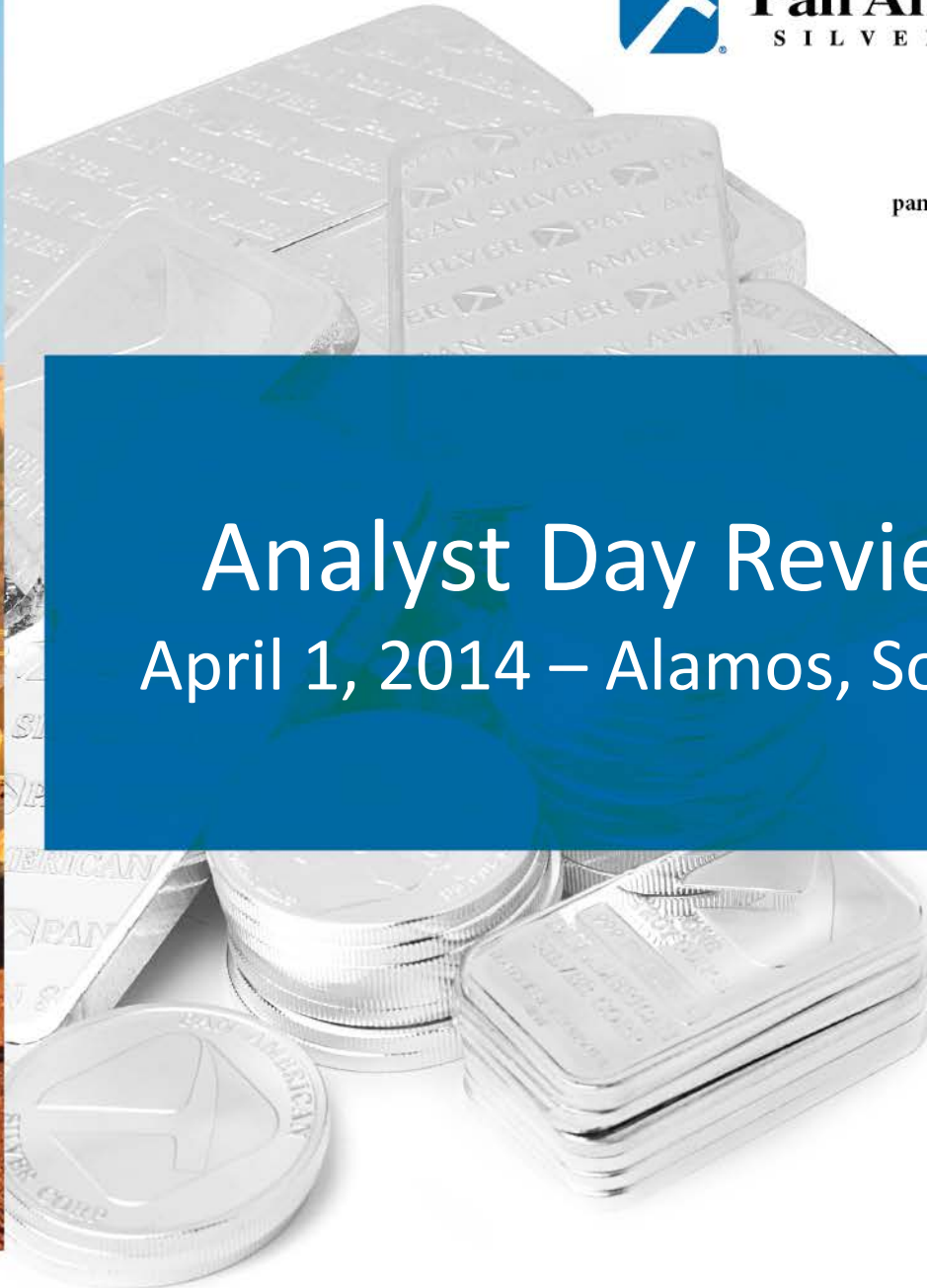




# Analyst Day Review

April 1, 2014 – Alamos, Sonora





NASDAQ: PAAS  
TSX: PAA  
panamericansilver.com

# Corporate Geoff Burns, Chief Executive Officer

# Cautionary Note

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

CERTAIN OF THE STATEMENTS AND INFORMATION IN THIS PRESENTATION CONSTITUTE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE UNITED STATES PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 AND "FORWARD-LOOKING INFORMATION" WITHIN THE MEANING OF APPLICABLE CANADIAN PROVINCIAL SECURITIES LAWS RELATING TO THE COMPANY AND ITS OPERATIONS. ALL STATEMENTS, OTHER THAN STATEMENTS OF HISTORICAL FACT, ARE FORWARD-LOOKING STATEMENTS. WHEN USED IN THIS PRESENTATION THE WORDS, "BELIEVES", "EXPECTS", "INTENDS", "PLANS", "FORECAST", "OBJECTIVE", "OUTLOOK", "POSITIONING", "POTENTIAL", "ANTICIPATED", "BUDGET", AND OTHER SIMILAR WORDS AND EXPRESSIONS, IDENTIFY FORWARD-LOOKING STATEMENTS OR INFORMATION. THESE FORWARD-LOOKING STATEMENTS OR INFORMATION RELATE TO, AMONG OTHER THINGS: FUTURE PRODUCTION