

Hochschild Mining plc



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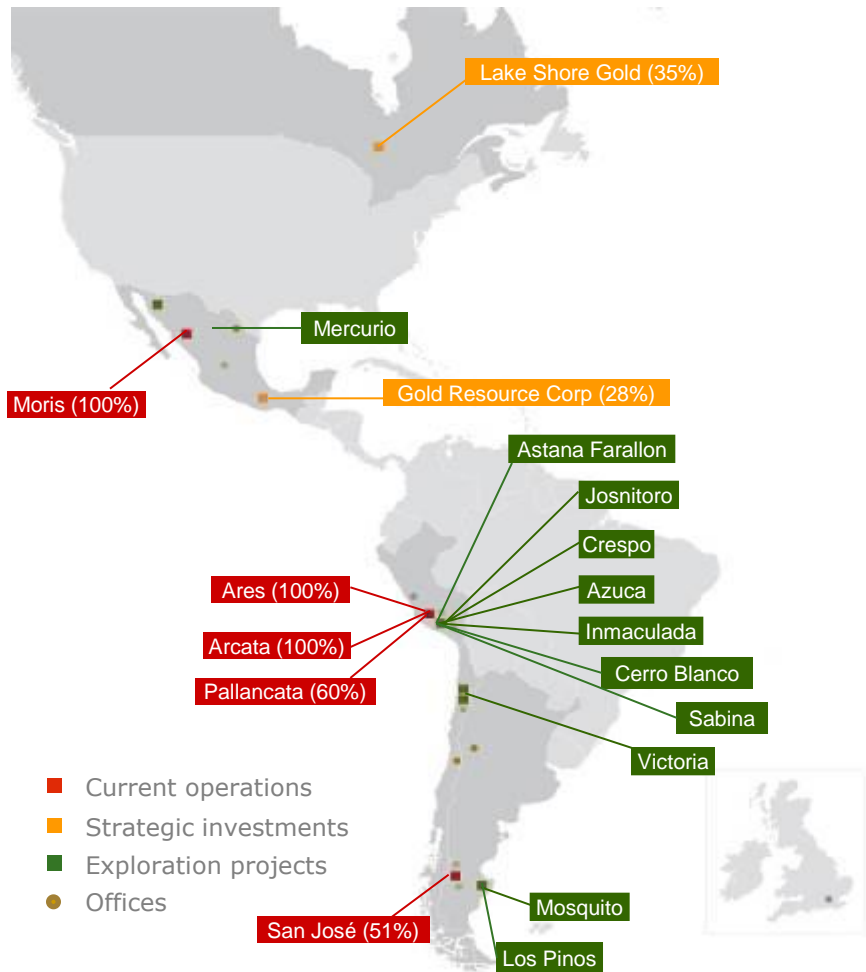
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Focus on value creation



- **Leading precious metals producer**

- Owner of 3 of the 12 largest primary silver mines in the world

- **Specialising in high margin, precious metal assets in the Americas**

- Production: 66% Ag, 34% Au
- Operations in Peru, Argentina and Mexico

- **Mine operators for over 40 years**

- Flagship mine Arcata in production since 1964
- 2010 production: 26.3 moz Ag Eq
- Mine life of 7.9 years and growing

- **FTSE 250 with market cap over US\$2bn**

- Financial net debt of \$168m as of June 2010

- **Project pipeline**

- \$50 million exploration budget in 2010
- Actively drilling projects in Peru, Mexico and Chile



Strategy - pillars for growth

1 Core Assets

- Optimise life of mine at main operations
- Increase productivity
- Cost controls

- Arcata
- San José
- Pallancata

2 Exploration

- Fund exploration through largest ever budget
- Maximise economies of scale by targeting opportunities within clusters
- Strategic project pipeline

- Company makers
- Company maintainers

3 Corporate Development

- Focus on early stage projects with high geological potential and clear path to control

- Strategic Investments



HOCHSCHILD MINING

1 Current operations

ARCATA, Peru
100% owned



PALLANCATA, Peru
60% HOC/40% IMZ



SAN JOSÉ, Argentina
51% HOC /49% MAI



Main operations

ARES, Peru
100% owned



MORIS, Mexico
100% owned



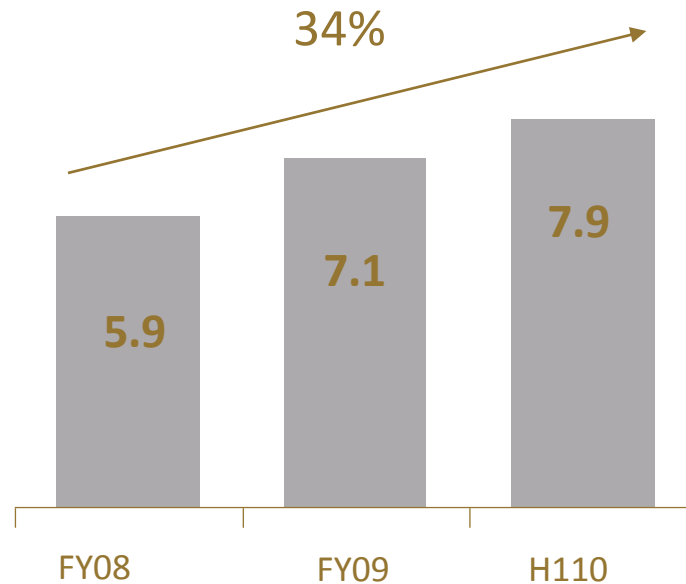
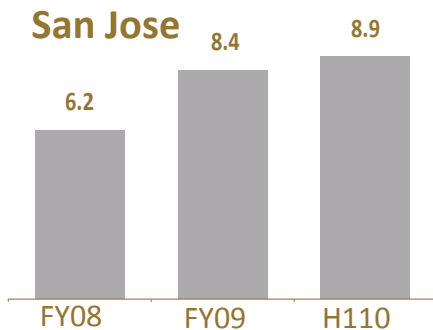
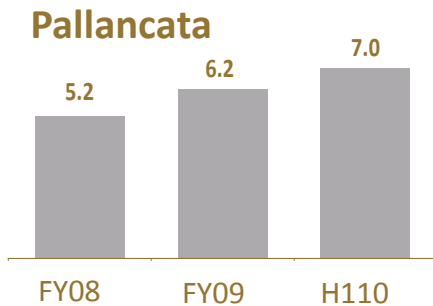
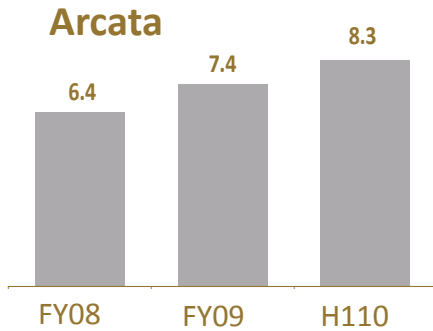
Smaller, ageing mines

