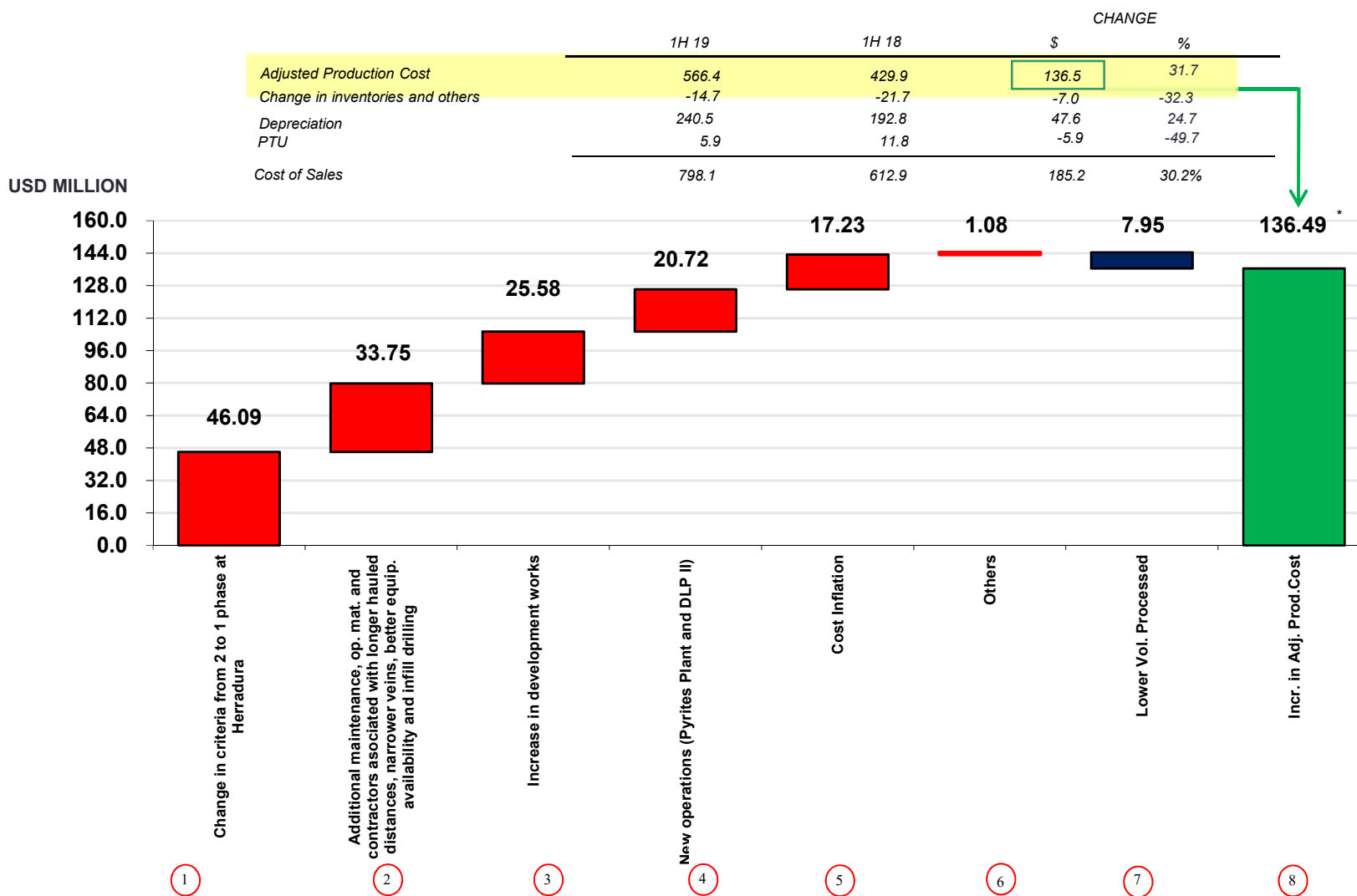
3

CONSOLIDATED				
		Unit price increase %	Weight (*)	Weighted average
LABOUR:				
	UNIONIZED PERSONNEL	6.7%	5.8%	0.4%
	EMPLOYEES	4.7%	2.7%	0.1%
	<i>WEIGHTED</i>	<i>6.0%</i>		
OPERATING MATERIALS				
		2.0%	20.9%	0.4%
ENERGY:				
	ELECTRIC ENERGY	3.3%	6.3%	0.2%
	DIESEL	11.3%	11.5%	1.3%
	GASOLINE	10.7%	1.3%	0.1%
	<i>WEIGHTED</i>	<i>8.6%</i>		
CONTRACTORS				
		3.1%	29.7%	0.9%
MAINTENANCE				
		1.0%	15.9%	0.2%
FREIGHTS				
		10.1%	10%	0.1%
INSURANCE				
		1.1%	0.5%	0.0%
OTHERS				
		2.1%	4.3%	0.1%
TOTAL				3.9%

Important Note: Excluding the average devaluation effect, cost inflation would have been 4.2%

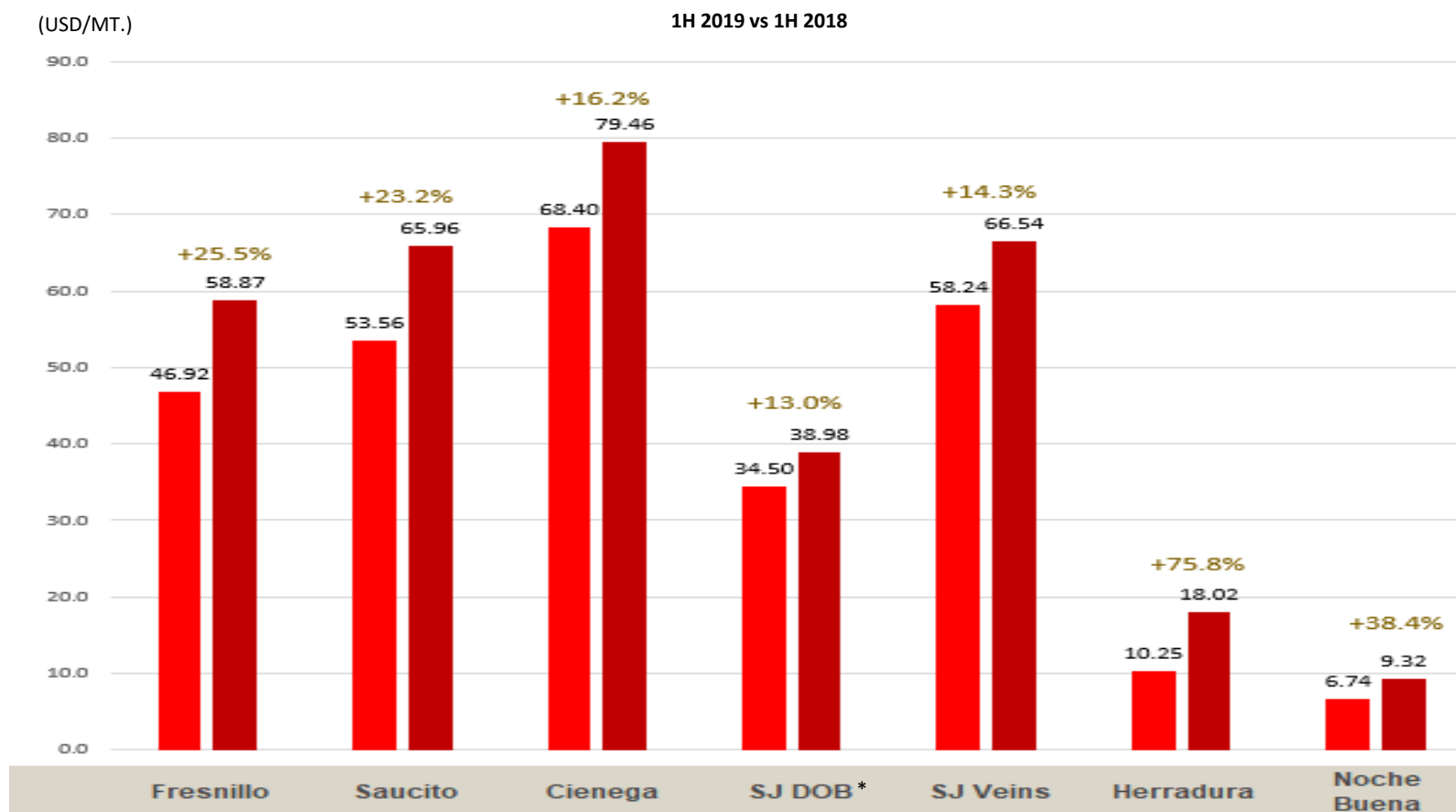
(*) Not including Depreciation and Profit Sharing

