



Release

Strategic investment plan for 5 years

October 7, 2015

Compañía Minera Autlán, S.A.B. of C.V. (Autlán) informs the investing public that during 2014 we redefined our five-year plan, based on the rapid changes experienced by the manganese industry. The strategic plan identifies five areas of opportunity where we have been working and in which a total of around \$ 300 million dollars will be invested in order **to become one of the lowest cost ferroalloy producers in the world.**



2014-2019
OBJECTIVE:

Reduction

Costs/Expansion

- POWER
 - Atexcaco Expansion and other sources
 - Hydroelectric
 - Eolic
- MINING
 - Manganese
 - Eliminate dependence on foreign minerals and reduce environmental footprint.
- SALES
 - Commercial
 - Capacity expansion and operational flexibility
- COSTS AND EXPENSES
 - Optimization
 - Reduction in consumption
 - Greater productivity and safety
- DIVERSIFICATION
 - Mining Diversification
 - Precious metals, Raw materials, other minerals

With the clear objectives of reducing costs and growing, we have invested in research and development to make improvements to our products and production processes with innovation and technology, seeking to be self-sufficient in manganese ores, reduce costs, minimize the environmental footprint of our operations as well as diversify our activities.

In the Energy Division, we seek to increase our electricity generation capacity, on the one hand, by increasing the capacity of the Atexcaco Hydroelectric Plant, and on the other hand, by generating hydroelectric and wind energy to cover most of the Autlán needs and / or sell electricity to third parties.

In the Mining Division, the construction of a manganese ore beneficiation plant is planned, with the purpose of producing minerals of different degrees of concentration. With the above, Autlán will increase its manganese reserves and generate significant savings by substitution of imported minerals, as well as a lower consumption of electricity and raw materials.

In the commercial and operational part, we seek to provide a comprehensive service to our customers and increase our operational flexibility to cope with market changes, through the optimization of our productivity and the reduction of costs and expenses.

To reduce the dependence on a single sector (the steel sector), we work in the mining diversification exploring opportunities in precious metals, raw materials and other industrial minerals. In this sense, we have taken the first step by acquiring a minority stake in a gold mine and in barite estates.

With the aforementioned measures, we seek to ensure the profitability and growth of Autlán in the long term.

Autlán is a Mexican company with worldwide recognition for the quality and specialization of its products, which provides the steel industry with dry batteries, ceramics, micronutrients and / or fertilizers. The backward integration of key inputs, our operational strength, a growing market, proven reserves for the next 40 years and qualified and committed personnel support the strength of the company.

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