



16 April 2008

Hochschild Mining plc Quarterly Production Report and Interim Management Statement for the three months to 31 March 2008 ("Q108")

Highlights:

- On track to achieving our 2008 production target of 26 million attributable silver equivalent ounces comprised of 16.9 million ounces of silver and 153 thousand ounces of gold
- Q108 in line with internal production forecast
- 42% increase in attributable silver production year-on-year
- 17% decrease in attributable gold production year-on-year, principally due to lower grades at Ares as previously announced in January 2008
- Capacity expansions at San José, Arcata and Selene on schedule to be completed later this year
- Preliminary results of the San Felipe scoping study received and the feasibility study progressing as planned
- Higher realisable prices for gold and silver, \$933/oz and \$17.28/oz respectively, due to a combination of strong prices and a fully un-hedged position
- Remain confident on containing our weighted average unit cost per tonne for our mines in 2008
- Revised agreement with Lake Shore Gold Corp. to increase stake by 15% at C\$2.40 per share and reduce standstill to 2010

Eduardo Hochschild, Executive Chairman of Hochschild Mining plc, commented;

"This year we intend to consolidate our operations following a period of significant growth having brought three new mines into production last year. We are pleased with our first quarter results which are in line with our internal forecast. With the achievements of 2007, our San Felipe project moving towards feasibility and our strong project pipeline, we are on track to create the operational platform that will enable us to deliver our 2011 production target of 50 million silver equivalent ounces."

Production in the first quarter was significantly higher than the equivalent period last year at 5.8 million attributable silver equivalent ounces, up 12%. However, as expected, production was below that of the fourth quarter of 2007 principally due to lower grades at Ares and Selene and also due to fewer days of production in Q1 relative to Q4.

The capacity expansions at San José, Arcata and Pallancata are on schedule and, as a result, production will increase in the second half of the year once these expansions are completed. We are confident that we will reach our target of producing 26 million attributable silver equivalent ounces in 2008.

The feasibility study currently being undertaken at San Felipe is progressing well and we remain confident about the potential of the project, which is scheduled to commence production in 2010. We expect to have results from the study by the end of 2008. In the meantime, we are taking steps to ensure that we have the necessary infrastructure in place to fast track this project into production. During the first quarter of this year we began basic mine and mill design and seeking permits to start construction of the exploration ramp. Verification drilling has indicated total resources (measured and indicated) of 2.3 million tonnes, primarily at La Ventana, with 7.32% zinc, 3.19% lead, 0.41% copper and 71 g/t silver. The goal is to realize at least four million tonnes of total indicated resources by the third quarter of 2008 which will underpin a positive feasibility study.

As a result of our fully un-hedged position and strong metals prices in the first quarter of 2008, the average realisable prices for both gold and silver were significantly higher at \$933/oz and \$17.28/oz, respectively.

We anticipate that we will be able to contain our weighted average unit cost per tonne for our mines during 2008 despite continued inflationary pressures in the industry. This is mainly due to increased throughput resulting from the expansions, further mechanization, including the use of long drill holes and a focus on reducing dilution and further cost reduction measures.

On 19 January 2008, the Group announced a 19.99% strategic investment in Lake Shore Gold Corp. ("LSG") for C\$64.6 million. Under the terms of the transaction and subject to shareholder approval, Hochschild was granted an option to acquire a further 15%, at market price, by way of a private placement with the right to increase its ownership to 40%, on a fully-diluted basis, through market and private transactions. As part of this agreement, Hochschild was subject to a five-year standstill.

The Hochschild Board has now agreed to pay C\$2.40 per share, representing a 38% premium to LSG's average share price over the previous 20 days, in return for a significant reduction in the duration of the standstill. Hochschild and LSG have agreed that the standstill will now expire on 22 November 2010 (previously scheduled to expire in February 2013) at which time Hochschild shall be free to increase its ownership interest above 40%. These revised terms remain subject to approval by LSG's shareholders.

During the quarter, with the exception of the aforementioned strategic investment in Lake Shore Gold Corp., there have been no material events or transactions affecting Hochschild Mining plc. There has been no significant change in the financial position or performance of the Group since 31 December 2007, other than as described in this production report.

A conference call will be held at 2:00 pm (London time) on Wednesday 16 April for the investment market.

Dial in details as follows:

UK +44 (0)20 7162 0125

A recording of the conference call will be available following its conclusion, accessible from the following telephone numbers:

UK +44 (0)20 7031 4064
Access code 792791

Enquiries:

Hochschild Mining plc
Wray Barber +44 (0)20 7152 6014
Head of Investor Relations

Ignacio Rosado +511 437 6007
Chief Financial Officer

Jose-Augusto Palma +511 317 2026
Senior Adviser, Executive Committee

Finsbury
Robin Walker +44 (0)20 7251 3801
Public Relations

About Hochschild Mining plc:

Hochschild Mining plc is a leading precious metals company listed on the London Stock Exchange (HOCM.L for Reuters / HOC LN for Bloomberg) with a primary focus on the exploration, mining, processing and sale of silver and gold. Hochschild currently operates five underground epithermal vein mines, four located in southern Peru and one in southern Argentina and one open pit mine in northern Mexico. Hochschild also has one early development project in Mexico and sixteen long-term prospects throughout Latin America. Hochschild has over forty years experience in the mining of precious metal epithermal vein deposits.