ADJUSTED PRODUCTION COST ANALYSIS (CONSOLIDATED)



COST PER TONNE

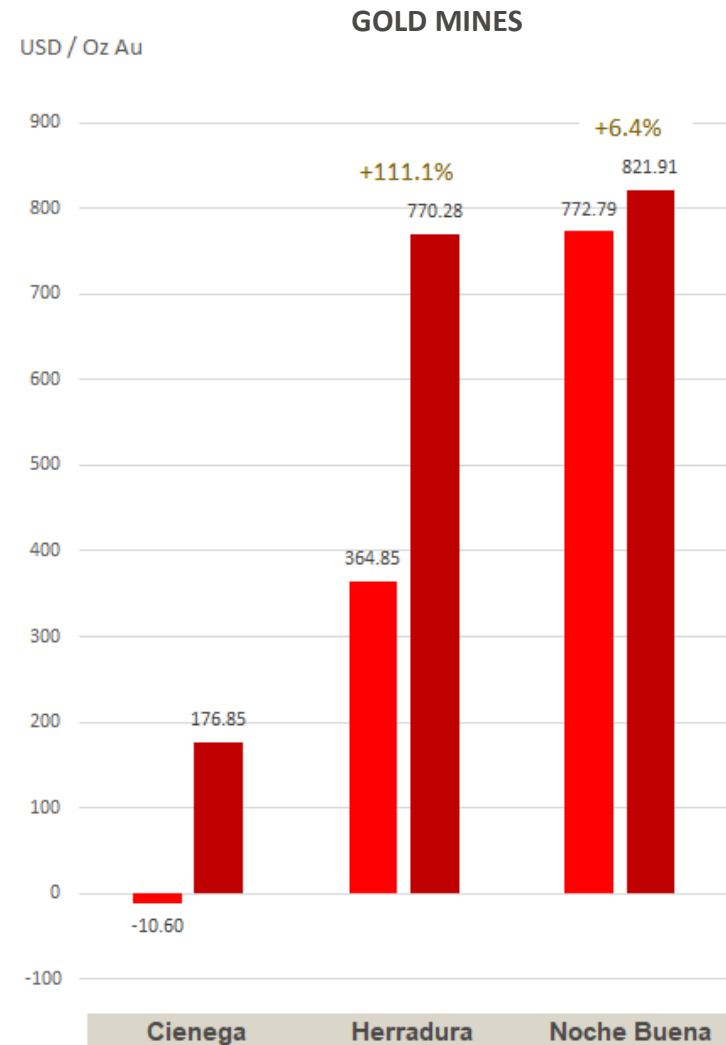
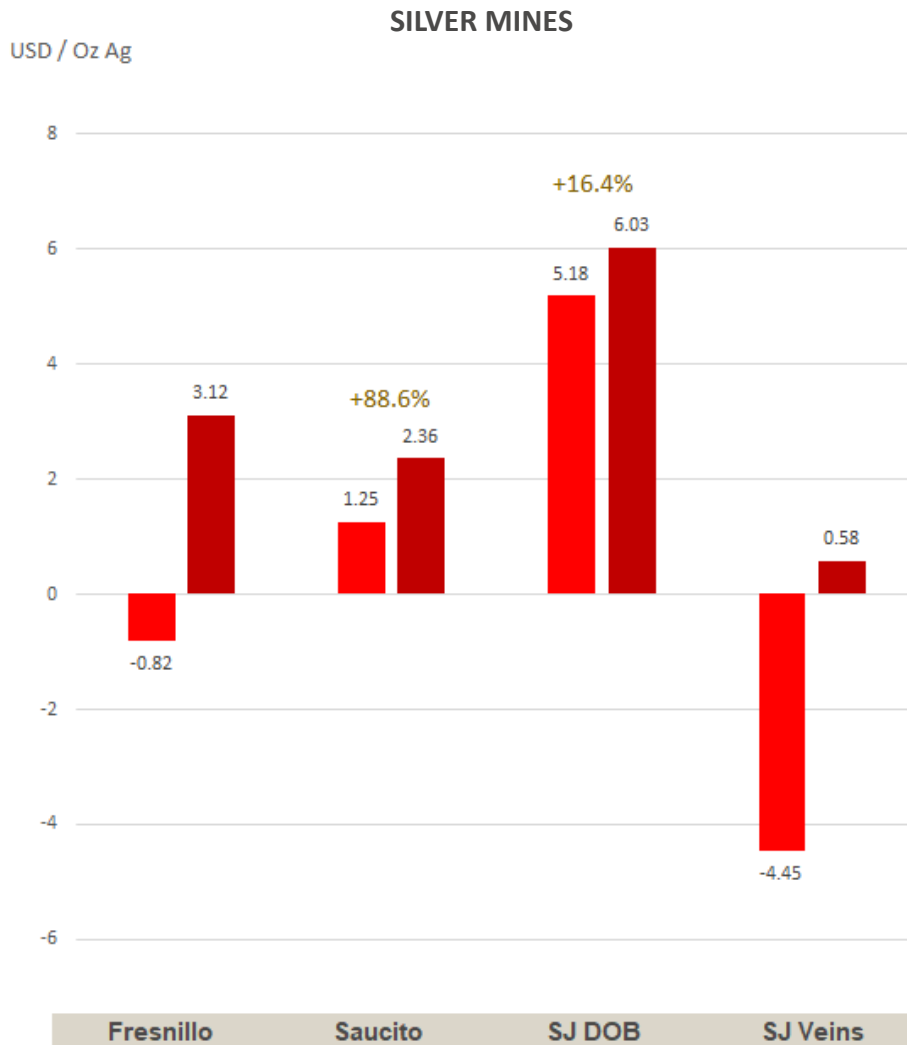
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* DOB = Disseminated Ore Body

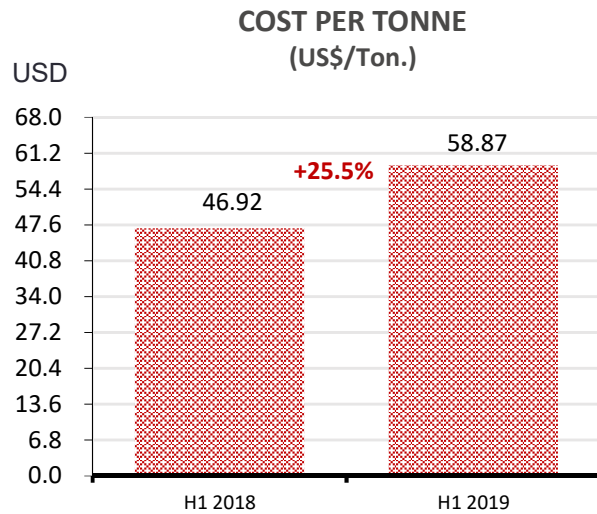
■ 1H 18 ■ 1H 19

CASH COST BY - PRODUCT



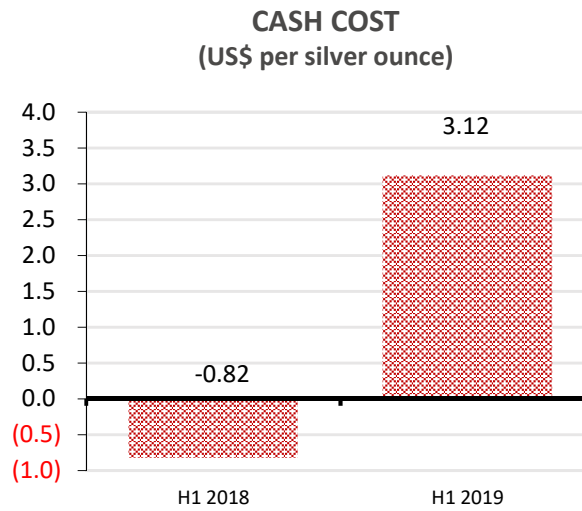
1H 2019 vs 1H 2018





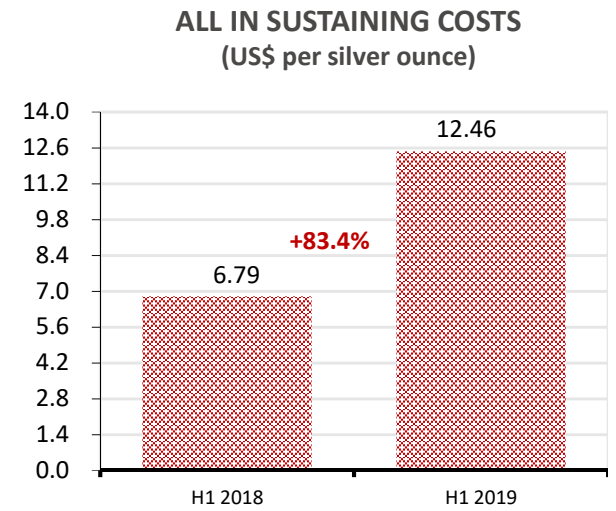
Increase of +11.95 USD/MT due to:

- Increase in development to cost (+1,083 mts +14.1%)
- Increase in the use of operating materials and maintenance
- Inefficiencies due to the lower volume processed (from 1.26 to 1.19 Million Tonnes, -5.1%)
- Cost Inflation +3.43%



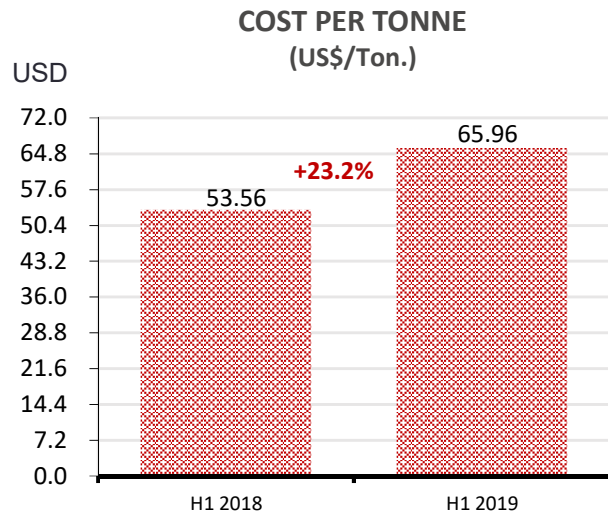
Increase of +3.94 USD/Oz due to:
(In Addition to the increase in CPT)

- Lower ore grade (from 221.8 to 187.0 g/t, -15.7%)
Note: Combination of lower ore grade and throughput = -21.2% decrease in silver production
- Decrease in by-product credits due to lower Zinc (-29.0%) and Lead production (-19.1%)



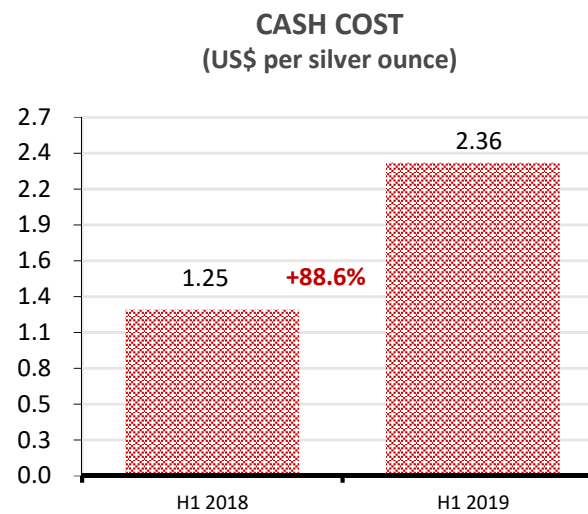
Increase of +5.67 USD/Oz due to:
(In Addition to the increase in CC)

- Effect of lower volume of silver sold on AISC items not included in cash cost



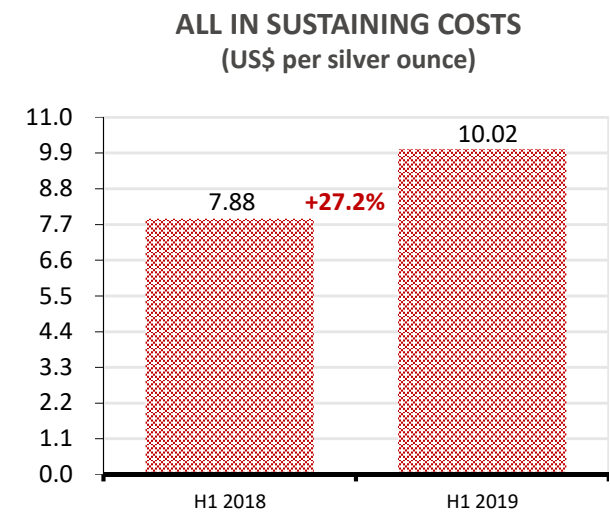
Increase of +12.40 USD/MT due to:

- Pyrites Plant (new operation) start-up in 2H 2018
- Increase in development to cost (+2,452 mts, +32.9%)
- Increase in the use of operating materials and maintenance
- Inefficiencies due to lower volume of ore processed (-4.1%)
- Cost Inflation +2.15%



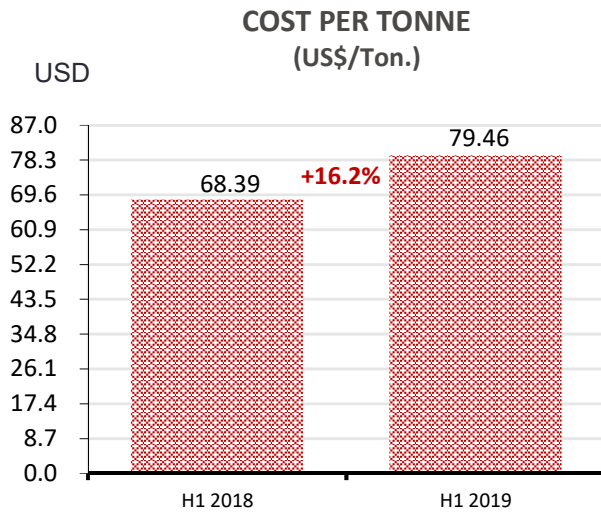
Increase of +1.11 USD/Oz due to:
(In Addition to the increase in CPT)

- Lower ore grade (from 260.2 to 242.6 g/t, -6.8%)
Note: Combination of lower ore grade and throughput = -11.5% decrease in silver production
- Mitigated by an increase in by-product credits due to higher lead and zinc ore grades (+29.6% and 25.3% respectively)



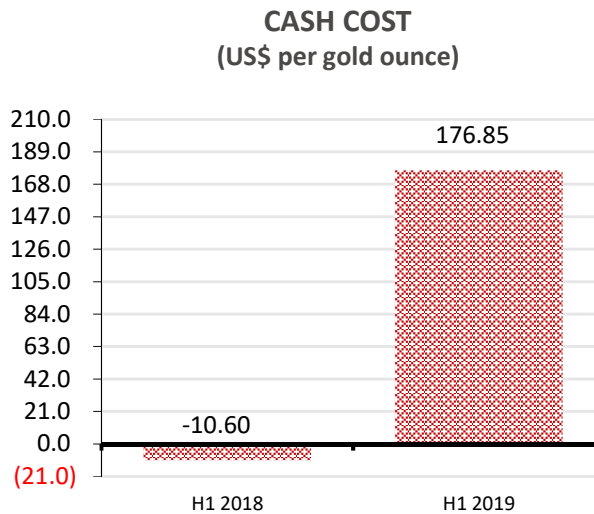
Increase of +2.14 USD/Oz due to:
(In Addition to the increase in CC)

- Increase in capitalised mine development (+1,227 mts, +14.8%)
- Effect of lower volume of silver sold on AISC items not included in cash cost



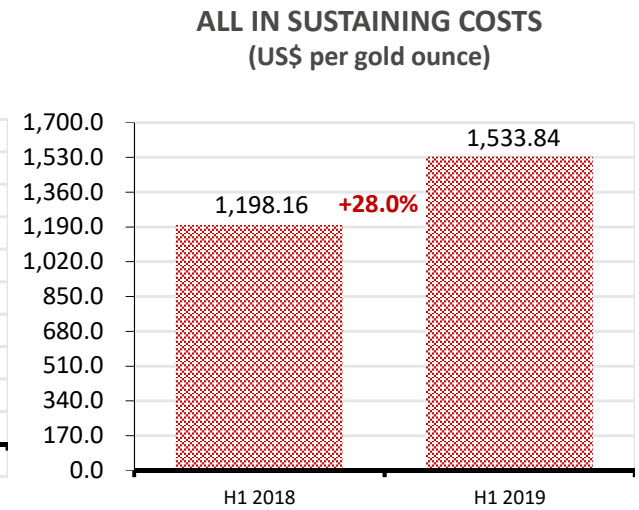
Increase of +11.1 USD/MT due to:

- Increase in activities of contractors due to narrower veins
- Increase in use of maintenance
- Cost Inflation +3.17%
- Mitigated by lower development to cost (-688 mts, -13.7%)



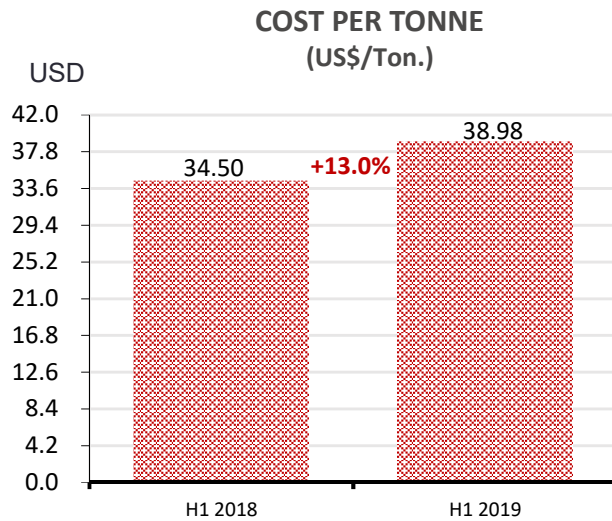
Increase of +187.45 USD/Oz due to:
(In Addition to the increase in CPT)

- Decrease in gold production (-10.0%) due to lower ore grade (-6.6%) and lower recovery rate (-3.5%)



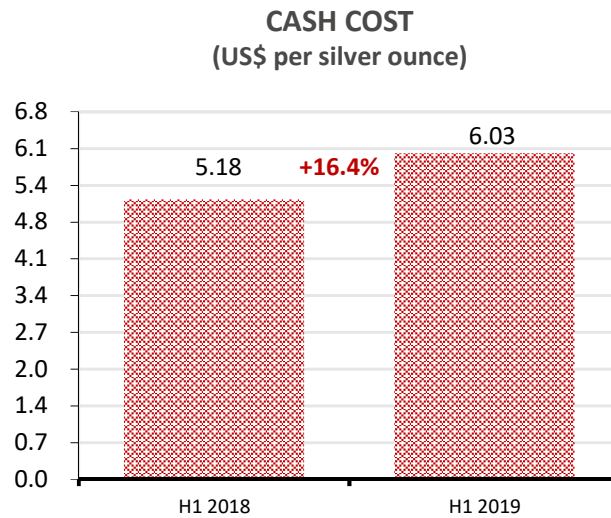
Increase of +335.14 USD/Oz due to:
(In Addition to the increase in CC)

- Increase in capitalised development due to the tailings dam #3 construction
- Effect of lower volume of gold sold on AISC items (administrative expenses)



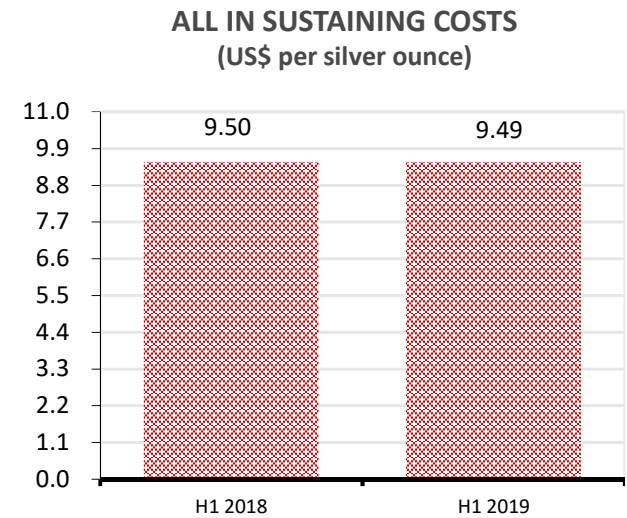
Increase of +4.47 USD/MT due to:

- Increase in use of operating materials to improve stability in certain areas and also as a result of returning back to the normal pace of stope backfilling which was interrupted in 1H2018 due to lower availability of water
- Cost inflation +3.52%
- Mitigated by lower development to cost and higher economies of scale due to the increase in throughput (+3.4%)



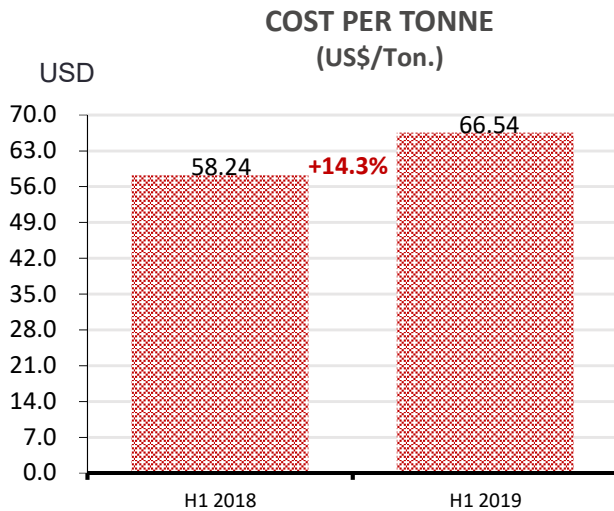
Increase of +0.85 USD/Oz due to:
(In Addition to the increase in CPT)

- Decrease in silver production (-4.1%) due to lower ore grade (from 151.7 to 137.0 g/t, -9.7%)
- Decrease in by-product credits due to lower gold production (-4.2%) and lower lead (-22.2%) and zinc (-14.2%) prices



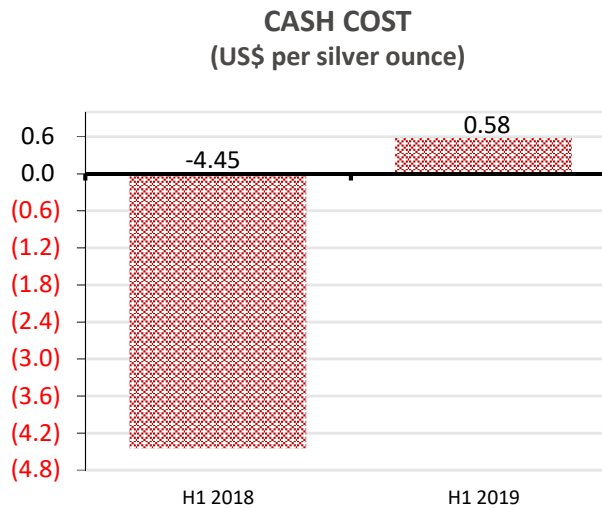
Decrease of -0.01 USD/Oz due to:
(In Addition to the increase in CC)

- The increase in cash cost was compensated by lower sustaining CAPEX and mining works



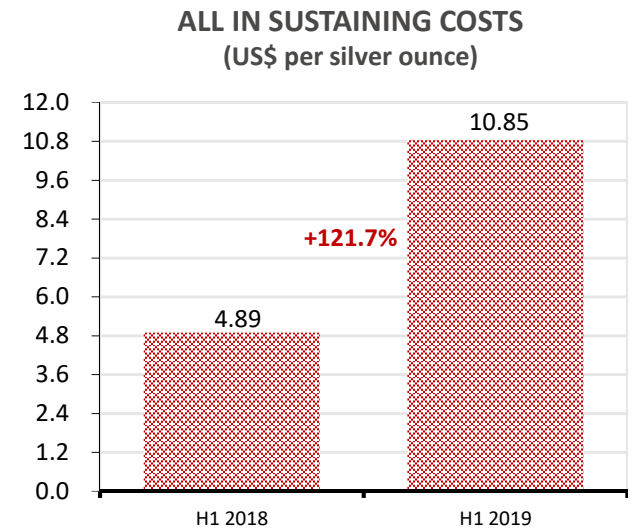
Increase of +8.30 USD/MT due to:

- Increase in use of operating materials and personnel
- Cost inflation +3.52%
- Increase in development to cost (+1,023 mts, +28.2%)
- Mitigated with higher economies of scale due to the increase in throughput (+10.2%)



