



18 January 2012

## Production Report for the 12 months ended 31 December 2011

### Highlights

- Full year production of 22.6 million attributable silver equivalent ounces in line with guidance
- Positive Feasibility Studies delivered for Inmaculada and Crespo
- Record 2012 exploration budget of \$90 million
- 2012 production target of 20.0 million attributable silver equivalent ounces
- Solid financial position with total cash of approximately \$627 million and minority investments valued at \$353 million

### Ignacio Bustamante, Chief Executive Officer commented:

*"I am pleased to report that we have once again met our full year production target, producing 22.6 million attributable silver equivalent ounces in 2011 thus reinforcing Hochschild's position as a world class underground mine operator. Whilst our core assets continue to deliver a solid base of production, we have also recently reported positive results from Feasibility Studies on our Inmaculada and Crespo projects. These will together add approximately 10 million attributable silver equivalent ounces on average per year to our production profile, representing an almost 50% increase to our existing production levels.*

*We continue to believe that exploration is our main source of profitable growth for the long term. Our \$90 million exploration budget for 2012 is the largest in the Company's history reflecting our ongoing commitment to this strategy. It will be invested in our brownfield, Advanced Projects and greenfield exploration programmes, which encompass drilling campaigns in 26 different locations across the Americas."*

### 2011 Overview

The Company delivered another robust performance in Q4 2011 with attributable production of 5.7 million silver equivalent ounces comprised of 3.8 million ounces of silver and 30.5 thousand ounces of gold. As a result, Hochschild has successfully achieved its full year production target, with attributable production of 22.6 million silver equivalent ounces in 2011, comprised of 15.0 million ounces of silver and 127.3 thousand ounces of gold.

The Company expects the increase in its overall 2011 unit cost per tonne, excluding royalties, to be in line with previous guidance. In Argentina, strong cost control initiatives, efficiency gains and local currency devaluation allowed the Company to partially offset the local annual inflation rate of 30%. Production costs in Peru are expected to increase by approximately 13% principally due to wage inflation in the industry and a higher proportion of production from narrower veins in the production mix at Pallancata and Arcata.

#### *Main operations*

In Q4 2011, San José continued to deliver a strong performance with silver equivalent production at 2.7 million ounces. Full year 2011 silver equivalent production was 10.7 million ounces, a 3% increase on 2010. Following the resolution of the strike action at the mine earlier in the year, San Jose has enjoyed a successful second half with strong operational efficiencies enabling the mine to meet its production targets.

At Pallancata, Q4 2011 silver equivalent production was 2.8 million ounces with full year production in 2011 of 10.8 million ounces. Treated tonnage for the full year was broadly flat versus 2010, although grades fell in 2011 due to higher dilution and the Company's decision to take the opportunity afforded by the prevailing high precious metals price environment to process some lower grade economic material extracted from the borders of the main Pallancata vein. This additional material was not part of Pallancata's resource base.

In Q4 2011, silver equivalent production at Arcata was 1.9 million ounces, a 10% increase on Q3 2011. The Company continued to process developmental material from previous campaigns (see table below on the Macarena Waste Dam Deposit) as well as certain ready-to-mine areas that have become economic at current

prices. In line with the revised 2011 mining policy, lower full year production of 7.1 million silver equivalent ounces was the result of lower grades as the Company continued to adjust the extracted grade to ensure a consistent and sustainable level of long term production.

*Table Showing Contribution from Macarena Waste Dam Deposit*

	<b>Q4 2011</b>	<b>12 mths 2011</b>
<b>Total</b>		
Tonnage	190,609	687,966
Average head grade gold (g/t)	0.85	0.88
Average head grade silver (g/t)	297	312
<b>Macarena</b>		
Tonnage	40,335	86,859
Average head grade gold (g/t)	0.29	0.30
Average head grade silver (g/t)	86	95
<b>Stopes and Developments</b>		
Tonnage	150,274	601,107
Average head grade gold (g/t)	1.00	0.97
Average head grade silver (g/t)	354	344

As part of the Company's focus on continuous improvement and operational excellence, Arcata successfully completed the first stage of the doré project in Q4. Following this expansion, 40% of Arcata's concentrate will be converted into doré. The second stage of the project to convert 100% of Arcata's concentrate will be completed in H2 2012. The resulting decrease in commercial discounts and associated selling expenses will more than offset the treatment costs associated with the process. Also, as a result of the metallurgical recoveries involved in the process, there will be an estimated reduction in reported produced silver equivalent ounces of 291 thousand in 2012. Total investment for the project is approximately \$14 million.