• Production figures relate to full year 2009 and are based on 100% production



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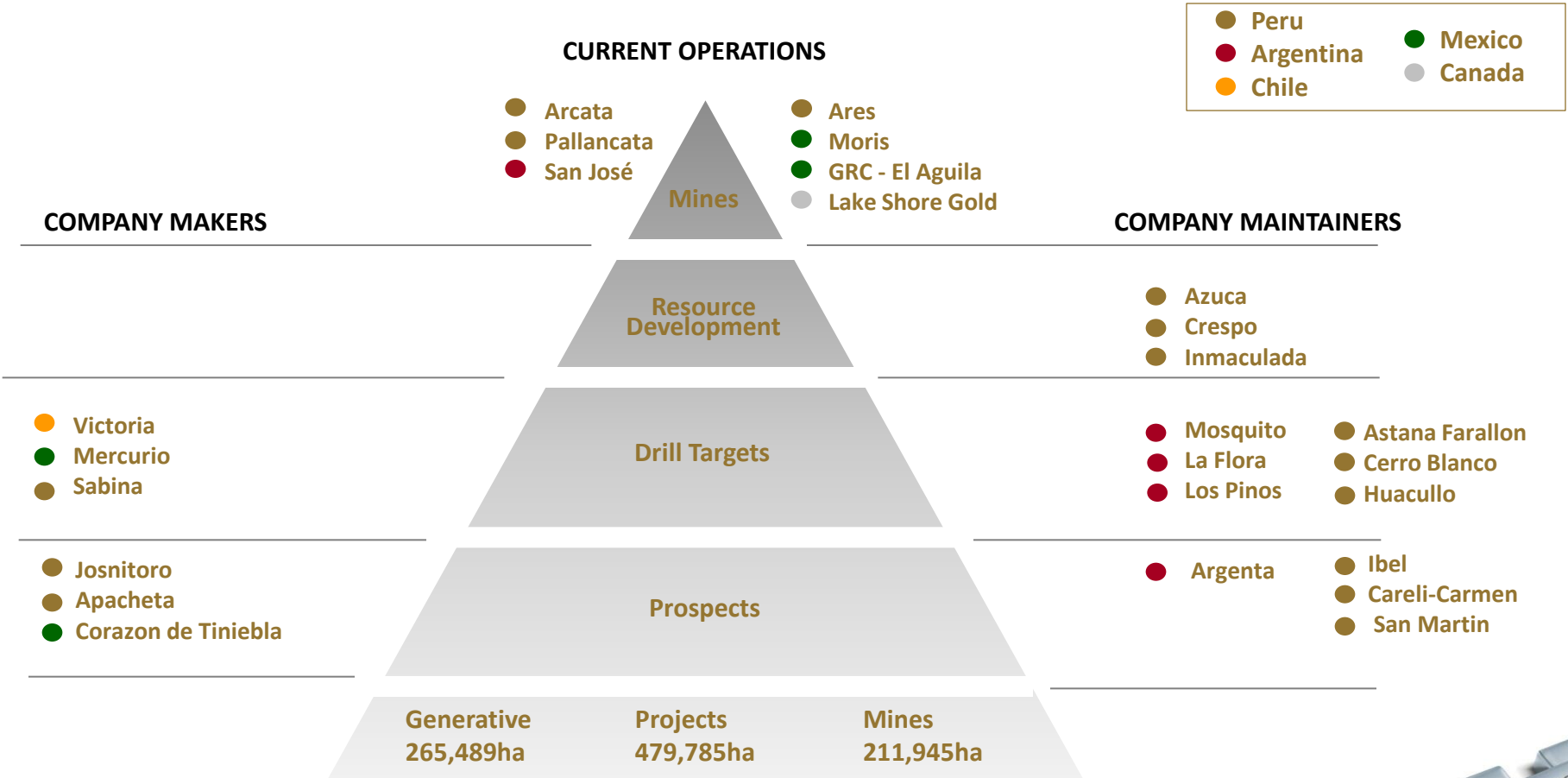
Focus on increasing resource life ¹



- LOM expected to increase further by the end of the year
- Reserve cut-off grades applied to resources
- High conversion rate from resources to reserves