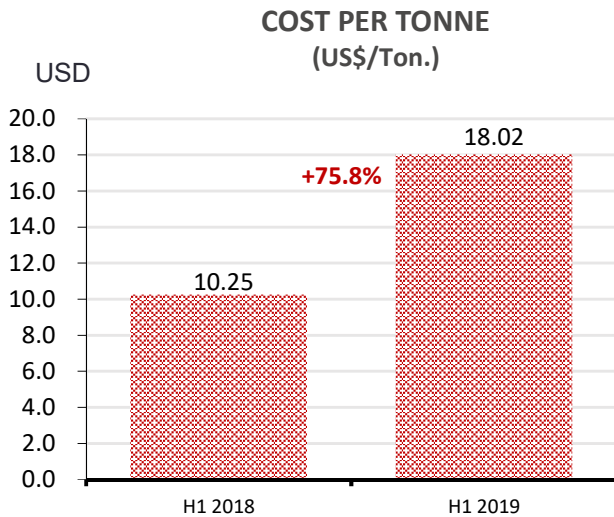
Increase of +5.03 USD/Oz due to:
(In Addition to the increase in CPT)

- Decrease in silver production (-13.9%) due to lower ore grade (-21.1%)
- Decrease in by-product credit due to lower gold ore grade (-14.7%)

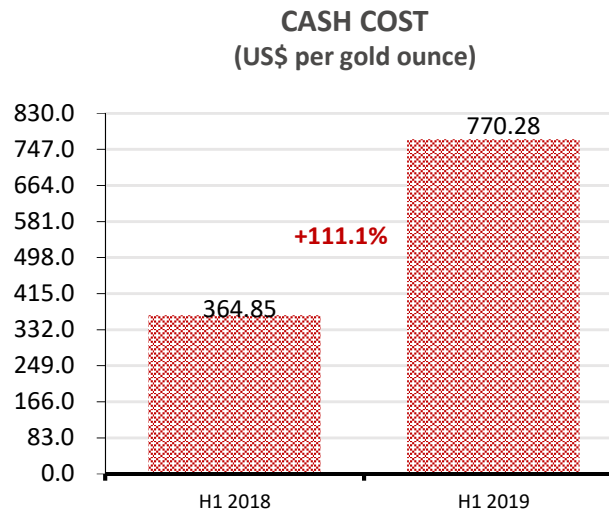


Increase of +5.95 USD/Oz due to:
(In Addition to the increase in CC)

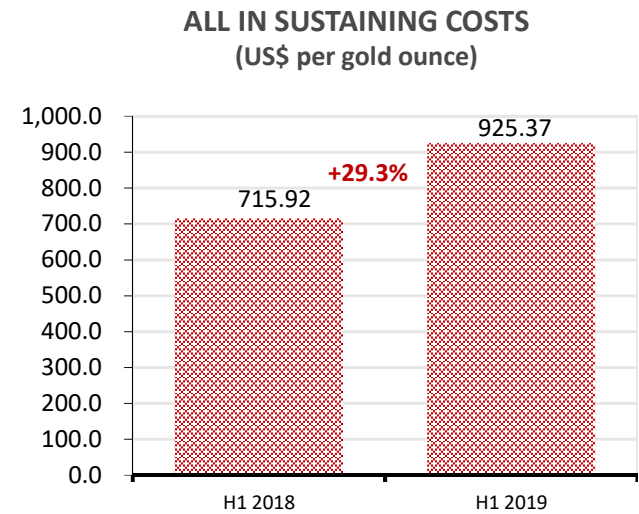
- Increase in capitalised development (+3,673 mts, +85.7%)
- Effect of lower volume of silver sold on AISC items (administrative expenses)
- Mitigated by decrease in sustaining CAPEX



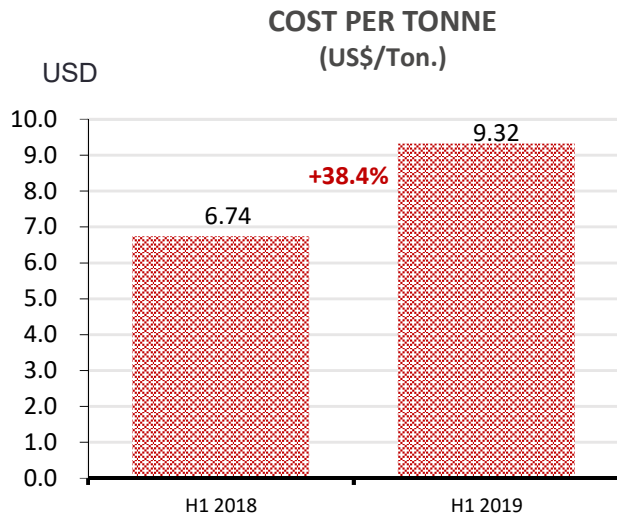
- Increase of +7.77 USD/MT due to:
- Increase in stripping to cost (28.3 million tonnes) due to the reassessment of the number of mining components from 2 to 1 (Str. Ratio to cost from 2.3 to 4.8 equivalent to 24.5 million tonnes of waste)
 - Lower volume of ore processed (-3.9%)
 - Increase in maintenance and higher consumption of operating materials due to longer haulage distances
 - Cost inflation +4.26%



- Increase of +405.42 USD/Oz due to:
(In Addition to the increase in CPT)
- The favourable effect of the reassessment of the gold inventory at the leaching pads in 1H2018 (+98.9 thousand ounces in inventory)

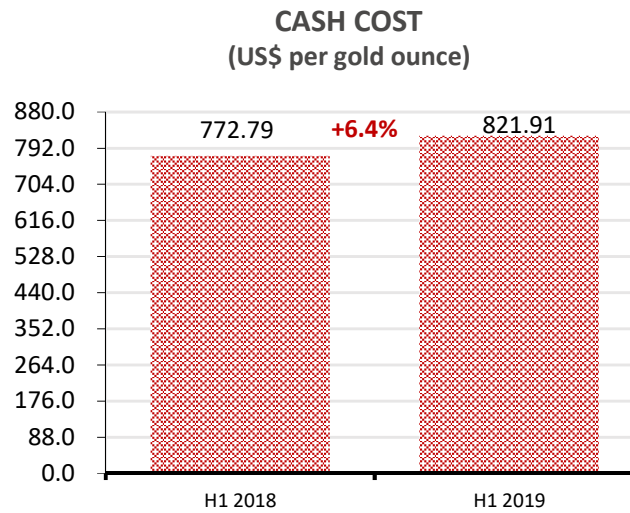


- Increase of +209.44 USD/Oz due to:
(In Addition to the increase in CC)
- Increase in sustaining CAPEX
 - Compensated by lower capitalised stripping associated with the reassessment of the number of mining components form 2 to 1 (28.3 million tonnes)



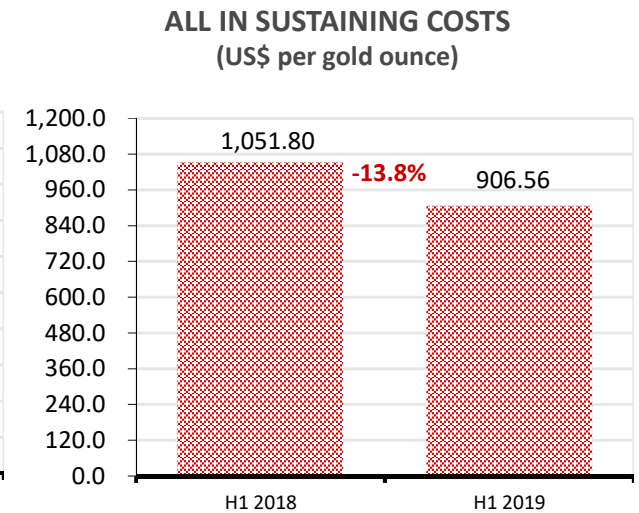
Increase of +2.58 USD/MT due to:

- Lower economies of scale as a result of the decrease in volume of ore processed (-26.7%)
- Cost inflation +5.65%



Increase of +49.13 USD/Oz due to:
(In Addition to the increase in CPT)

- Lower speed of recovery at the leaching pads



Decrease of -145.24 USD/Oz due to:
(In Addition to the increase in CC)

- Decrease in sustaining CAPEX as a result of the depletion of the mine and lower capitalised stripping

CONSOLIDATED AISC (1H 2019 VS 1H 2018)

CONSOLIDATED BY METAL	SILVER MINES		GOLD MINES	
	1H 2019	1H 2018	1H 2019	1H 2018
Silver / Gold AISC (USD/Oz)	10.71	7.45	973.9	839.9
Silver (Moz) / Gold (Koz) Volume Sold	20.69	23.03	327.1	360.7