#### *Other operations*

The Company's Ares mine in Peru continued to operate for the full year producing 2.3 million silver equivalent ounces in 2011. Q4 2011 production of 608 thousand silver equivalent ounces represents a 4% increase on Q3 2011. Although production at Ares was expected to end in 2011, the Company continues to discover economic resources at the mine and production will continue in 2012.

At Moris, the Company's open pit operation in Mexico, mine production ceased in September 2011 although continued leaching of the pads produced a further 157 thousand silver equivalent ounces in Q4 2011 with full year production at 1.2 million silver equivalent ounces. Moris is currently in the final stage of the pads' cyanidation process but exploration continues in new areas of the property.

#### **Average realisable prices and sales**

Average realisable precious metal prices in Q4 2011 (which are reported before the deduction of commercial discounts) were \$1,645/ounce for gold and \$30/ounce for silver. Average realisable precious metals prices for the full year 2011 were \$1,582/ounce for gold and \$35/ounce for silver.

#### **Project pipeline & exploration**

Hochschild has reaffirmed its commitment to its exploration strategy with a 29% increase in the exploration budget for 2012 to \$90 million, the largest exploration budget ever for the Company.

In 2011, 315,000 metres of drilling was completed at the Company's greenfield, brownfield and copper projects. The 2012 budget, representing 353,000 metres, will be split between exploration work at the Company's existing operations, the Advanced Projects and greenfield opportunities. The approximate split is expected to be as follows:

#### Core Operations (30%)

- Given the Company's success in extending the life of mine at its current operations, the 2012 exploration strategy will be mainly focused on improving the resource quality through the search for new higher grade structures.

#### Advanced Projects (20%)

- At Inmaculada and Crespo, exploration efforts will be focused on incorporating additional resources aimed at continuing to increase the life of mine of the projects. At Azuca, Hochschild will concentrate on the exploration of high quality resources that better support a significant investment.

#### Greenfield (36%)

- Company Makers (15%) - continuing drilling and conducting further analysis at Victoria (Chile), Mercurio (Mexico), Apacheta (Peru) Sorampampa (Peru), Huachoja (Peru) and Valeriano (Chile).
- Medium Scale (8%) - developing the project pipeline that includes Mosquito (Argentina), Cricket (Argentina), La Flora (Argentina), Encrucijada (Chile), Astana-Farallon (Peru), Ibel (Peru) and Pausi (Peru).
- Copper Projects (6%) - continuing work at the copper projects in Peru (started in 2010). These projects, located in the southern Andes of Peru, were acquired as part of the Southwestern acquisition and are within a highly prospective area for copper deposits.
- Generative Programme (7%) - advancing the Company's generative programme aimed at further expanding its land package of premium properties in the four key countries.

#### Others (14%)

- Corporate and support activities to 92 geologists, employed through exploration offices in Peru, Argentina, Chile and Mexico.