Exploration: High quality project pipeline



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Company maintainers

AZUCA, Peru



CRESPO, Peru



INMACULADA, Peru

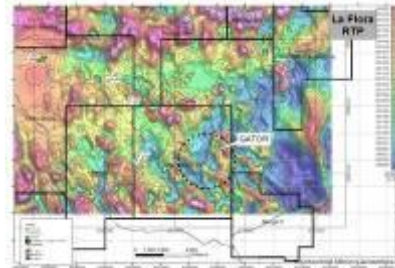


Scoping stage

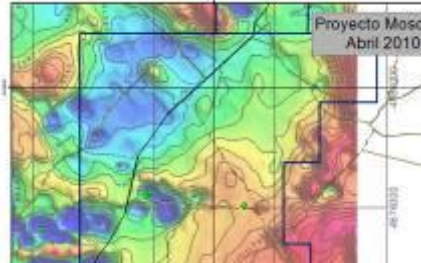
CERRO BLANCO, Peru



LA FLORA, Argentina



MOSQUITO, Argentina



Drilling underway during 2010

LOS PINOS, Argentina



ASTANA FARALLON, Peru



HUACULLO, Peru



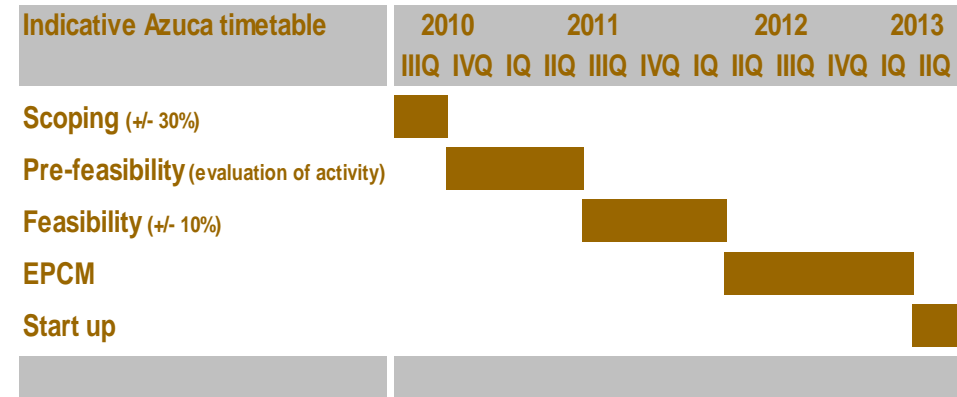
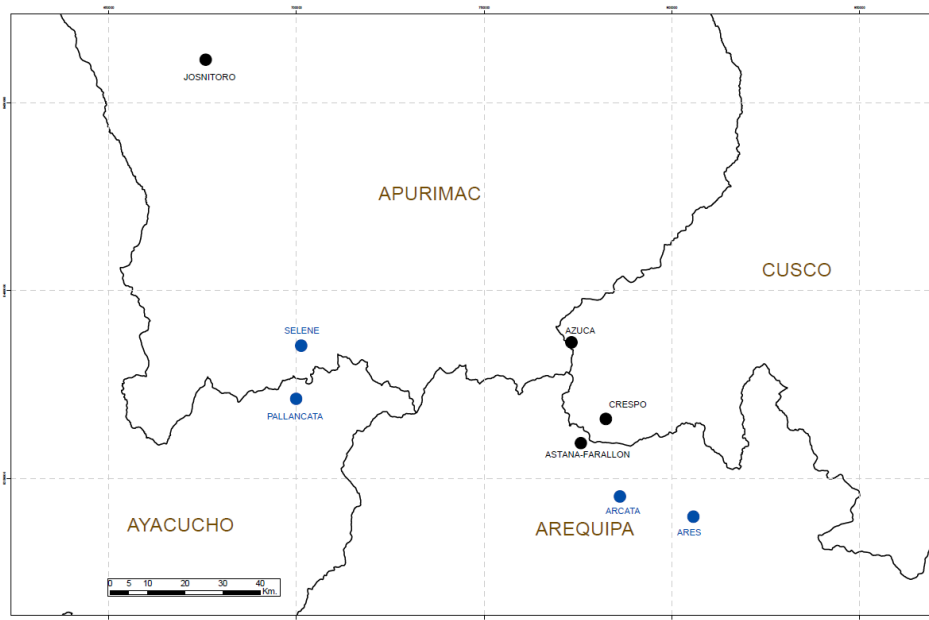
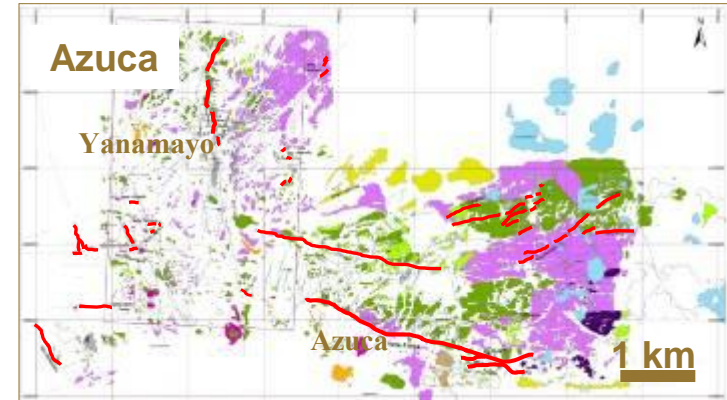
Target preparation