OF SILVER, GOLD AND OTHER METALS AND THE TIMING OF SUCH PRODUCTION; FUTURE CASH COSTS PER OUNCE OF SILVER; THE PRICE OF SILVER AND OTHER METALS; THE EFFECTS OF LAWS, REGULATIONS AND GOVERNMENT POLICIES AFFECTING PAN AMERICAN'S OPERATIONS OR POTENTIAL FUTURE OPERATIONS, INCLUDING BY NOT LIMITED TO, LAWS IN THE PROVINCE OF CHUBUT, ARGENTINA, WHICH, CURRENTLY HAVE SIGNIFICANT RESTRICTIONS ON MINING; FUTURE SUCCESSFUL DEVELOPMENT OF THE NAVIDAD PROJECT, AND OTHER DEVELOPMENT PROJECTS OF THE COMPANY; THE SUFFICIENCY OF THE COMPANY'S CURRENT WORKING CAPITAL, ANTICIPATED OPERATING CASH FLOW OR ITS ABILITY TO RAISE NECESSARY FUNDS; TIMING OF RELEASE OF TECHNICAL OR OTHER REPORTS; THE ESTIMATES OF EXPECTED OR ANTICIPATED ECONOMIC RETURNS FROM THE COMPANY'S MINING PROJECTS; ESTIMATED EXPLORATION EXPENDITURES TO BE INCURRED ON THE COMPANY'S VARIOUS PROPERTIES; FORECAST CAPITAL AND NON-OPERATING SPENDING; FUTURE SALES OF THE METALS, CONCENTRATES OR OTHER PRODUCTS PRODUCED BY THE COMPANY; AND THE COMPANY'S PLANS AND EXPECTATIONS FOR ITS PROPERTIES AND OPERATIONS.

