



17 October 2007

Hochschild Mining plc Quarterly Production Report for the three months to 30 September 2007 ("Q3")

Highlights:

- 27% increase in total attributable silver production year-on-year and 11% increase quarter-on-quarter
- 26% increase in total attributable gold production year-on-year and 1% increase quarter-on-quarter
- Commenced production at the Moris mine in Mexico and Pallancata in Peru, thus expanding from operating three mines in one country to six mines in three countries, during the course of 2007
- Completed expansion at the Selene plant, doubling throughput capacity
- Capacity ramp-up at the San José plant taking longer than initially planned although we expect to reach full capacity during the fourth quarter of 2007
- We are confident of coming very close to our 2007 production target of 26 million silver equivalent attributable ounces

Eduardo Hochschild, Chairman of Hochschild Mining plc, commented

"We are pleased with a strong set of production results for the period with an increase of 27% in silver production and 26% in gold. These results reflect the benefit of the capacity expansions at our three original operations in Peru, Ares, Arcata and Selene, as well as the initial incremental production from the new operations, San José and Pallancata. Although ramp up of San José did not take place as quickly as originally planned, we believe we will achieve full capacity during the fourth quarter of 2007. We remain confident of coming close to our 2007 production target of 26 million silver equivalent ounces".

Overview:

Production volumes for the three months to 30 September 2007 ("Q3") were significantly higher compared with the same period of 2006. The increase in production was primarily a result of capacity expansions at Arcata, Ares and Selene, higher grades at Arcata and Ares and incremental production from San José and Pallancata. During the fourth quarter of this year, we will benefit from additional production from all our mines in Peru, as well as production from San José and Moris as they reach full capacity.

Capacity Expansions:

We successfully completed the expansion at the Selene plant taking the plant from 350 ktpa to 700 ktpa. We have now completed plant expansions at all three of our original operations in Peru. We continue to make progress on the engineering work required to double capacity at San José in Q3 2008. In addition, our Board approved a further expansion of the Arcata plant to 618 ktpa in Q4 2008.

New Projects:

At the San José operation in Southern Argentina, the mine is operating at full capacity and we have built a stockpile of over 60,000 tonnes. The ramp-up of the San José plant is taking longer than expected due to some fine tuning of the Gekko process, but we remain confident in reaching full capacity during the fourth quarter of this year.

During Q3 both the Moris mine in Mexico and Pallancata in Peru entered production. At the Moris mine we have been processing ore through the crushing plant and feeding it to the ADR plant since late September. We began processing the Pallancata ore through the Selene plant during Q3 and will continue to ramp-up production over the next months. The mineral currently being processed from Pallancata includes a high degree of ore from mine developments, which contain lower grades than the average reserve grade for Pallancata.

During the early part of Q3 we generated sufficient resources at San Felipe to justify taking the project to feasibility stage, which was subsequently approved by the Board.

We are also currently drilling in Azuca in Perú, Gonzalito and Claudia in Argentina and El Gachi in Mexico. We expect to release positive results by end 2007.

Joint Ventures:

We remain active in our joint venture and acquisition strategy and continue to work diligently in evaluating joint venture and acquisition targets. During 2007, we have increased our project portfolio through joint ventures with Cardero Resources, Hidefield, Silver Standard and Mirasol Resources for properties in Argentina. In addition, we entered into an option agreement to acquire 100% of the Tres Chepas copper-gold skarn project in Chile, a strategic alliance with Exmin Resources in Mexico and an option agreement to acquire 100% of the Gabilanes silver-gold epithermal vein project in Mexico.

Our plan is to continue to grow through mid-sized, bolt-on acquisitions that fit our niche strategy of being an underground, precious metals mining company focused in the Americas. Our objective is to strengthen our interest in specific geological regions in the Americas by making anchor investments in strategic mining districts and executing a cluster consolidation strategy. The new operations and the joint ventures that we have entered into to date fit squarely within this strategy.

TOTAL PRODUCTION¹

	Q3 2007	Q2 2007	Q3 2006
Silver production (Koz)	3,555	3,073	2,706
Gold production (Koz)	50.58	48.04	38.59
Total silver equivalent (Koz)	6,590	5,955	5,022
Total gold equivalent (Koz)	109.83	99.25	83.70
Silver sold (Koz)	2,544	2,197	3,943
Gold sold (Koz)	46.87	42.71	53.44

ARCATA

Product	Q3 2007	Q2 2007	Q3 2006
Ore production (tonnes)	106,656	94,421	86,972
Average head grade silver (g/t)	578.97	569.03	515.97
Average head grade gold (g/t)	1.48	1.44	1.38
Concentrate produced (tonnes)	4,457	4,099	3,335
Silver grade in concentrate (kg/t)	11.94	11.36	11.63
Gold grade in concentrate (kg/t)	0.03	0.03	0.03
Silver produced (Koz)	1,711	1,497	1,254
Gold produced (Koz)	4.23	3.74	3.20
Silver sold (Koz)	896	912	1,916
Gold sold (Koz)	2.24	2.18	4.59

ARES

Product	Q3 2007	Q2 2007	Q3 2006
Ore production (tonnes)	84,996	84,138	71,921
Average head grade silver (g/t)	255.93	261.80	242.14
Average head grade gold (g/t)	13.98	14.66	13.23
Dore total (Koz)	671.21	690.15	557.41
Silver produced (Koz)	633	650	527
Gold produced (Koz)	36.57	38.11	29.37
Silver sold (Koz)	646	692	679
Gold sold (Koz)	38.56	36.87	39.85

¹ Q3 2007 total production includes 100% of all production, including production attributable to joint venture partners at Moris, San José and Pallancata.

SELENE

Product	Q3 2007	Q2 2007	Q3 2006
Ore production (tonnes)	125,451	100,389	87,727
Average head grade silver (g/t)	275.31	328.00	364.38
Average head grade gold (g/t)	1.84	2.32	2.54
Concentrate produced (tonnes)	1,090	947	896
Silver grade in concentrate (kg/t)	26.69	30.96	32.13
Gold grade in concentrate (kg/t)	0.16	0.21	0.21
Silver produced (Koz)	923	925	925
Gold produced (Koz)	5.66	6.19	6.02
Silver sold (Koz)	1,002	594	1,348
Gold sold (Koz)	6.07	3.66	9.00

PALLANCATA²

Product	Q3 2007
Ore production (tonnes)	14,723
Average head grade silver (g/t)	255.45
Average head grade gold (g/t)	1.29
Concentrate produced (tonnes)	79
Silver grade in concentrate (kg/t)	41.60
Gold grade in concentrate (kg/t)	0.17
Silver produced (Koz)	105
Gold produced (Koz)	0.43
Silver sold (Koz)	0
Gold sold (Koz)	0.00

SAN JOSE³

Product	Q3 2007
Ore produciton (tonnes)	27,494
Average head grade silver (g/t)	543.8
Average head grade gold (g/t)	7.2
Silver produced (Koz)	182
Gold produced (Koz)	3.29
Silver sold (Koz)	0
Gold sold (Koz)	0.00

² The Company has a 60% interest in Pallancata.

³ The Company has a 51% interest in San José.

MORIS⁴

Product	Q3 2007
Ore production (tonnes)	84,538
Average head grade silver (g/t)	4.9
Average head grade gold (g/t)	1.8
Silver produced (Koz)	1.2
Gold produced (Koz)	0.40
Silver sold (Koz)	0
Gold sold (Koz)	0.00

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⁴ The Company has a 70% interest in Moris.