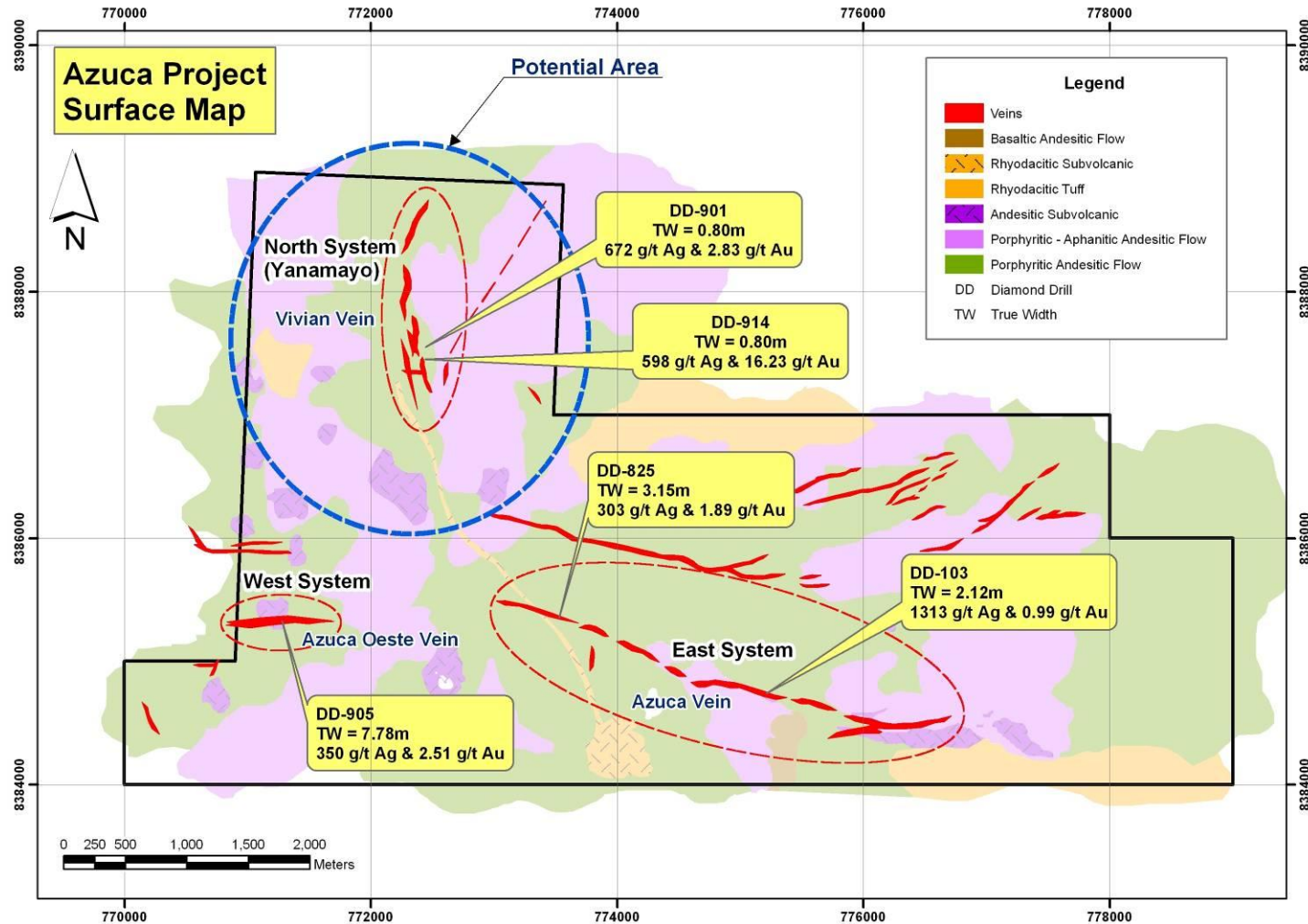
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Advanced projects: Azuca (Peru)

- 100% owned project
- 60moz Ag Eq of resources in Q3
- Scoping study underway
- Geological potential in the area
- Located in Southern Peru Cluster



Azuca geological data

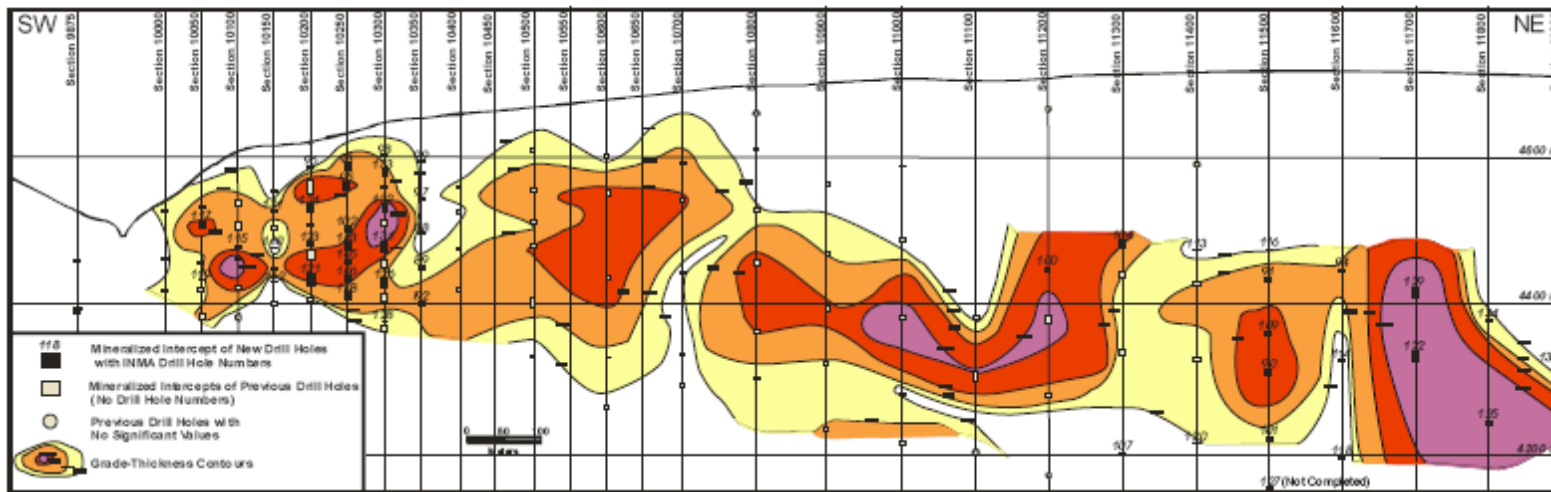


2 Advanced projects : Inmaculada (Peru)

- HOC currently owns a 49% interest
- IMZ currently owns remaining 51%; can earn 70% interest by completing and funding a feasibility study by September 2013
- Single vein geological body with potential for further continuity

	Tonnes (m)	Au (g/t)	Ag (g/t)
Measured & Indicated	3.8	4.3	129
Inferred	4.4	4.6	200

Appendix 2: Inmaculada Project - Longitudinal Section (Looking Northwest)