THESE STATEMENTS REFLECT THE COMPANY'S CURRENT VIEWS WITH RESPECT TO FUTURE EVENTS AND ARE NECESSARILY BASED UPON A NUMBER OF ASSUMPTIONS AND ESTIMATES THAT, WHILE CONSIDERED REASONABLE BY THE COMPANY, ARE INHERENTLY SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC, COMPETITIVE, POLITICAL AND SOCIAL UNCERTAINTIES AND CONTINGENCIES. MANY FACTORS, BOTH KNOWN AND UNKNOWN, COULD CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM THE RESULTS, PERFORMANCE OR ACHIEVEMENTS THAT ARE OR MAY BE EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS CONTAINED IN THIS PRESENTATION AND THE COMPANY HAS MADE ASSUMPTIONS AND ESTIMATES BASED ON OR RELATED TO MANY OF THESE FACTORS. SUCH FACTORS INCLUDE, WITHOUT LIMITATION: FLUCTUATIONS IN SPOT AND FORWARD MARKETS FOR SILVER, GOLD, BASE METALS AND CERTAIN OTHER COMMODITIES (SUCH AS NATURAL GAS, FUEL OIL AND ELECTRICITY); FLUCTUATIONS IN CURRENCY MARKETS (SUCH AS THE CANADIAN DOLLAR, PERUVIAN SOL, MEXICAN PESO, ARGENTINE PESO AND BOLIVIAN BOLIVIANO VERSUS THE U.S. DOLLAR); RISKS RELATED TO THE TECHNOLOGICAL AND OPERATIONAL NATURE OF THE COMPANY'S BUSINESS; CHANGES IN NATIONAL AND LOCAL GOVERNMENT, LEGISLATION, TAXATION, CONTROLS OR REGULATIONS AND POLITICAL OR ECONOMIC DEVELOPMENTS IN CANADA, THE UNITED STATES, MEXICO, PERU, ARGENTINA, BOLIVIA OR OTHER COUNTRIES WHERE THE COMPANY MAY CARRY ON BUSINESS IN THE FUTURE; RISKS AND HAZARDS ASSOCIATED WITH THE BUSINESS OF MINERAL EXPLORATION, DEVELOPMENT AND MINING (INCLUDING ENVIRONMENTAL HAZARDS, INDUSTRIAL ACCIDENTS, UNUSUAL OR UNEXPECTED GEOLOGICAL OR STRUCTURAL FORMATIONS, PRESSURES, CAVE-INS AND FLOODING); RISKS RELATING TO THE CREDIT WORTHINESS OR FINANCIAL CONDITION OF SUPPLIERS, REFINERS AND OTHER PARTIES WITH WHOM THE COMPANY DOES BUSINESS; INADEQUATE INSURANCE, OR INABILITY TO OBTAIN INSURANCE, TO COVER THESE RISKS AND HAZARDS; EMPLOYEE RELATIONS; RELATIONSHIPS WITH AND CLAIMS BY LOCAL COMMUNITIES AND INDIGENOUS POPULATIONS; AVAILABILITY AND INCREASING COSTS ASSOCIATED WITH MINING INPUTS AND LABOUR; THE SPECULATIVE NATURE OF MINERAL EXPLORATION AND DEVELOPMENT, INCLUDING THE RISKS OF OBTAINING NECESSARY LICENSES AND PERMITS AND THE PRESENCE OF LAWS AND REGULATIONS THAT MAY IMPOSE RESTRICTIONS ON MINING, INCLUDING THOSE CURRENTLY IN THE PROVINCE OF CHUBUT, ARGENTINA; DIMINISHING QUANTITIES OR GRADES OF MINERAL RESERVES AS PROPERTIES ARE MINED; GLOBAL FINANCIAL CONDITIONS; THE COMPANY'S ABILITY TO COMPLETE AND SUCCESSFULLY INTEGRATE ACQUISITIONS AND TO MITIGATE OTHER BUSINESS COMBINATION RISKS; CHALLENGES TO, OR DIFFICULTY IN MAINTAINING, THE COMPANY'S TITLE TO PROPERTIES AND CONTINUED OWNERSHIP THEREOF; THE ACTUAL RESULTS OF CURRENT EXPLORATION ACTIVITIES, CONCLUSIONS OF ECONOMIC EVALUATIONS, AND CHANGES IN PROJECT PARAMETERS TO DEAL WITH UNANTICIPATED ECONOMIC OR OTHER FACTORS; INCREASED COMPETITION IN THE MINING INDUSTRY FOR PROPERTIES, EQUIPMENT, QUALIFIED PERSONNEL, AND THEIR COSTS; AND THOSE FACTORS IDENTIFIED UNDER THE CAPTION "RISKS RELATED TO PAN AMERICAN'S BUSINESS" IN THE COMPANY'S MOST RECENT FORM 40-F AND ANNUAL INFORMATION FORM FILED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND CANADIAN PROVINCIAL SECURITIES REGULATORY AUTHORITIES. INVESTORS ARE CAUTIONED AGAINST ATTRIBUTING UNDUE CERTAINTY OR RELIANCE ON FORWARD-LOOKING STATEMENTS. ALTHOUGH THE COMPANY HAS ATTEMPTED TO IDENTIFY IMPORTANT FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY, THERE MAY BE OTHER FACTORS THAT CAUSE RESULTS NOT TO BE AS ANTICIPATED, ESTIMATED, DESCRIBED OR INTENDED. THE COMPANY DOES NOT INTEND, AND DOES NOT ASSUME ANY OBLIGATION, TO UPDATE THESE FORWARD-LOOKING STATEMENTS OR INFORMATION TO REFLECT CHANGES IN ASSUMPTIONS OR CHANGES IN CIRCUMSTANCES OR ANY OTHER EVENTS AFFECTING SUCH STATEMENTS OR INFORMATION, OTHER THAN AS REQUIRED BY APPLICABLE LAW.