### **Brownfield exploration<sup>1</sup>**

#### *San José*

After a successful drilling campaign in the first half of 2011, the second half of the year was dedicated to completing geophysical and magnetometry work in order to identify new targets at the property. This work was successfully completed and has already provided areas of potential that were targeted in the Q4 drilling campaign. During the quarter, 17,401 metres of diamond drilling was completed, focused on the Sofía, Susana, Luli, Orion and Pilar veins with significant intercepts including:

Vein	Results
Luli	SJD980 2.6m at 21.94 g/t Au & 2,113 g/t Ag SJD985 0.7m at 11.77 g/t Au & 1,372 g/t Ag SJD1008 1.9m at 8.39 g/t Au & 634 g/t Ag SJD1015 2.5m at 37.23 g/t Au & 3,483 g/t Ag SJD1017 2.0m at 7.88 g/t Au & 884 g/t Ag
Orion	SJD1029 1.0m at 18.44 g/t Au & 1,806 g/t Ag SJD 1033 2.5m at 11.43 g/t Au & 1,105 g/t Ag
Pilar	SJD992 8.1m at 7.68 g/t Au & 397 g/t Ag SJD996 14.8m at 12.15 g/t Au & 459 g/t Ag SJD988 21.8m at 26.24 g/t Au & 922 g/t Ag SJD1049 3.0m at 13.84 g/t Au & 218 g/t Ag

In 2012, the exploration programme includes a 93,320 metre drilling campaign which will evaluate extensions of already known mineralised structures and the targeting of new structures.

#### *Arcata*

During Q4 2011, 27,354 metres of drilling were carried out at Arcata. Exploration work focused on increasing resources at the Marión, Baja, Lucrecia and Tunel 4 veins through diamond drilling, with significant intercepts including:

Vein	Results
Marión	DDH064 0.8m at 5.24 g/t Au & 1,954 g/t Ag DDH074 3.0m at 5.65 g/t Au & 677 g/t Ag DDH135 2.8m at 4.39 g/t Au & 800 g/t Ag
Baja	DDH249 0.7m at 14.49 g/t Au & 288 g/t Ag DDH250 1.1m at 5.19 g/t Au & 706 g/t Ag
Tunel 4	DDH273 1.0m at 1.72 g/t Au & 833 g/t Ag

<sup>1</sup>Please note that all mineralised intersections in this release are quoted as down-hole lengths, not true widths.

Lucrecia	DDH279 1.5m at 1.32 g/t Au & 557 g/t Ag
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In 2012, the exploration programme and 62,756 metre drilling campaign will focus on the targeting of higher grade structures.

#### *Pallancata*

In Q4 2011, the Company continued to advance underground development at the Pallancata SW and Rina veins, with 20,643 metres of diamond drilling completed at the Luisa and Huararani veins with promising intercepts including:

Vein	Results
Luisa	DLLU012 11.1m at 1.17 g/t Au & 321 g/t Ag DLLU015 8.4m at 2.79 g/t Au & 565 g/t Ag DLLU026 3.8m at 4.44 g/t Au & 1,061 g/t Ag DLLU031 2.4m at 2.49 g/t Au & 719 g/t Ag
Huararani	DLHU003 0.9m at 2.11 g/t Au & 478 g/t Ag DLHU006 2.7m at 1.01 g/t Au & 352 g/t Ag

In 2012, a more aggressive exploration programme at Pallancata will target new mineralised structures at the west, south and north of the current operation area, with 59,140 metres of drilling planned.

Hochschild takes a very conservative approach to resource delineation and is one of the few companies that apply the same cut off grades to reserves and resources. Hochschild will publish audited reserves and resources tables as at 31 December 2011 on 20 March 2012.

#### **Advanced Projects<sup>2</sup>**

On 11 January 2012, Hochschild announced the successful completion of the Inmaculada and Crespo Feasibility Studies which will contribute 10 million silver equivalent ounces of attributable production on average per annum at an initial combined capital cost of \$335 million (attributable). Full details of the Feasibility Studies can be found in the announcement.