2 Company Makers

VICTORIA, Chile



MERCURIO, Mexico



SABINA, Peru



Drilling in progress

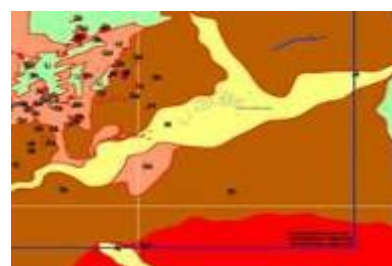
JOSNITORO, Peru



APACHETA, Peru



CORAZON DE TINIEBLAS, Mexico



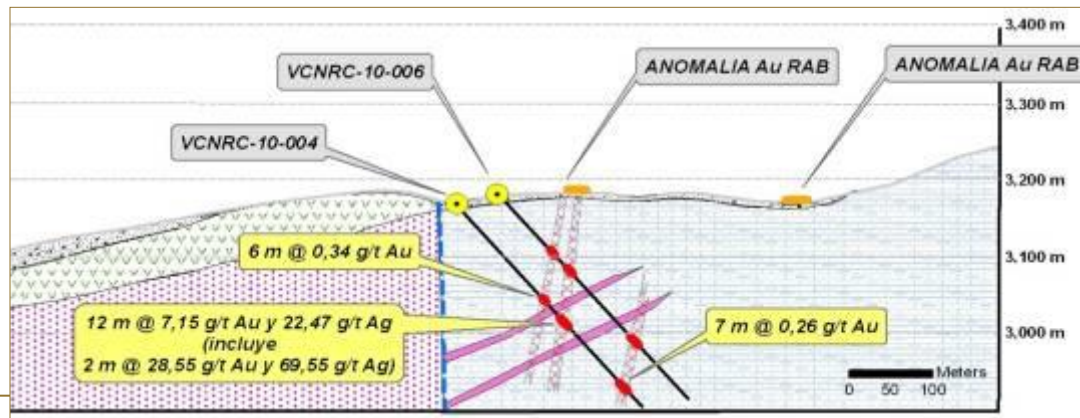
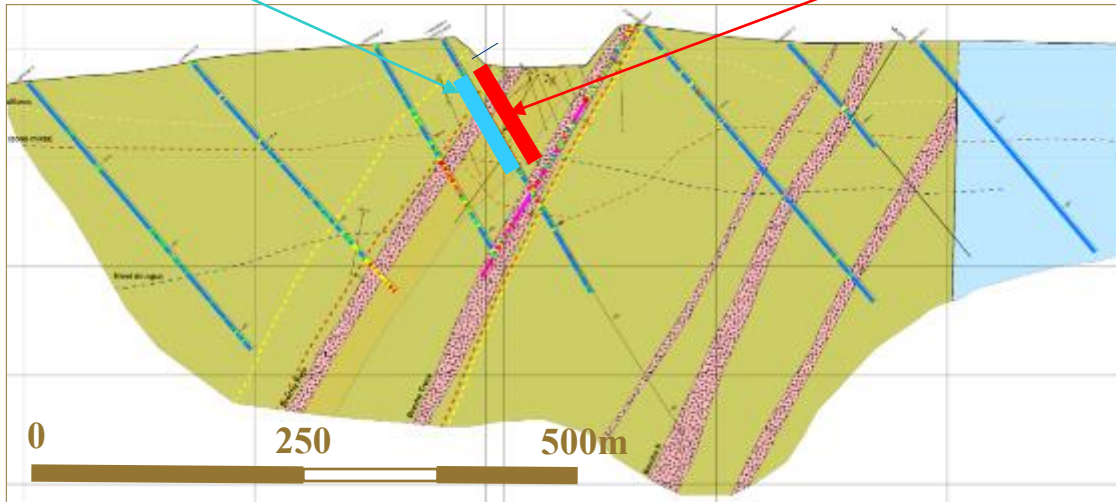
Permits and drilling campaign underway



2 Company Makers - Victoria, Chile

102m @ 0.43 g/t Au, 34 g/t Ag

101.9m @ 0.91g/t Au , 57 g/t Ag



Ownership: option to acquire up to 60%

Vaquillas Target

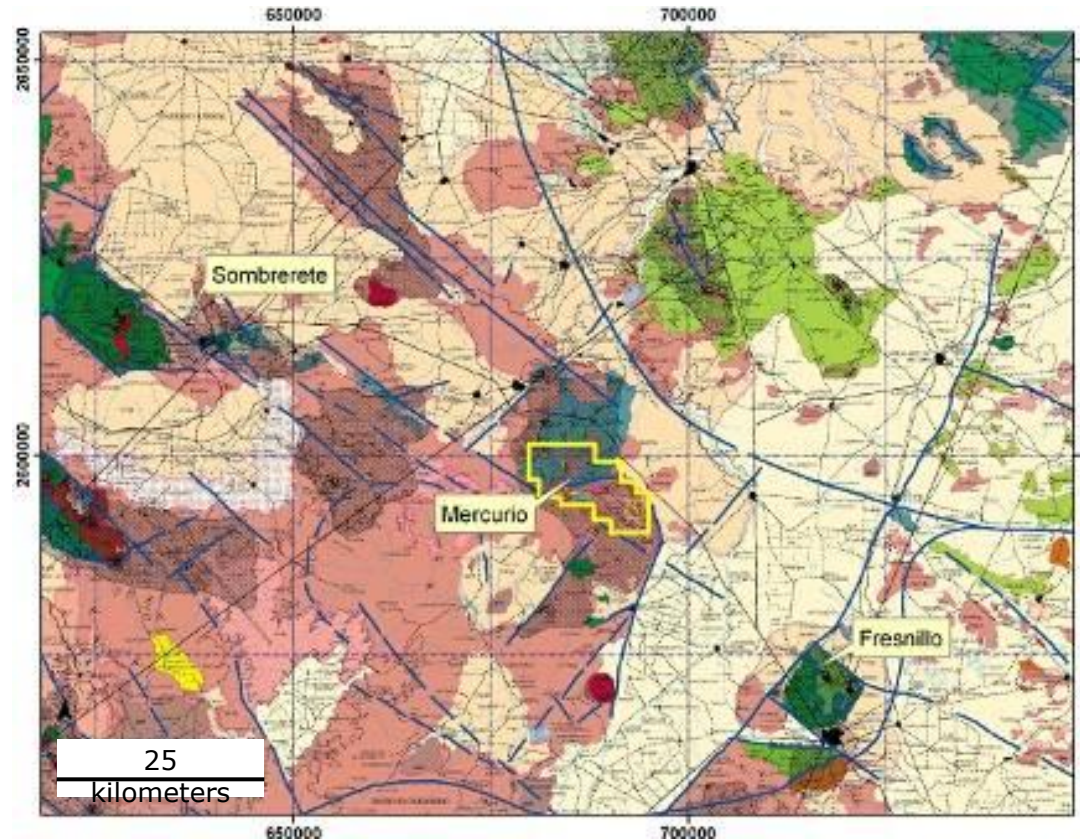
- New discovery (10.5m @ 8.9 g/t Au & 116 g/t Ag)
 - Includes 1.13 m @ 78 g/t Au & 802 g/t Ag
- Recent diamond drilling suggests that previous RC drilling may have understated both gold and silver grades
 - Further drilling planned to confirm said conclusion