# Today's Agenda

April 1, 2014 - Analyst Day and Alamo Dorado Tour	
8:00 am – 8:15 am	Welcome & Opening Remarks – Geoff Burns
8:15 am – 9:00 am	Geology & Exploration – Michael Steinmann
9:00 am – 10:00 am	Operations – Steve Busby & Andres Dasso
10:00 am – 10:15 am	Coffee Break
10:15 am – 11:00 am	Project Development – George Greer & Martin Wafforn
11:00 am – 11:45 am	Finance – Rob Doyle
11:45 am – Noon	Q&A & Closing Remarks – Geoff Burns
Noon – 1:30 pm	Buffet lunch @ Café Agave
1:30 pm – 2:30 pm	Transfer to Alamo Dorado Mine
2:30 pm – 3:00 pm	Safety Briefing – Martin Wafforn
3:00 pm – 5:00 pm	Alamo Dorado Tour
5:00 pm – 6:00 pm	Transfer to Hacienda de Los Santos Hotel
6:00 pm – 7:30 pm	Free Time
7:30 pm – 10:00 pm	Dinner @ Santiago's

# Today's Presenters



**Geoff Burns**  
President & CEO



**Steve Busby**  
Chief Operating Officer



**Michael Steinmann**  
EVP Geology & Exploration



**Rob Doyle**  
Chief Financial Officer



**Andres Dasso**  
SVP Mining Operations



**George Greer**  
SVP Project Development



**Martin Wafforn**  
VP Technical Services

# Our Portfolio of Assets

## Strategically Diversified in Latin America

### NORTH AMERICA

#### HEAD OFFICE

📍 Vancouver, Canada

#### UNITED STATES

1 Waterloo

#### MEXICO

- 2 La Bolsa
- 3 La Virginia
- 4 Dolores
- 5 Alamo Dorado
- 6 La Colorada



- Mining Operations
- Silver Development and Advanced Stage Exploration Projects
- Gold Development and Advanced Stage Exploration Projects

### SOUTH AMERICA

#### PERU

- 7 Huaron
- 8 Morococha
- 9 Pico Machay

#### BOLIVIA

10 San Vicente

#### ARGENTINA

- 11 Calcatreu
- 12 Navidad
- 13 Manantial Espejo



# People - Make the Difference

## **PAA's Core Team:**

- at PAA plus 10 years
- multi-national experience,
- open pit, underground (cut & fill, long hole, avoca, mechanized cut and fill), owner mining, contractor mining, etc)
- cyanide tank leach, heap leach, sulfide flotation, pulp agglomeration
- brownfield and greenfield exploration
- project development and construction
- financing experience (debt, equity, convertibles, leasing, working capital, other

# People - Make the Difference

## Accomplishments with PAA:

- La Colorada construction and expansion 2003/04
- Morococha purchase and expansion, plus reserve growth 2003/05
- Alamo Dorado – (“soup to nuts”, feasibility study through construction and start up) 2005/06
- Manantial Espejo (“soup to nuts”) 2006/08
- San Vicente – major expansion (200tpd to 950 tpd) 2007/08
- Navidad purchase and feasibility study (construction pending)
- Dolores purchase, rationalization and upgrades 2012/13
- La Preciosa – PEA completed, project rejected 2012
- High cost Quiruvilca mine sold - 2012
- Silver production **7.1 million oz/yr** 2003 to **26.25 million oz/yr** 2014



# People - Make the Difference

## Accomplishments with PAA con't:

- exploration added 270 M oz 2004 – 2013 (depletion of 225 M oz)
- leader in safety, environmental stewardship and CSR
- lived and thrived through 2008/09
- adjusted to rapid price decline – 2013
- first silver company to pay a meaningful dividend - 2010
- first silver company to launch and fully execute a share repurchase program - NCIB 2011

**“An industry leading, cohesive, innovative, experienced, multi-jurisdictional development, exploration and operating team.”**