#### *Inmaculada*

Inmaculada is a 20,000 hectare gold-silver project located in the Company's existing operational cluster in southern Peru, 60% owned and controlled by Hochschild. The project is now set to start construction with average annual production of 12 million silver equivalent ounces (7 million attributable ounces). The project is due to be commissioned in Q4 2013. The Company is also progressing with the exploration programme at the property which consists of 40 mining concessions with resources which are currently estimated at a total of 150 million silver equivalent ounces. In Q4 2011 11,641 metres of drilling was completed and exploration work was focused on the Angela SW, Martha and Theresa veins, with encouraging results including:

Vein	Results
Angela SW	ASW014 1.3m at 24.56 g/t Au & 122 g/t Ag ASW021 1.2m at 6.32 g/t Au & 34 g/t Ag ASW023 2.7m at 6.89 g/t Au & 78 g/t Ag
Martha	MAR028 1.0m at 14.82 g/t Au & 141 g/t Ag
Theresa	THE002 1.3m at 10.18 g/t Au & 118 g/t Ag

The drilling programme for 2012 of 54,650 metres will focus on further exploration of the Angela vein and other known veins in the district.

#### *Crespo*

At the Company's 100% owned Crespo project, located in the Company's existing operating cluster in southern Peru, the Feasibility Study estimates annual production of 2.7 million silver equivalent ounces. The project is due to be commissioned in Q4 2013. This is a relatively simple open pit operation and is expected to have high gold recovery rates. Several opportunities exist to increase resources at this project including inferred and potential resources adjacent to the current pit, development of the Queshca gold target and exploration within the gap between Queshca and the Crespo pit, where encouraging geological evidence would suggest further potential for economic mineralisation. Positive intercepts have already been received from drilling in the Queshca area, including:

<sup>2</sup>Please note that all mineralised intersections in this release are quoted as down-hole lengths, not true widths.

	<b>Results</b>
Queshca area	QS10 34m at 5.7 g/t Au & 63 g/t Ag QS15 56m at 1.7 g/t Au & 18.8 g/t Ag QS17 50m at 1.4 g/t Au & 22.0 g/t Ag QS18 48m at 2.39 g/t Au & 3.9 g/t Ag QS21 26m at 0.4 g/t Au & 8.6 g/t Ag

#### *Azuca*

Drilling continues at the 100% owned Azuca property with the aim of identifying new higher resource areas in the project. Drilling results have shown several promising higher grade intercepts suggesting the presence of new higher grade veins. 15,948 metres of drilling was undertaken in Q4 2011 with encouraging intersections from the Azuca Oeste and Colombiana veins including:

<b>Vein</b>	<b>Results</b>
Colombiana	DACO-A1106 1.0m at 3.05 g/t Au & 1,224 g/t Ag DACO-A1107 1.0m at 3.75 g/t Au & 723 g/t Ag DACO-A1112 2.2m at 2.19 g/t Au & 380 g/t Ag
Azuca Oeste	DAAW-IN076 0.9m at 4.64 g/t Au & 1,236 g/t Ag DAAW-A1114 6.4m at 2.39 g/t Au & 854 g/t Ag DAAW-A1114 4.8m at 1.53 g/t Au & 537 g/t Ag DAAW-A1114 4.4m at 0.87 g/t Au & 484 g/t Ag DAAW-A1117 2.3m at 9.26 g/t Au & 105 g/t Ag

The 2012 drilling plan will be focused on identifying further extensions of the Vivian-Yanamayo, Colombiana and Azuca Oeste veins, with a drilling programme of 28,000 metres expected to be carried out in these new areas with high geological potential.

#### **Greenfield pipeline**

In 2011, a total of 41,546 metres were drilled as part of the greenfield exploration programme. In 2012, this is expected to increase to 47,500 metres.

#### *Victoria (Chile)*

Exploration work is delivering positive results at the Victoria project in northern Chile, a property that covers 46,100 hectares of continuous strike length at the highly productive Domeyko Fault Zone. Drilling was re-focused on the porphyry potential of the property and the Picaron target was drill tested. Four core holes were completed into the porphyry, covering a total of 1,703 metres, with anomalous copper, molybdenum and gold being reported over significant intercepts. The drilling confirmed that the target is a copper-molybdenum porphyry. All four holes intercepted a moderate angle reverse fault which cut off the porphyry mineralisation from its roots. Further drill testing in 2012 will test the extension of the anomalous mineralisation and the roots of the system. Additional porphyry targets will be identified during the first quarter of 2012.