For further information please visit www.hochschildmining.com

TOTAL PRODUCTION¹

	Q1 2008	Q4 2007	Q1 2007
Silver production (koz)	4,310	5,155	2,561
Gold production (koz)	44.06	70.09	42.66
Total silver equivalent (koz)	6,954	9,360	5,120
Total gold equivalent (koz)	115.90	156.00	85.33
Silver sold (koz)	2,404	5,472	3,504
Gold sold (koz)	29.78	60.35	52.16

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

ARCATA

Product	Q1 2008	Q4 2007	Q1 2007
Ore production (tonnes)	111,714	132,231	82,092
Average head grade silver (g/t)	572.95	581.06	491.25
Average head grade gold (g/t)	1.40	1.48	1.30
Concentrate produced (tonnes)	4,256	4,761	3,349
Silver grade in concentrate (kg/t)	13.43	14.04	10.54
Gold grade in concentrate (kg/t)	0.03	0.03	0.03
Silver produced (koz)	1,838	2,211	1,134
Gold produced (koz)	4.44	5.50	3.00
Silver sold (koz)	1,032	3,161	1,575
Gold sold (koz)	2.64	7.07	4.01

ARES

Product	Q1 2008	Q4 2007	Q1 2007
Ore production (tonnes)	79,376	92,401	72,266
Average head grade silver (g/t)	204.41	337.29	252.80
Average head grade gold (g/t)	6.64	14.67	15.03
Dore total (koz)	471.68	674.19	564.09
Silver produced (koz)	454	889	529
Gold produced (koz)	16.07	41.81	33.49
Silver sold (koz)	444	917	626
Gold sold (koz)	16.36	42.20	40.15

SELENE

Product	Q1 2008	Q4 2007	Q1 2007
Ore production (tonnes)	97,017	97,590	90,192
Average head grade silver (g/t)	207.25	238.95	349.92
Average head grade gold (g/t)	1.20	1.41	2.55
Concentrate produced (tonnes)	1,090	1,112	861
Silver grade in concentrate (kg/t)	15.29	18.96	32.62
Gold grade in concentrate (kg/t)	0.08	0.10	0.21
Silver produced (koz)	536	669	897
Gold produced (koz)	2.95	3.61	6.16
Silver sold (koz)	406	745	1,303
Gold sold (koz)	2.26	4.30	8.01

PALLANCATA¹

Product	Q1 2008	Q4 2007
Ore production (tonnes)	50,893	63,612
Average head grade silver (g/t)	340.10	322.64
Average head grade gold (g/t)	1.61	1.54
Concentrate produced (tonnes)	541	560
Silver grade in concentrate (kg/t)	28.71	33.25
Gold grade in concentrate (kg/t)	0.11	0.13
Silver produced (koz)	500	599
Gold produced (koz)	1.93	2.33
Silver sold (koz)	391	550
Gold sold (koz)	1.44	2.03

¹ The Company has a 60% interest in Pallancata.

SAN JOSE¹

Product	Q1 2008	Q4 2007
Ore produciton (tonnes)	59,897	65,480
Average head grade silver (g/t)	624.11	536.12
Average head grade gold (g/t)	7.10	7.03
Silver produced (koz)	968	776
Gold produced (koz)	12.14	11.66
Silver sold (koz)	323	92
Gold sold (koz)	5.05	1.49

¹ The Company has a 51% interest in San José.

MORIS¹

Product	Q1 2008	Q4 2007
Ore production (tonnes)	181,671	253,766
Average head grade silver (g/t)	4.69	4.62
Average head grade gold (g/t)	1.43	1.62
Silver produced (koz)	14	11
Gold produced (koz)	6.53	5.18
Silver sold (koz)	13	6
Gold sold (koz)	5.60	3.26

¹ The Company has a 70% interest in Moris.

Certain statements in this production report are or may be forward looking statements regarding Hochschild Mining plc's financial position and results, business strategy, plans and objectives. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the Group's control. As a result, the Group's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in the Group's forward-looking statements. The Group undertakes no obligation to update the forward-looking statements contained in this production report or any other forward-looking statement it may make.

This production report does not constitute or form part of any offer, invitation to underwrite, subscribe for or otherwise acquire or dispose of any Hochschild Mining plc shares.

Past performance of the Company or its shares cannot be relied upon as a guide to future performance and persons needing advice should consult an independent financial adviser.

- ends -