



Autlán will increase manganese ore and ferroalloys production capacity

March 8th, 2018

Compañía Minera Autlán, S.A.B. de C.V. (Autlán) announces that the Capital Expenditure (CapEx) plan for its Manganese area, in the Mining and Ferroalloys Division, will focus on sustainable growth of its production capacity.

In response to increases in reported and forecasted steel production in Mexico and North America, Autlán plans on expanding its ferroalloy production capacity by approximately 15% during the next three years. For 2018, the company expects to grow its installed capacity by 7% over the 2017 figures, as a result of operating efficiency projects and making use of state-of-the-art technology to strengthen its furnaces. All initiatives will be in full compliance with current environmental regulations.

In order to satisfy additional ferroalloys volume, Autlán will make a significant investment in exploration, planning and mining, as well as to its exclusive nodulization process, enhance the life of its mine and maximize production. It will also increase its output of manganese nodules, a unique product in the global marketplace, for both self-use and for international clients. In parallel with these investments, the company will continue to implement best global practices in Social Responsibility.

The CapEx for 2018 is expected to be approximately \$25 million dollars for the investments described above, as well as for electrical power projects to reduce the cost of this input. This plan goes in line with Autlán's mid-term strategic plan and has the purpose to continue serving the steel industry globally, as one of the lowest cost manganese ferroalloy producer worldwide.

Furthermore, Autlán assures its commitment with its metallurgy clients, and enters into its recently announced diversification in precious metals.

Autlán is a Mexican company with worldwide recognition as a reliable manganese and ferroalloys supplier because of its high-quality mining and industrial products. It generates value for its shareholders, personnel and customers by using its experience, the best available technology, and future diversification projects as part of the values and the company's growth.

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