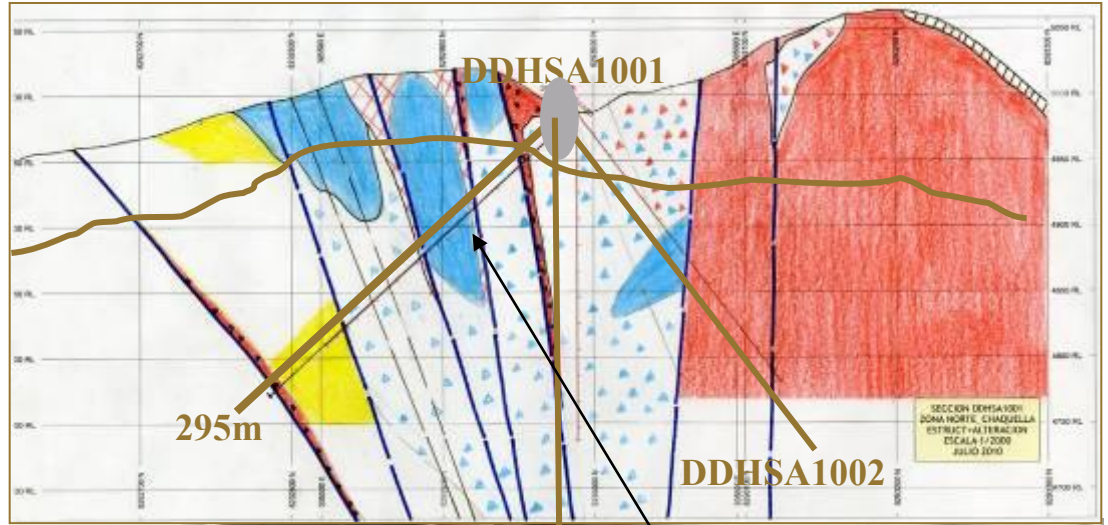
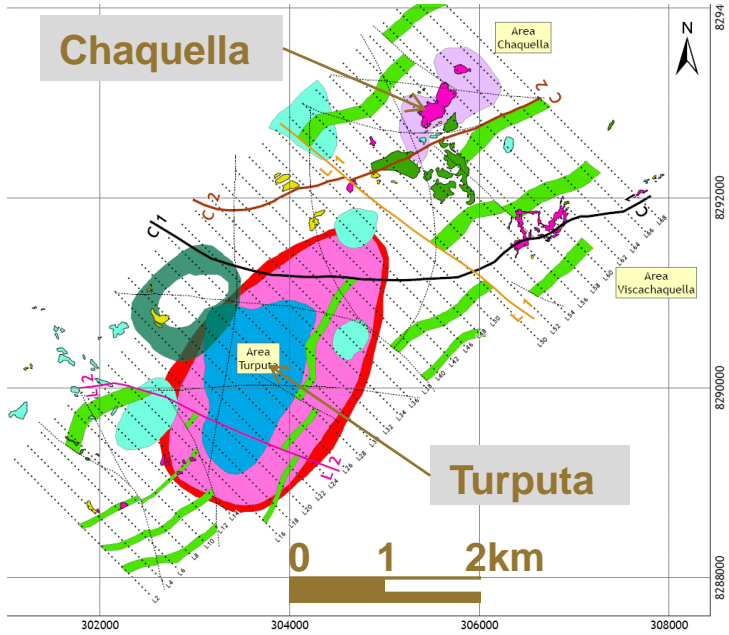
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Company Makers: Mercurio, Mexico

- Generative work identified 36,388 hectares of prospective open ground between two high grade mines:
 - Sombrerete: produced 210 moz Ag eq. (700 g/t Ag and 1.5 g/t Au) between 1545 and 2000
 - Fresnillo: produced 1,100 moz Ag (700 g/t Ag and 0.6 g/t Au) between 1553 and 2004
- Recent drilling results include:
 - La Troje Manto: 2m @ 1.8 g/t Au, 997 g/t Ag
 - DH-5: 40m (82-122m) s86m @ 20 g/t Ag, 0.22% Cu; 0.49% Pb, 1.40% Zn (includes: 3.5m @ 300 g/t Ag, 4.36% Cu; 1.18% Pb, 7.49% Zn).