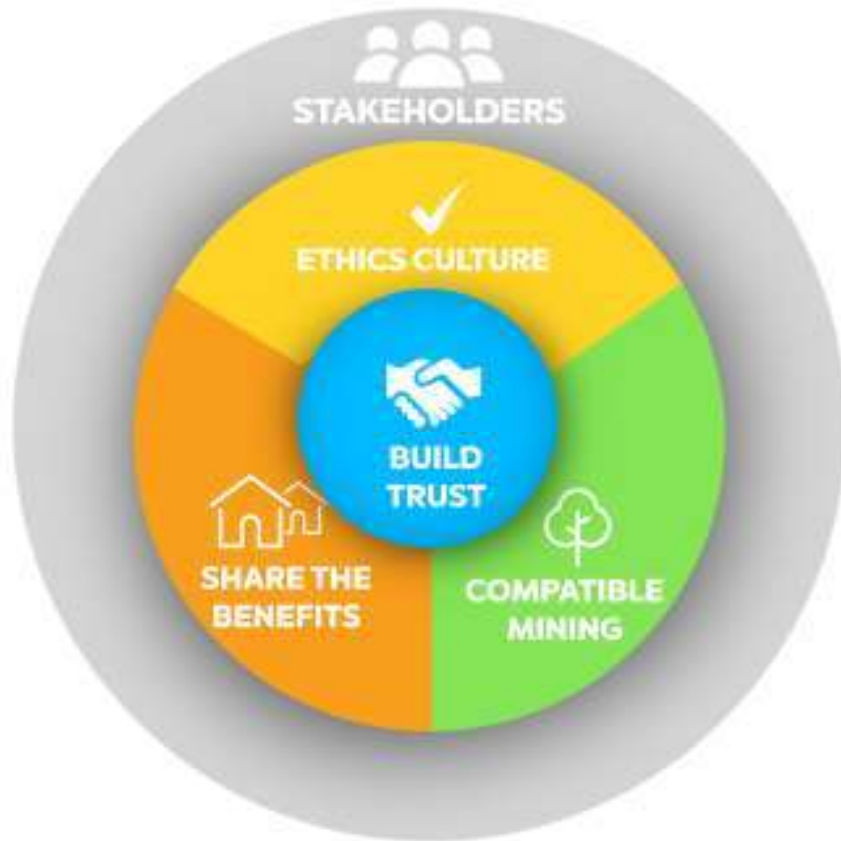
CONSOLIDATED IN EQUIVALENT SILVER OUNCES OR GOLD OUNCES	PER OZ. SILVER EQ.		PER OZ. GOLD EQ.	
	1H 2019	1H 2018	1H 2019	1H 2018
	AISC (USD/Oz Eq)	11.83	10.39	1,025.9
Equivalent Ounces (Ag-Moz; Au-Koz)	60.60	62.20	698.6	781.1





SOCIAL & ENVIRONMENTAL PERFORMANCE

OUR APPROACH TO SUSTAINABILITY AND SOCIAL CONTRIBUTION



We believe that responsible mining is compatible with high stakeholder expectations in terms of ethical, social and environmental performance, and recognise that our social licence to operate is dependent upon being trusted by our stakeholders. This underlines the importance of responsible business practices being deeply integrated into our business model, and of factors that affect stakeholders

ESG Imperatives to support the Business Strategy:

- Social acceptability
- Water and biodiversity stewardship
- Increase carbon resilience

COMMUNITY ENGAGEMENT

PURPOSEFUL ENGAGEMENT WITH OUR COMMUNITIES



SOCIAL INVESTMENT PORTFOLIO

Create long-term value with our communities

<p>4 QUALITY EDUCATION</p> <p>Education: Foster social cohesion and develop reading and STEM skills.</p>	<p>3 GOOD HEALTH AND WELL-BEING</p> <p>Health and Sports: Improve communities health and habits</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>Capacity Building: Develop community entrepreneurs and regional procurement.</p>	<p>6 CLEAN WATER AND SANITATION</p> <p>Water: Working with communities to increase safe water access</p>

It is about purpose: the industry struggles to engage around a purposeful story of what it stands for
ICMM Stakeholder Survey 2017

SOCIAL & ENVIRONMENTAL PERFORMANCE

COMMUNITY ENGAGEMENT

PICANDO LETRAS “MINING LETTERS”



Purpose: To promote the inclusion of all social actors through reading and dialogue in *elementary schools*



28% of the children improved their comprehension skills and understanding of the reading.



7% improved their narrative skills, when telling others about the reading they listened to.

Schools	Kids	Teachers	Parents	Communities
75	8756	215	143	34



Coverage: All mining districts and development projects

School of Mineral de la Luz (Guanajuato)

EDUCATION: FIRST ROBOTICS



Purpose: To promote the inclusion of all social actors through reading and dialogue in *elementary schools*

1. Cabots (Penmont)
2. Potrobots (San Julian)
3. Jeunes d' Argent (Fresnillo)
4. Minebots (La Ciénega)

“Inspiration Award” at the Houston World Cup 2019



Fresnillo's Robotics Family

SOCIAL & ENVIRONMENTAL PERFORMANCE

COMMUNITY ENGAGEMENT

HEALTH & SPORTS



In partnership with the National University Foundation, we organise Health Weeks benefiting close to 8,000 people every year.



Comprising reclaimed tailings ponds and a zoo, our Fresnillo parks received an average of 2,000 visitors per month



Our football school, in partnership with Santos Football Club, has a capacity for 300 children in our Fresnillo District

CAPACITY BUILDING



We provide training and follow-up for Small and medium-sized enterprises (SMEs) and entrepreneurs.



Zacatecas



Sonora



Chihuahua

We participate in regional clusters to contribute to the development of regional procurement capacities and talent development

COMMUNITY ENGAGEMENT

RAINWATER HARVESTING SYSTEMS – SAN JULIÁN

Capacity building and support for the construction of 315 water harvesting systems as part of our shared benefits of the indigenous consultation of the San Julian Water Reservoir. The project benefited 1,055 persons in 15 communities



WATER STEWARDSHIP

OUR APPROACH



WATER STEWARDSHIP

EFFICIENCY AND REUSE – CLOSED-CIRCUIT PROCESSES & WASTEWATER



Thickeners (left), Tailings dam (right)

Municipal Wastewater is treated to be reused for mineral processing in our Fresnillo District. Wastewater from our camps is also recycled and reused

1.3 million m3 were recycled in 2018

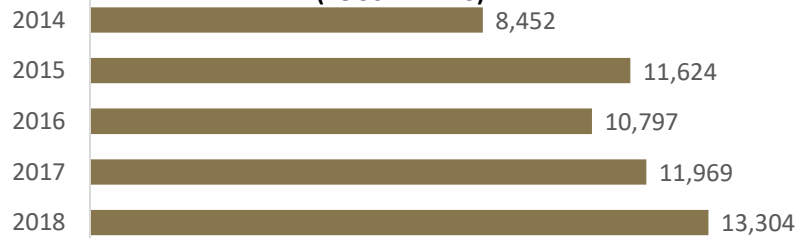
Our operational excellence in mineral processing and closed-circuit processes has enabled us to reach a reuse efficiency of 80.16% in 2018



To reduce our fresh water footprint we have secured access to an additional municipal wastewater plant from the municipality of Fresnillo

This project was recognized with the Environmental Merit Award From the Congress of the State of Zacatecas

**WATER WITHDRAWAL
(TOUSAND M3)**



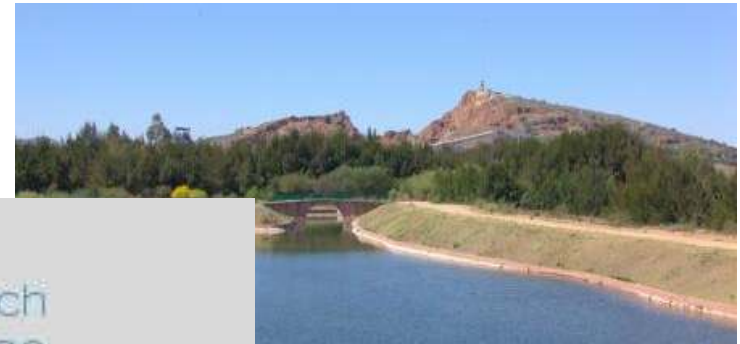
SOCIAL & ENVIRONMENTAL PERFORMANCE

WATER STEWARDSHIP

POLLUTION PREVENTION – COLLABORATION WITH OUR STAKEHOLDERS



Geosynthetic to prevent seepage from a Tailings Storage Facility (TSF) at “La Herradura”

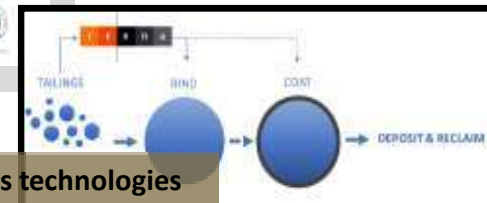


Reclaimed TSF. Now a Park at Fresnillo

Mining Cleantech Challenge
A Product Innovation Showcase



Water quality monitoring



Tailings technologies



WATER STEWARDSHIP

POLLUTION PREVENTION – COLLABORATION WITH OUR STAKEHOLDERS



Adoption of an international Water Accounting Framework to make comparisons with peers and across our own operations easier.