#### *Valeriano (Chile)*

The Valeriano property is located 27 kilometres north of Barrick Gold Corporation's Pascua Lama project, in close proximity to the border with Argentina and covers an area of 3,750 hectares. The property hosts both high-sulphidation as well as porphyry style disseminated gold mineralisation. Drilling commenced in October 2011 and at the end of the year, 2,302 metres had been drilled, with two drill holes completed and two holes still in progress. Strong alteration and visible sulphide mineralisation were reported from all drill holes. Partial results from the first hole indicate strong copper and moderate gold mineralisation associated with enargite veins. The primary geophysical targets have proven to be related to strong alteration and sulphide mineralisation with assays pending from these deeper intercepts. In 2012, drilling will continue to test the geochemical and geophysical anomalies at the property.

#### *Mercurio (Mexico)*

The 100% owned Mercurio project lies 100 kilometres northwest of the Fresnillo silver vein district in Zacatecas. During Q4, ten drill holes totalling 4,137 metres of drilling were completed. Results to date indicate strong base metal, as well as moderate silver mineralisation, associated with a large vein system similar to Fresnillo. Assay results are pending on the remaining five drill holes. The Company will continue exploration work and plans to drill an additional 8,000 metres in 2012.

### *Apacheta (Peru)*

At the Apacheta project in Peru, a total of six holes were completed during Q4, totalling 3,044 metres. The drill holes have encountered porphyry type alteration including argillic and possible potassic alteration. Results to date have not reported economic mineralisation although weakly anomalous copper, molybdenum and gold is reported from the first three holes. Results are pending on the remaining three holes.

### *Other projects*

Drilling was completed on the Mosquito property in Argentina with, to date, no significant results being reported, although assays are pending on eight remaining holes.

At the Cricket property in Argentina, two drill holes were completed before the end of the year for which assay results are pending. In 2012, drilling at the property will continue.

At Encrucijada in Chile, follow-up drilling on the San Bernardo Dome complex was carried out in November. Two holes were completed by the end of the year, with a third still in progress. The first of the two holes drilled through strong alteration and stock work vein mineralisation below the San Bernardo tourmaline breccia and dome complex. Preliminary results indicate anomalous gold and copper mineralisation. Drilling continues at the property.

## **2012 Overview**

Hochschild's production target for 2012 is 20.0 million attributable silver equivalent ounces, which includes the effect of 291 thousand silver equivalent ounces that will now not be recovered at Arcata as a result of the implementation of the doré project. The Company expects 2012 production at each of its core operations to be similar to that of 2011. As anticipated, production at Ares will continue to decline, reflecting lower tonnages and grades, whilst production at Moris is not expected to be material.

The Company expects the increase in overall 2012 unit cost per tonne in Peru to be approximately 15% excluding royalties and the increased refining cost due to the effects of the doré project at Arcata. The main factors in this increase are anticipated to be a combination of expected local industry inflation of 10% and the increasing number of stopes at core operations. In Argentina, the rate is expected to continue to be higher as a result of ongoing local industry inflation of around 25-30%.

Hochschild is in a strong financial position, with total cash of approximately \$627 million on the balance sheet as at 31 December 2011 (31 December 2010: \$530 million) and minority investments valued at \$353 million (as at 31 December 2011).

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## **A conference call will be held at 2pm (London time) on Wednesday 18 January 2012 for analysts and investors.**

Dial in details as follows:

UK: +44 (0) 20 3003 2666

A recording of the conference call will be available for one week following its conclusion, accessible from the following telephone number:

UK: +44 (0) 20 8196 1998

Access code: 1521673

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**About Hochschild Mining plc:**

Hochschild Mining plc is a leading precious metals company listed on the London Stock Exchange (HOCM.L / HOC LN) with a primary focus on the exploration, mining, processing and sale of silver and gold. Hochschild has over forty years' experience in the mining of precious metal epithermal vein deposits and currently operates four underground epithermal vein mines, three located in southern Peru and one in southern Argentina. Hochschild also has numerous long-term projects throughout the Americas.

