



Hochschild Mining PLC

BMO Capital Markets 2007 Global Resources Conference

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A brief snapshot of Hochschild Mining

- Over 40 years experience in mining precious metals
- Listed on the London Stock Exchange in November 2006
 - Raised \$515 million gross proceeds
 - £3.80 per share up 9% since IPO
 - Market capitalisation of £1.2 billion
- Three underground producing mines located in Southern Peru
 - Supported by fully developed infrastructure
- Three advanced development projects one in each of Argentina, Peru and Mexico
- One early stage development project in Mexico
- Substantial portfolio of long-term projects throughout Latin America
- Strong commitment to social responsibilities
- All professional management team

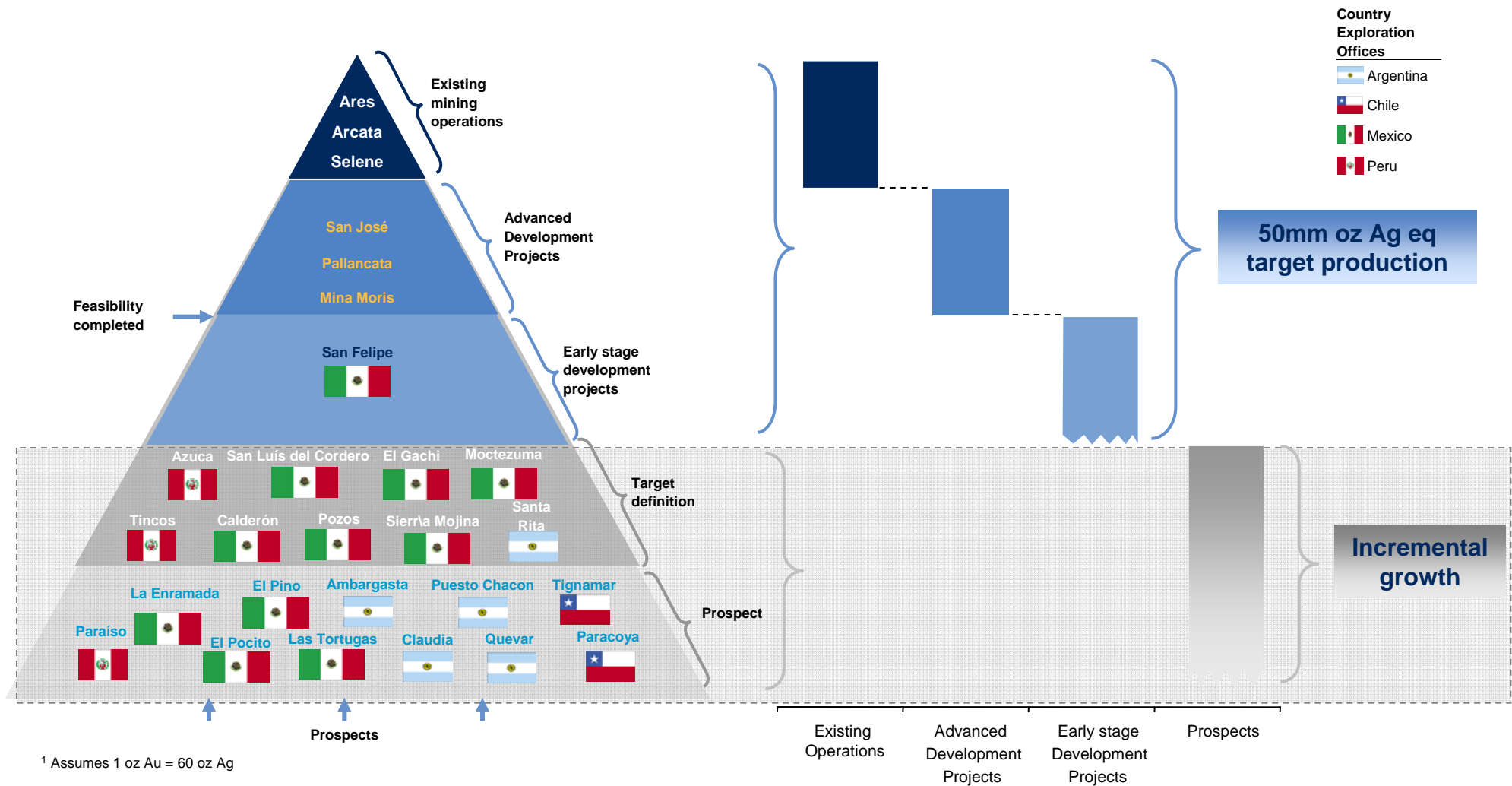


Hochschild: A leading precious metals company





Our operations and growth opportunities





Supporting materials

1. Appendix



Asset overview



	Arcata	Ares	Selene																																													
Location	District of Cayarani, department of Arequipa, Peru	District of Orcopampa, department of Arequipa, Peru	District of Cotanuse, department of Apurimac, Peru																																													
Ownership	100%	100%	100%																																													
Property size	47,000 hectares	22,700 hectares	19,500 hectares																																													
Production start date	1964	1998	2003																																													
Mining method	Conventional and mechanised cut-and-fill breast or overhand stoping utilising timber support	Conventional and mechanised cut-and-fill breast stoping methods with rockbolts and timber as support	Conventional and mechanised cut-and-fill breast or overhand stoping methods																																													
Process plant	350 ktpa flotation plant	325 ktpa cyanidation and Merrill Crowe plant	350 ktpa flotation plant																																													
Product	Silver concentrates with gold content	Doré containing silver and gold	Silver concentrate with gold content; Doré at Ares from September 06																																													
Production	<table border="1"> <tr> <td>Au (k ounces)</td> <td>7.2</td> <td>5.2</td> <td>7.2</td> <td>11.9</td> </tr> <tr> <td>Ag (M ounces)</td> <td>3.5</td> <td>5.0</td> <td>4.3</td> <td>7.8</td> </tr> <tr> <td></td> <td>2003</td> <td>2004</td> <td>2005</td> <td>2006</td> </tr> </table>	Au (k ounces)	7.2	5.2	7.2	11.9	Ag (M ounces)	3.5	5.0	4.3	7.8		2003	2004	2005	2006	<table border="1"> <tr> <td>Au (k ounces)</td> <td>184.7</td> <td>193.2</td> <td>198.5</td> <td>155.5</td> </tr> <tr> <td>Ag (M ounces)</td> <td>2.6</td> <td>2.7</td> <td>2.9</td> <td>2.7</td> </tr> <tr> <td></td> <td>2003</td> <td>2004</td> <td>2005</td> <td>2006</td> </tr> </table>	