Reporting to the CDP the performance and water related risks



Partnering with CESPEDES (Mexican Chapter of the WBCSD) and the World Environment Center (WEC) to promote roundtables in Mexico on best practices of Water Stewardship across several industries.

<http://www.cespedes.org.mx/propelling-sustainable-water-management-in-a-water-stressed-future/>

WATER STEWARDSHIP

WATERSHED AND COMMUNITY ENGAGEMENT

Free, Prior and Informed Consent of the Raramuri People for the construction of a water dam for the San Julian Mine



Consultation and agreements



Kids building dams



Community visiting the water dam during construction and commissioning

BIODIVERSITY

RELOCATION OF SPECIES FOR THE SAN JULIAN WATER RESERVOIR



Capture and release of a rattlesnakes



Deer registration in the Project area by means of phototramp



Frog relocation from the San Julián Reservoir to an impact-free location

Cooperation with the Sonoran authorities for the protection of the Pronghorn at Penmont



Relocation of Sahuaros – Penmont



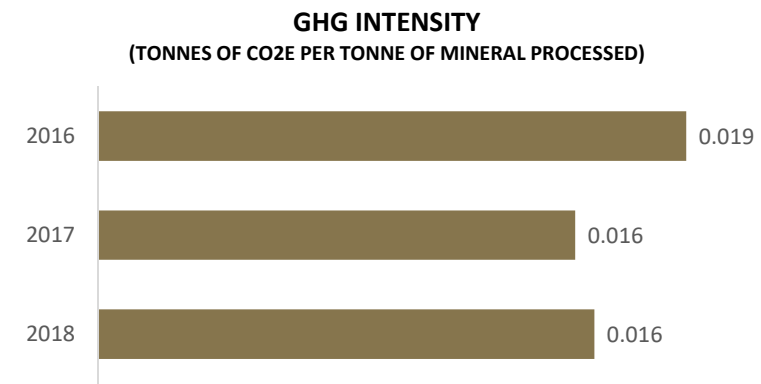
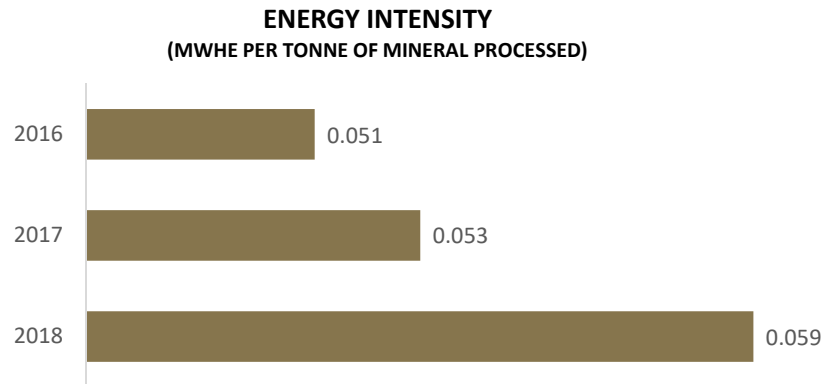
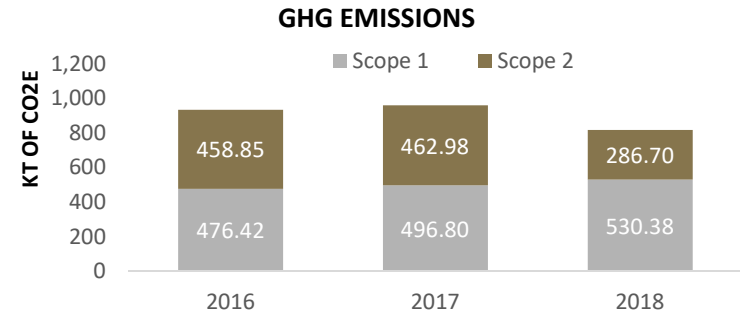
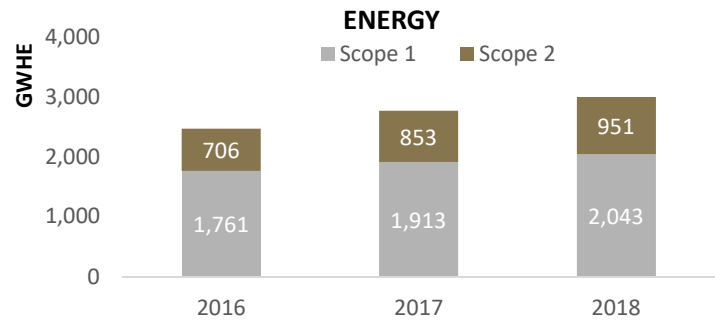
Plant nursery – La Ciénega



1000 ha of sustainable forest in “La Ciénega” Mine

ENERGY & CARBON PERFORMANCE

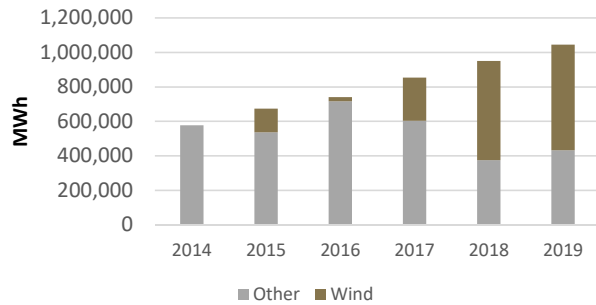
DECOUPLING GHG EMISSIONS FROM ENERGY CONSUMPTION



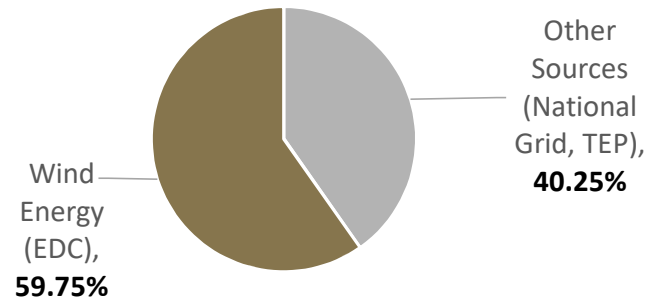
ENERGY & CARBON PERFORMANCE

DECARBONISATION OF OUR ELECTRICITY FOOTPRINT AND TRUCK FLEET

ELECTRICITY SUPPLY



SOURCES OF ELECTRICITY SUPPLY

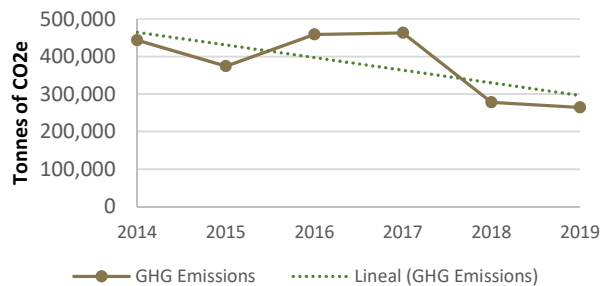


Greenhouse gas emissions avoided in 2019 (Q3):

245,994 tones of CO₂

The equivalent of removing **55,000** automobiles

GREENHOUSE GAS EMISSIONS FROM ELECTRICITY



Diesel to Natural Gas in the Truck Fleet of Penmont



Working with Carbon Trust to explore a Science Based Target



ETHICS & INTEGRITY

PERFORMANCE



Fresnillo plc is at the top of Corporate Integrity Ranking among the 500 largest companies (national and international) operating in Mexico.

This prestigious ranking is organized by the two most recognized anti-corruption NGO's, a top business magazine and funding from USAID.