## PRODUCTION & SALES INFORMATION\*

### **TOTAL GROUP PRODUCTION<sup>1</sup>**

	<b>Q4 2011</b>	Q3 2011	Q4 2010	<b>12 mths 2011</b>	12 mths 2010
Silver production (koz)	<b>5,477</b>	5,473	6,780	<b>21,363</b>	24,430
Gold production (koz)	<b>44.12</b>	47.48	54.27	<b>180.51</b>	200.05
Total silver equivalent (koz)	<b>8,124</b>	8,321	10,037	<b>32,193</b>	36,434
Total gold equivalent (koz)	<b>135.39</b>	138.69	167.28	<b>536.56</b>	607.23
Silver sold (koz)	<b>6,326</b>	4,708	6,826	<b>21,792</b>	24,283
Gold sold (koz)	<b>54.1</b>	38.4	56.2	<b>182.0</b>	199.9

<sup>1</sup> Total production includes 100% of all production, including production attributable to joint venture partners at San José and Pallancata.

### **ATTRIBUTABLE GROUP PRODUCTION<sup>1</sup>**

	<b>Q4 2011</b>	Q3 2011	Q4 2010	<b>12 mths 2011</b>	12 mths 2010
Silver production (koz)	<b>3,849</b>	3,791	4,758	<b>14,980</b>	17,768
Gold production (koz)	<b>30.54</b>	33.49	37.44	<b>127.29</b>	144.40
Attrib. silver equivalent (koz)	<b>5,681</b>	5,800	7,005	<b>22,617</b>	26,432
Attrib. gold equivalent (koz)	<b>94.7</b>	96.7	116.8	<b>377.0</b>	440.5

<sup>1</sup> Attributable production includes 100% of all production from Arcata, Ares and Moris, 60% from Pallancata and 51% from San José.

## QUARTERLY PRODUCTION BY MINE

### **ARCATA**

<b>Product</b>	<b>Q4 2011</b>	Q3 2011	Q4 2010	<b>12 mths 2011</b>	12 mths 2010
Ore production (tonnes)	<b>190,609</b>	181,271	171,270	<b>687,966</b>	645,974
Average head grade silver (g/t)	<b>297</b>	277	404	<b>312</b>	439
Average head grade gold (g/t)	<b>0.85</b>	0.80	1.20	<b>0.88</b>	1.40
Silver produced (koz)	<b>1,593</b>	1,433	1,945	<b>6,081</b>	8,099
Gold produced (koz)	<b>4.48</b>	4.24	5.81	<b>17.38</b>	25.83
Silver equivalent produced (koz)	<b>1,861</b>	1,688	2,294	<b>7,124</b>	9,649
Silver sold (koz)	<b>1,758</b>	1,228	2,077	<b>6,005</b>	8,095
Gold sold (koz)	<b>5.0</b>	3.4	5.8	<b>16.8</b>	25.0



**ARES**

<b>Product</b>	<b>Q4 2011</b>	<b>Q3 2011</b>	<b>Q4 2010</b>	<b>12 mths 2011</b>	<b>12 mths 2010</b>
Ore production (tonnes)	<b>97,115</b>	91,287	76,596	<b>344,085</b>	301,726
Average head grade silver (g/t)	<b>56</b>	63	82	<b>61</b>	92
Average head grade gold (g/t)	<b>3.01</b>	2.58	3.35	<b>2.90</b>	3.58
Silver produced (koz)	<b>132</b>	164	182	<b>581</b>	786
Gold produced (koz)	<b>7.94</b>	7.02	7.72	<b>29.03</b>	32.53
Silver equivalent produced (koz)	<b>608</b>	585	646	<b>2,323</b>	2,738
Silver sold (koz)	<b>164</b>	121	214	<b>572</b>	810
Gold sold (koz)	<b>10.3</b>	5.0	8.8	<b>29.6</b>	32.7

