



1 October 2012

Hochschild Mining Achieves Key Milestone at Inmaculada Advanced Project

Highlights

- Environmental Impact Study approved by Peruvian government
- Strong intercepts reported at Lourdes and Martha veins

Hochschild Mining plc ("Hochschild" or "the Company") is pleased to announce that the Peruvian government has approved the Company's Environmental Impact Study ("EIS") for the Inmaculada Advanced Project located in southwestern Peru, representing a key step in the project's permitting process. Inmaculada is expected to produce 7 million attributable silver equivalent ounces per annum with commissioning on track for the end of 2013.

The achievement of this approval follows the considerable progress made during 2012 in several other stages in Inmaculada's development including the awarding of the contract for the plant construction to Graña y Montero in August (\$142 million) within the Company's budget expectations, the commencement of construction of three exploration tunnels, the granting of contracts for the construction of the main access road to the site as well as construction of the electricity transmission line.

Hochschild is also pleased to report that its exploration drilling programme in and around the Inmaculada project has continued to yield extremely encouraging results such as those detailed below (and shown in the diagram at the end of this release) from the Lourdes and Martha veins. These reinforce the Company's confidence that significant additional resources can be added beyond those Measured & Indicated resources included in the Feasibility Study which came principally from the Angela vein. Significant intercepts include:

Vein	Results
Lourdes	LOU12-001: 3.50m @ 7.12g/t Au & 369g/t Ag LOU12-003: 1.32m @ 3.10g/t Au & 121g/t Ag LOU12-004: 1.50m @ 6.34g/t Au & 180g/t Ag LOU12-005: 1.02m @ 8.21g/t Au & 194g/t Ag LOU12-007: 0.80m @ 3.49g/t Au & 398g/t Ag LOU12-009: 3.12m @ 31.55g/t Au & 199g/t Ag LOU12-010: 0.60m @ 7.85g/t Au & 106g/t Ag
Martha	MAR12-001: 0.60m @ 6.57g/t Au & 30g/t Ag MAR12-004: 0.73m @ 24.12g/t Au & 2,611g/t Ag

Commenting on the announcement, Ignacio Bustamante, CEO, said:

"Securing approval of the EIS represents a major milestone as we make continued progress in developing Inmaculada with a view to commencing production in Q4 2013. I am confident that, having obtained the EIS and awarded key contracts within budget and on schedule, we can maintain the momentum as we enter the next phase of the project. We previously highlighted the exploration potential surrounding the main Angela vein and so I am delighted to be able to share today details of the rich intercepts at the Lourdes and Martha veins. These provide further evidence of our belief in the significant geological upside at Inmaculada which we expect will exceed the conservative assumptions used in the project's feasibility study."

Enquiries:**Hochschild Mining plc**

Charles Gordon
Head of Investor Relations

+44 (0)20 7907 2934

RLM Finsbury

Charles Chichester
Public Relations

+44 (0)20 7251 3801

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 almost fifty 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.

Inmaculada Project

Inmaculada is a 20,000 hectare gold-silver project located in the Company's existing operational cluster in southern Peru and is 60% owned and controlled by Hochschild, following the acquisition of a controlling stake in October 2010. The remaining 40% is held by the Company's joint venture partner at Pallancata, International Minerals Corporation.

The project is now set to start construction, with total initial capital expenditure of \$315 million for a 3,500 tonne per day underground operation with average annual production of 12 million silver equivalent ounces (7 million attributable silver equivalent ounces), and 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

Inmaculada Vein Diagram