(Corporate Integrity 500)



(Mexicans against corruption and impunity)



(The Mexican Chapter of Transparency International)



(Expansion Magazine in alliance with CNN)





CONSOLIDATED OUTLOOK

CONSOLIDATED OUTLOOK

2

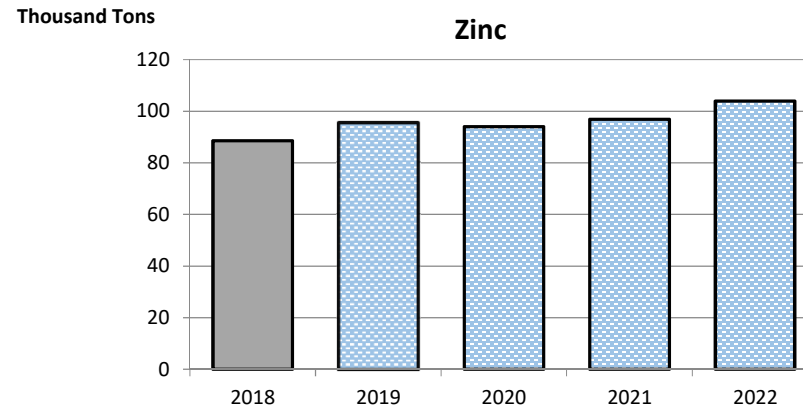
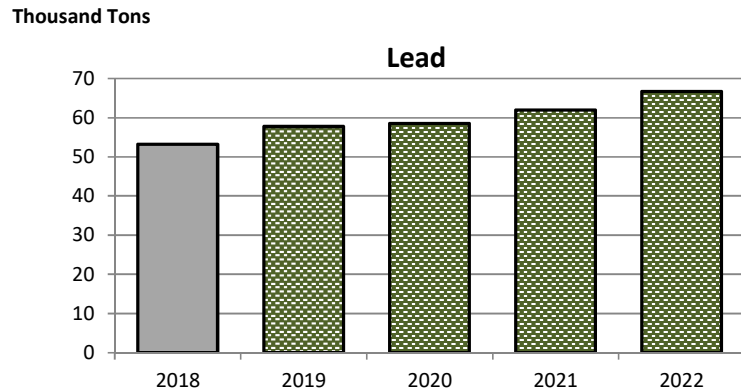
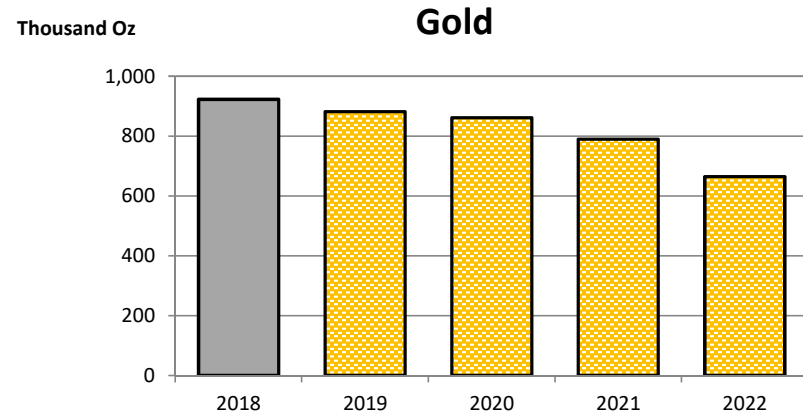
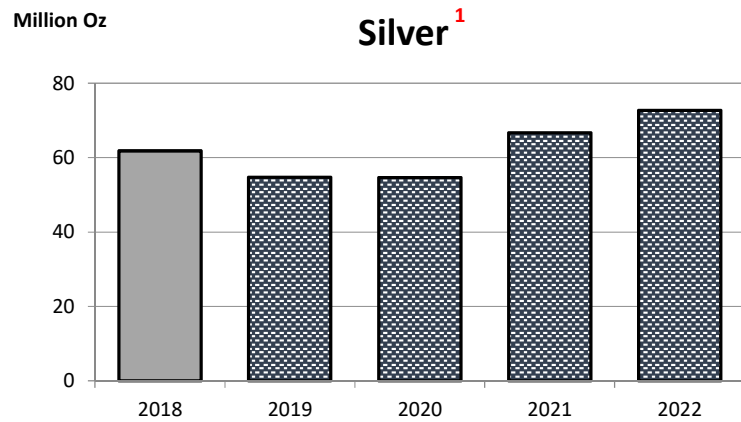
¹	²		YEAR						
Investment (US\$ million)	Expected Avg. Annual Production	PROJECT	2018	2019	2020	2021	2022	2023	2024
155	3.5 moz Ag & 13 koz Au	PYRITES PLANT (Optimization project)	LEACHING PLANT	CONSTRUCTION TAILINGS FLOTATION			PRODUCTION		
30	3 moz Ag	FRESNILLO BASE METALS ⁴	DEVELOPMENT & CONSTRUCTION					PRODUCTION	
395 ³	11.7 moz Ag & 43 koz Au	JJANICIPIO	DEVELOPMENT & CONSTRUCTION					PRODUCTION	
55	15 koz Au & 13 moz Ag	CIENEGA 5,000 TPD (Optimization project)	DEVELOPMENT & CONSTRUCTION					PRODUCTION	
430	182 koz Au	ORISYO	DEVELOPMENT & CONSTRUCTION					PRODUCTION	

APPROVED BY THE BOARD

SUBJECT TO ONGOING INTERNAL REVIEW
(SUBJECT TO BOARD APPROVAL)

- (1) Estimated.
 (2) Total average annual production.
 (3) Total investment (of which 56% Fresnillo plc; 44% MAG Silver) as of 1st January 2018.
 (4) Increase throughput to 9000 tpd subject to mine preparation
 (5) Ciénega expansion and Orisyvo's estimated Capex and Production are not included within the Company Consolidated Outlook

EXPECTED ATTRIBUTABLE PRODUCTION PROFILE



(1) Including Silverstream production
 (2) Ciénega expansion and Orisyvo's estimated Capex and Production are not included within the Company Consolidated Outlook

CONSOLIDATED OUTLOOK

CAPEX SPEND EXPECTATIONS

2019

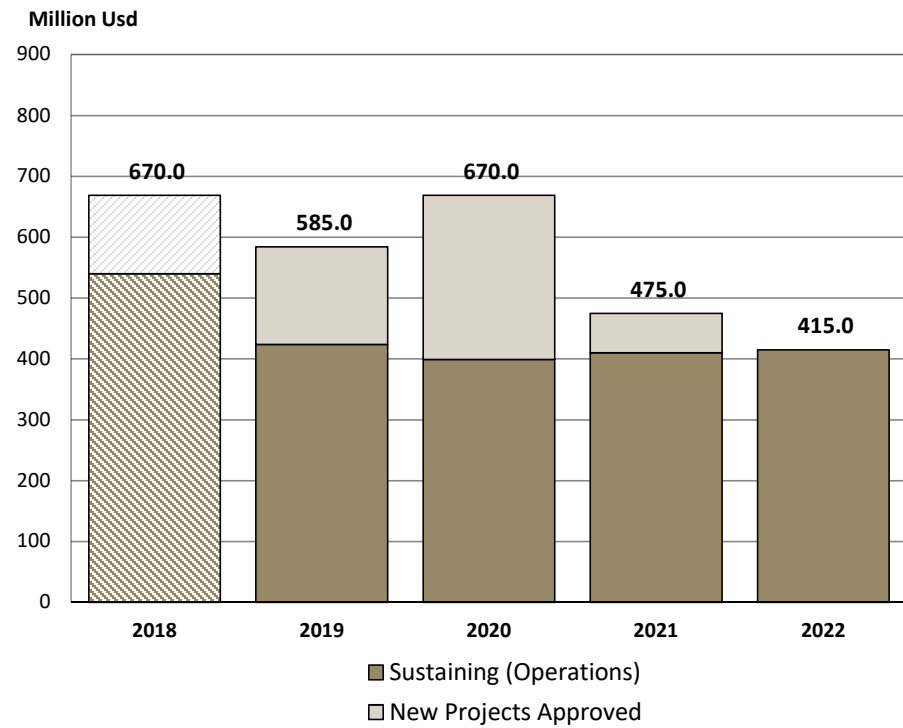
US\$ Million

Sustaining (Operations)

Fresnillo	110 M
Saucito	106 M
Ciénega	71 M
San Julián	78 M
Herradura	46 M
Noche Buena	9 M
Others	2 M

Projects Approved

Juancipio	88 M
Pyrites Plant	53 M
Fresnillo Adequation	17 M
Others	2 M



Ciénega expansion and Orisyvo's estimated Capex and Production are not included within the Company Consolidated Outlook

FOCUS ON OPERATIONAL DELIVERY

Safety to remain at the heart of everything we do

A committed management team dedicated to unlocking the full potential of our current operations

Focus on reducing cost and capturing efficiencies

The safe, efficient delivery of growth projects to drive long term sustainable value

Continued investment in our exploration pipeline, focused on brownfield exploration to maximise probability of returns