**PALLANCATA<sup>1</sup>**

<b>Product</b>	<b>Q4 2011</b>	<b>Q3 2011</b>	<b>Q4 2010</b>	<b>12 mths 2011</b>	<b>12 mths 2010</b>
Ore production (tonnes)	<b>293,060</b>	268,673	281,035	<b>1,070,466</b>	1,071,617
Average head grade silver (g/t)	<b>293</b>	313	358	<b>301</b>	344
Average head grade gold (g/t)	<b>1.27</b>	1.44	1.51	<b>1.33</b>	1.41
Silver produced (koz)	<b>2,289</b>	2,291	2,763	<b>8,767</b>	10,135
Gold produced (koz)	<b>8.30</b>	9.37	10.04	<b>33.88</b>	35.85
Silver equivalent produced (koz)	<b>2,787</b>	2,853	3,365	<b>10,800</b>	12,286
Silver sold (koz)	<b>2,636</b>	1,935	2,549	<b>9,064</b>	9,998
Gold sold (koz)	<b>9.3</b>	8.0	8.3	<b>33.9</b>	33.7

<sup>1</sup> The Company has a 60% interest in Pallancata.

**SAN JOSÉ<sup>1</sup>**

<b>Product</b>	<b>Q4 2011</b>	<b>Q3 2011</b>	<b>Q4 2010</b>	<b>12 mths 2011</b>	<b>12 mths 2010</b>
Ore production (tonnes)	<b>126,675</b>	124,204	135,710	<b>462,825</b>	461,134
Average head grade silver (g/t)	<b>412</b>	448	475	<b>444</b>	397
Average head grade gold (g/t)	<b>5.68</b>	5.75	6.34	<b>5.86</b>	6.14
Silver produced (koz)	<b>1,454</b>	1,562	1,871	<b>5,870</b>	5,324
Gold produced (koz)	<b>20.93</b>	20.91	26.14	<b>80.95</b>	84.30
Silver equivalent produced (koz)	<b>2,710</b>	2,816	3,440	<b>10,727</b>	10,382
Silver sold (koz)	<b>1,750</b>	1,409	1,962	<b>6,087</b>	5,284
Gold sold (koz)	<b>25.0</b>	18.1	27.5	<b>82.4</b>	85.0

<sup>1</sup> The Company has a 51% interest in San José.

**MORIS**

<b>Product</b>	<b>Q4 2011</b>	<b>Q3 2011</b>	<b>Q4 2010</b>	<b>12 mths 2011</b>	<b>12 mths 2010</b>
Ore production (tonnes)	-	245,771	249,150	<b>858,028</b>	1,148,826
Average head grade silver (g/t)	-	5.49	4.30	<b>5.02</b>	4.44
Average head grade gold (g/t)	-	1.00	0.83	<b>0.96</b>	1.14

Silver produced (koz)	<b>9</b>	23	19	<b>64</b>	86
Gold produced (koz)	<b>2.46</b>	5.94	4.55	<b>19.26</b>	21.53
Silver equivalent produced (koz)	<b>157</b>	380	292	<b>1,220</b>	1,378
Silver sold (koz)	<b>18</b>	15	25	<b>64</b>	95
Gold sold (koz)	<b>4.6</b>	3.8	5.9	<b>19.3</b>	23.5

*\* Ounces sold figures for all operations have been restated to include gross revenue divided by gross ounces (previously included net revenue divided by net ounces)*

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### **Forward looking statements**

*This announcement may contain forward looking statements. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will or may occur in the future. Actual results, performance or achievements of Hochschild Mining plc may, for various reasons, be materially different from any future results, performance or achievements expressed or implied by such forward looking statements.*

*The forward looking statements reflect knowledge and information available at the date of preparation of this announcement. Except as required by the Listing Rules and applicable law, the Board of Hochschild Mining plc does not undertake any obligation to update or change any forward looking statements to reflect events occurring after the date of this announcement. Nothing in this announcement should be construed as a profit forecast.*

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