Au (k ounces)	184.7	193.2	198.5	155.5	Ag (M ounces)	2.6	2.7	2.9	2.7		2003	2004	2005	2006	<table border="1"> <tr> <td>Au (k ounces)</td> <td>4.3</td> <td>28.1</td> <td>27.5</td> <td>28.3</td> </tr> <tr> <td>Ag (M ounces)</td> <td>0.4</td> <td>2.9</td> <td>3.3</td> <td>4.2</td> </tr> <tr> <td></td> <td>2003</td> <td>2004</td> <td>2005</td> <td>2006</td> </tr> </table>	Au (k ounces)	4.3	28.1	27.5	28.3	Ag (M ounces)	0.4	2.9	3.3	4.2		2003	2004	2005	2006
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Planned expansions	<ul style="list-style-type: none"> Further develop the existing vein systems and undertake further exploration within Arcata Expand plant capacity to support increased production <ul style="list-style-type: none"> 2007 → 420 ktpa 	<ul style="list-style-type: none"> Further development of the existing vein and exploration in other areas of Ares site 	<ul style="list-style-type: none"> Further development of the existing Explorador vein and exploration in other parts of the concession area Expand plant capacity to support increased production from Pallancata <ul style="list-style-type: none"> 2007 → 700 ktpa 																																													



A significant project pipeline

	Pallancata	San José	Mina Moris	San Felipe
				
Location	17km to the south-west of the Selene vein system, Peru	Province of Santa Cruz, Argentina	Moris district in Chihuahua in prime exploration ground along the Sierra Madre, Mexico	Northern Sonora, Mexico
Ownership	JV 60% Hochschild Mining / 40% IMC; Hochschild Mining as operator	In JV 51% Hochschild Mining / 49% Minera Andes; Hochschild Mining as operator	Hochschild Mining has options to buy 70% interest from Exmin and other parties	Hochschild Mining has an option to acquire up to 70%
Property size	7,330 hectares	40,499 hectares	18,631 hectares	233 hectares
Mining method	Mechanised cut-and-fill breast or overhand stoping	Conventional and mechanised cut-and-fill breast stoping methods with rockbolts or timber as support	Open pit	Multilevel blasthole stoping
Process plant	Ore treatment at the Selene plant (17 km to the north-east), which will be expanded to 700 ktpa in 2007	Flotation followed by cyanidation of concentrates. Initial capacity: 273.7 ktpa	Crushing / Heap leach facility / CIP	Flotation
Product	Doré (from the Ares processing plant)	Doré	Doré	Polymetallic concentrates
Production	Initial production is scheduled to commence in Q3 2007	Initial production is expected in Q2 2007	Operations stopped in 1999. Scheduled to restart in Q3 2007	N/A
Expected investment	US\$10.5 million to develop reserves and expand the concentrator at Selene	Estimated capital costs are US\$77.1 million, of which US\$17.8 million has been spent as of July 2006, and a further US\$52.7 million is committed	N/A	N/A