Company Makers: Sabina, Peru - Chaquella target



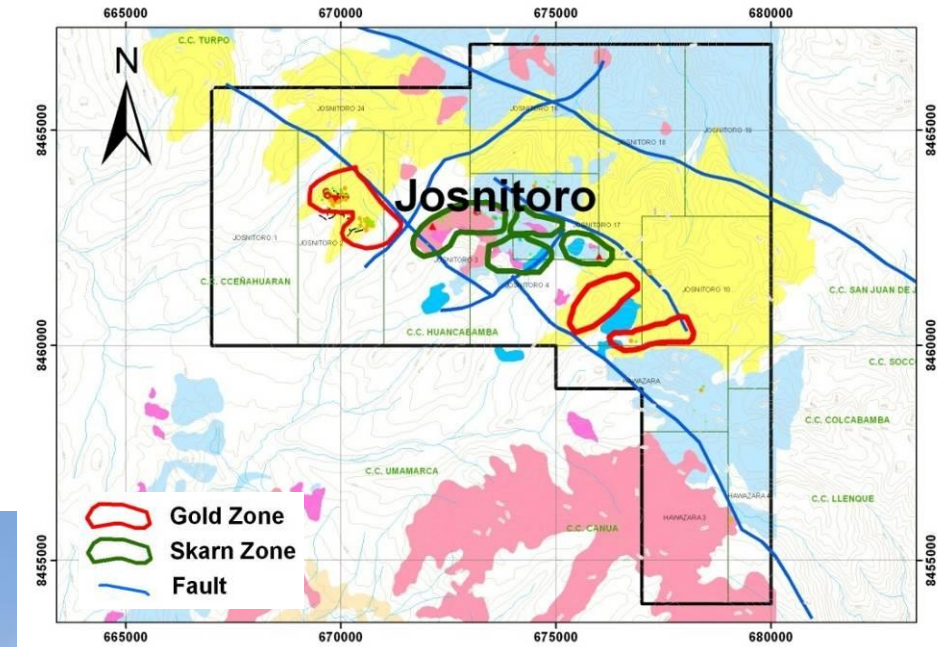
Surface sampling (0.1-0.6 g/t Au) in line with partial results from first core hole: 11.8m @ 0.38 g/t Au, 1.6 g/t Ag



2

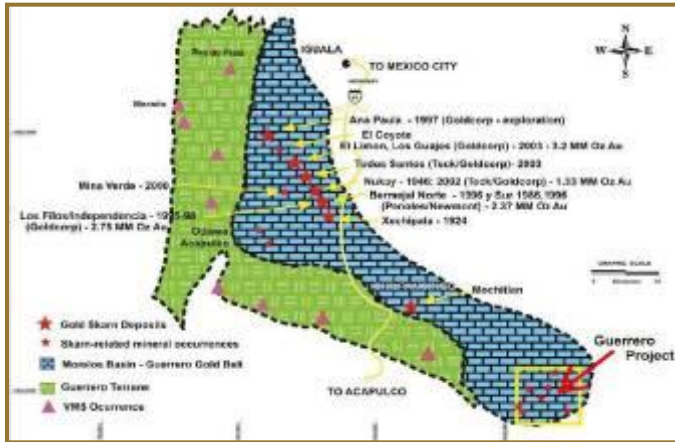
Company Makers: Josnitoro, Peru

- 100% owned project
- 10,500 hectares
- Mineralised cuarcites with visible gold; mineralisation starts at surface
- Permitting underway



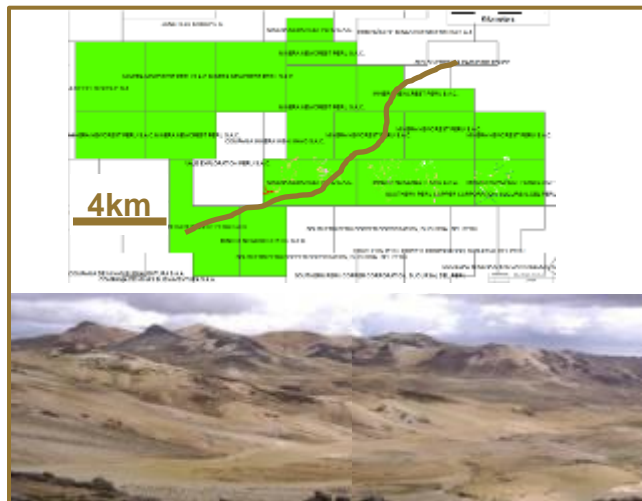
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Other potential Company Maker targets



Corazón de Tinieblas, Mexico (100% owned)

- Guerrero Gold Belt: +10moz Au endowment
- Project has similar geological characteristics
- Field work commenced in H210

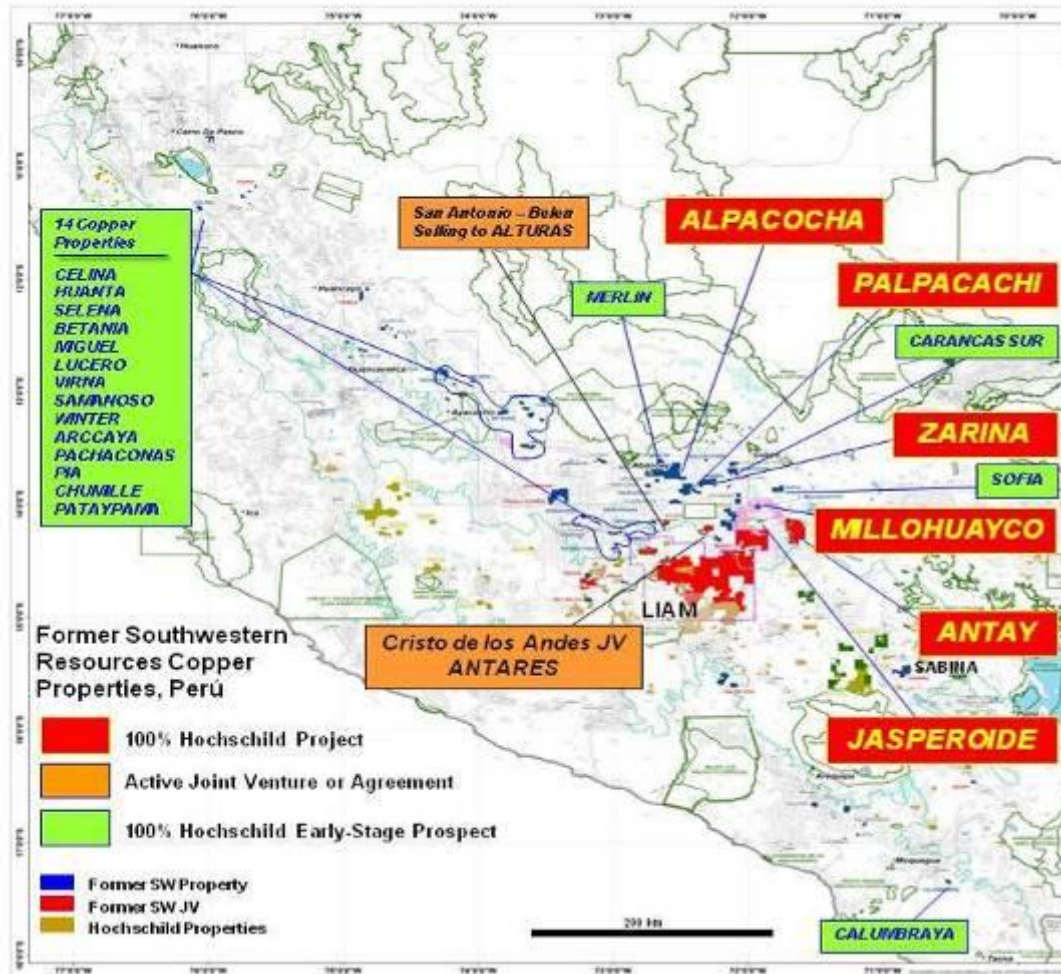


Apacheta, Peru (100% owned)

- Footprint >12 x 6 km silicification & advanced argillic alteration
- Early stage, only 1,000 surface samples & partial geological mapping
- Paved highway, 2 hrs from Ayacucho city



2 Copper projects – potential added value



3

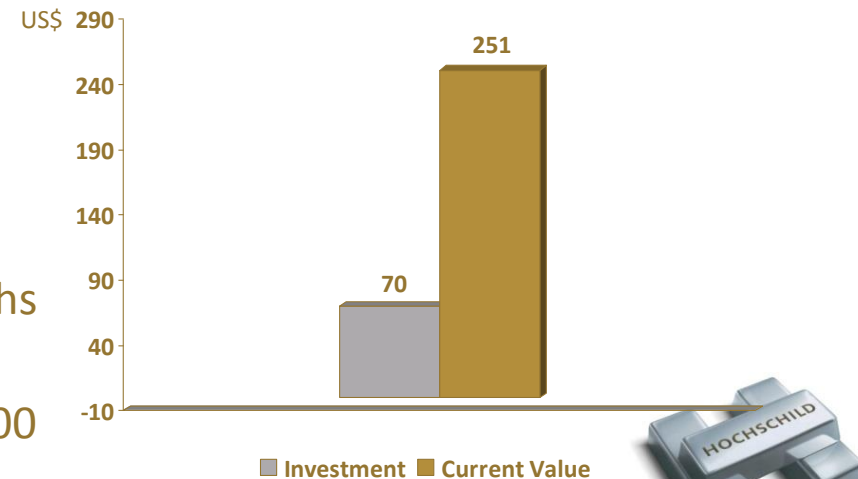
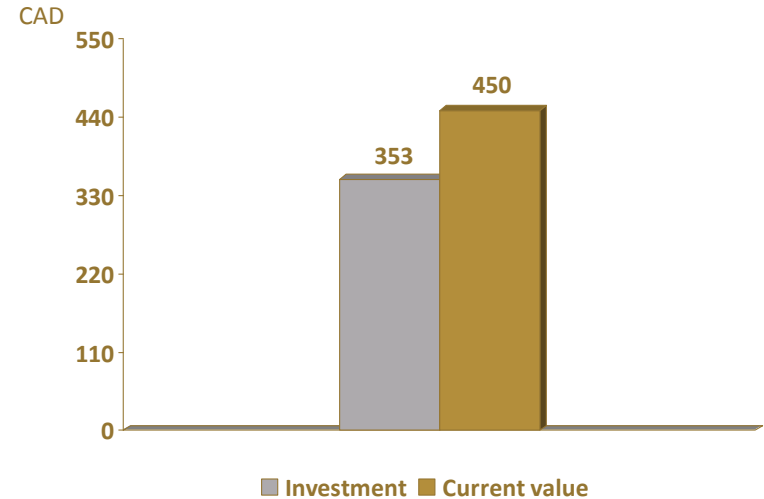
Other investments

LAKE SHORE GOLD

- Ownership: 35%
- Large land properties in the prolific Timmins Gold Camp in Ontario, Canada
- Commercial production expected in Q4 2010
- Potential to produce over 300 koz of gold over the coming years

GOLD RESOURCE CORPORATION

- Located in southern Mexico, 28% ownership
- Commercial production commenced in July 2010
- Production target of 70 koz of gold in first 12 months commercial production
- Longer term target to triple annual production to 200 koz Au equivalent within 3 years



Source: Public information from Lake Shore Gold Corp. & GRC



H110: Solid financial performance



Impressive results vs H109:

- Record H1 revenue of \$306.9m, up 33%
- Costs remain in line with expectations
- EBITDA of \$150.1m, up 51%
- Profit before tax trebled to \$87.3m
- Interim dividend of \$0.02 per share
- Solid financial position - cash balance of \$91.0m

EPS MORE THAN DOUBLED TO \$0.11 PER SHARE



High potential for value creation



- LOM increased by 34% since 2009
- Azuca approaching pre-feasibility stage
- Robust project pipeline in premium mining locations
- Strategic investments delivering shareholder value
- Impressive financial results and solid balance sheet
- Strong precious metals prices



Appendix



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HOCHSCHILD MINING

Profit & Loss summary

Profit & Loss \$million	H110 Pre-exceptional	H109 Pre-exceptional
Revenue	306.9	230.6
Gross profit	154.8	95.1
Operating profit	97.8	56.0
EBITDA	150.1	99.3
Profit before tax	87.3	27.7
Net profit	56.1	19.2
Attrib. net profit	38.9	12.9
EPS	0.11	0.04

- Exceptional items in 1H '10 include:
 - Extraordinary bonus (-US\$8.9 m)
 - San Felipe impairment (-US\$14.7 m)
 - Zincore & El Quevar (US\$ 13.5m)



Balance Sheet summary

Balance sheet \$million	H110	H109
Cash	91.0	77.8
PP&E	503.2	494.8
Total assets	1,320.2	1,305.9
Financial debt	258.7	228.8
Total liabilities	501.0	502.4
Equity	819.2	803.5

- Solid cash position
- Low leverage
- Total net debt/pre-exceptional annualized EBITDA: 0.56x