Where we operate

Perú

- Dynamic economy with sustained growth (60 plus months) and solid economic indicators
- Largest producer of silver globally
- Sound fiscal and monetary policies
- Fitch recently upgraded Perú to BB++ (one notch below investment grade)
- Stable regulatory framework, including equal treatment for national and foreign direct investment
- Pro free trade and market liberalisation; Perú-U.S.
 - Challenges: new government, social unrest

Mexico

- 13th largest economy in the world by GDP
- 2nd largest producer of silver globally
- Stable macroeconomic environment with track record of responsible economic management
- Foreign direct investment enabling regulatory framework
- NAFTA and trade integration among key policies
 - Challenges: political instability, drug-trafficking related violence

Argentina

- Economic recovery underway
- 2005 GDP per capita the highest in Latin America
- Recent economic policies have strengthened financial profile
- Foreign direct investment has started to return
 - Challenges: social unrest, no local mining expertise

At this point, we are seeking to grow within Latin America



Positive silver fundamentals

Demand

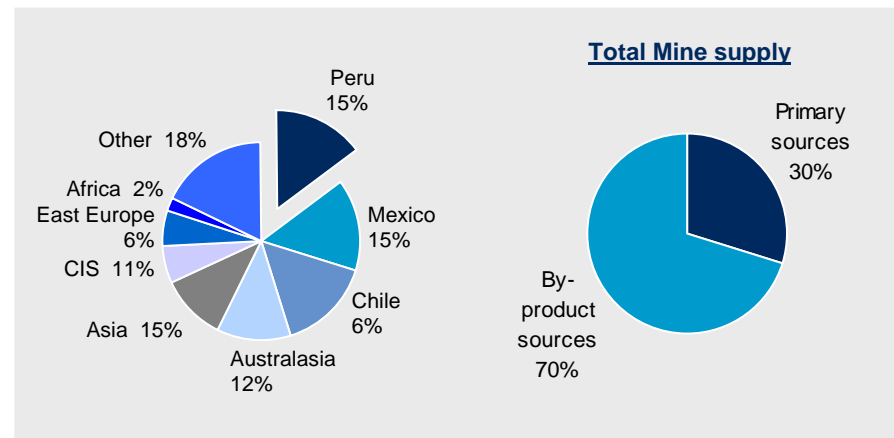
- Silver market in structural deficit since 1989
- Significant reduction in stocks
- Total demand of 869 million ounces in 2005
 - 45% industrial demand
 - 33% jewellery and silverware
 - 18% photography
 - 4% coinage
- Strong demand growth from the industrial sector
- Continued erosion of silver's use in photography
- Strong demand from financial investment
 - Silver ETF launched early 2006
- Potential new uses

Supply

- Primarily a by-product of gold, copper, lead / zinc
- Only 30% of total silver mine supply is from primary sources
- Modest mine growth next 2 years, higher starting 2008/2009
- Lower government sales, scrap supply
- Peru and Mexico largest silver producing countries

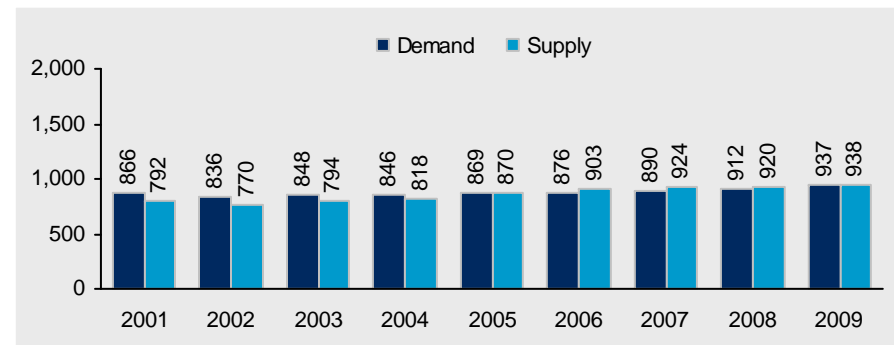
Source: CRU

Silver production by geography and breakdown 2005



Source: CRU

Global Silver demand/supply balance (mmoz)



Source: CRU



Positive gold fundamentals

Demand

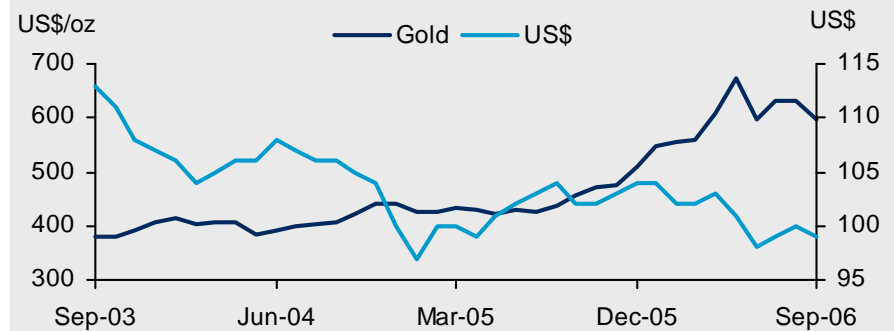
- Jewellery represented 87% of demand in 2005
- India is the world's largest consumer of gold jewellery in volume terms whilst the US is the largest market in terms of value
- Other forms of gold fabrication are largely for industry and medical purposes
 - Consumes around 420t per year, 13% of demand
- Electronics consume around 9% of total demand per annum
- Strong demand from financial investments
- Holdings of the gold ETF were at 365t at the end of 2005 and have grown over 2006 to reach 512t at the end of June

Supply

- Mine output comprised the largest constituent of gold supply in 2005
 - Gold mine output 65%
 - Central bank sales 17%
 - Scrap 22%
 - Producer hedging activity 4%
- Tight supply fundamentals
- Gold mine production fell below 2,500t for the first time in 8 years in 2004
- Production levels are expected to recover, with increases to come from South America, Australia and the United States

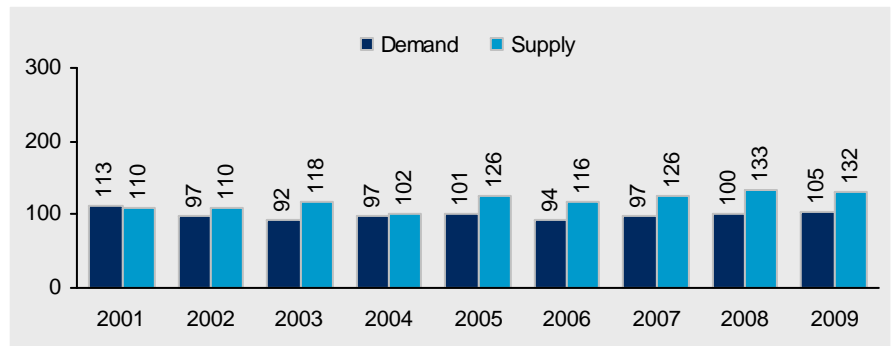
Source: CRU

Gold price and trade weighted US\$ exchange rate



Source: Datastream

Global gold demand/supply balance (mmoz)



Source: CRU



A high grade attributable reserve base (as at 30 June 2006)¹

Project	Attributable Reserves & Resources															
	P&P Reserves (kt)	Ag (g/t)	Au (g/t)	P&P Ag eq (mmoz)	Measured resources (kt)	Ag (g/t)	Au (g/t)	Measured resources Ag eq (mmoz)	Indicated resources (kt)	Ag (g/t)	Au (g/t)	Indicated resources Ag eq (mmoz)	Inferred resources (kt)	Ag (g/t)	Au (g/t)	Inferred resources Ag eq (mmoz)
Arcata	930	462	1.26	16	676	510	1.46	13	240	704	1.79	6	1,089	580	1.93	24
Ares	835	327	12.24	28	667	319	15.80	27	159	170	5.34	3	47	227	5.54	1
Selene	799	377	2.56	14	774	397	2.95	14	35	406	2.07	1	454	279	1.25	5
San Jose	642	418	7.90	18	93	675	9.45	4	486	434	8.83	15	253	374	8.22	7
Pallancata	643	263	1.09	7	0	0	0.00	0	614	289	1.20	7	982	376	1.44	15
Moris	0	0	0	0	2,951	4	1.32	8	404	3.7	1.24	1	5	2.2	1.37	0.012
San Felipe	0	0	0	0	0	0	0.00	0	—	0	0.00	0	3,150	70	9.6% ¹	53 ¹
Total Mines	3,849	374	4.99	83	5,160	182	3.6	66	1,938	310	3.55	33	5,978	243	1.08	105

¹ A combined content of zinc, lead and copper sulphides which are included in total
 Note: assuming ounces conversion ratio of 31.103 and gold/silver conversion ratio of 60
 M&I resources are inclusive of undiscounted reserves; inferred resources are incremental to M&I resources