

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



Our Experienced Management Team



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

Q1 2014 - Consolidated Results

Operational Highlights	Q1 2014	Q1 2013
Silver produced (Moz)	6.61	6.28
Gold Produced (Koz)	45.9	32.1
AISCSOS (All-in Sustaining Cost per Silver Ounce Sold)	\$15.54	\$19.47
Consolidated Cash Costs per Ag oz, net of by-product credits	\$8.25	\$11.33

- Ag production **up 5%** year-on-year
- Au production **up 43%** year-on-year

- AISCSOS **down 20%** year-on-year
- Cash costs **down 27%** year-on-year

Q1 2014 – Production by Mine ⁽¹⁾

Mine	Ag Production	Au Production	Cash Costs ⁽¹⁾
La Colorada	1.2 Moz	0.70 Koz	\$8.14/oz Ag
Alamo Dorado	0.9 Moz	3.51 Koz	\$10.69/oz Ag
Dolores	1.0 Moz	16.43 Koz	\$11.92/oz Ag
Huaron	0.8 Moz	0.29 Koz	\$9.31/oz Ag
Morococha (92.3%)	0.6 Moz	0.50 Koz	\$13.54/oz Ag
San Vicente (95%)	1.0 Moz	-	\$12.73/oz Ag
Manantial Espejo	1.0 Moz	24.45 Koz	(\$4.82/oz) Ag
TOTAL ⁽²⁾	6.60 Moz	45.88 Koz	\$8.25/oz Ag

- Q1 2014 cash costs were \$8.25 net of by-product credits, **27% lower year-on-year**.

(1) Cash costs net of by product credits. Realized prices Q1 2014 Au \$1,283/oz, Zn \$2,038/tonne, Pb \$2,103/tonne, Cu \$6,995/tonne, (2) Totals may not add up due to rounding.

Q1 2014 Financial Strength

Financial Position (Million US\$)	March 31, 2014
Cash and short-term investments	\$394.4
Net working capital	\$680.3
Long term debt	\$40.3

- In Q1 2014 paid **\$18.9 million in dividends** to shareholders
- Since 2010 **have returned \$299 million to shareholders** through share repurchases and dividends

2014 Operating Forecast

Mine	Ag Production	Au Production	Cash Costs ⁽¹⁾
La Colorada	4.85 – 4.95 Moz	2.6 – 2.8 Koz	\$9.00 - \$9.50/oz
Alamo Dorado	3.75 – 3.80 Moz	17.0 – 19.0 Koz	\$12.50 - \$13.50/oz
Dolores	3.60 – 3.85 Moz	64.0 – 68.0 Koz	\$12.25 - \$14.25/oz
Huaron	3.40 – 3.50 Moz	0.6 – 1.2 Koz	\$14.50 - \$15.00/oz
Morococha (92.3%)	2.50 – 2.60 Moz	1.8 – 2.0 Koz	\$15.00 - \$16.50/oz
San Vicente (95%)	3.90 - 4.00 Moz	-	\$12.50 - \$13.00/oz
Manantial Espejo	3.75 – 4.05 Moz	69.0 – 72.0 Koz	\$8.75 - \$10.00/oz
TOTAL	25.75 - 26.75 Moz	155.0 – 165.0 Koz	\$11.70 - \$12.70/oz

Expectations:

- Not updating 2014 full year forecasts at this time.
- However, given the strong start to 2014 it is likely that we will be at the low end of our forecast for costs and the high end of our forecast for gold production (if prices remain stable).

(1) Cash costs net of by-product credits. Metal price assumptions used to forecast 2014 cash costs: Au \$1,200/oz, Cu \$7,000/tonne, Pb \$2,100/tonne, Zn \$1,850/tonne

2014 AISCOS Forecast

		Guidance 2014		Actual
		Low	High	2013
Cash cost of sales net of by- products		\$ 298,000	\$ 306,500	\$ 319,189
Sustaining capital		95,500	95,500	111,646
Exploration & project development		15,750	15,750	15,475
Reclamation cost accretion		3,000	3,000	3,030
General & administrative expense		19,600	19,600	17,596
All-in sustaining costs	A	\$ 431,850	\$ 440,350	\$ 466,937
Payable ounces sold	B	25,400,000	24,460,000	25,478,014
All-in sustaining cost per silver ounce sold, net of by-products	(A*\$1000) /B	\$ 17.00	\$ 18.00	\$ 18.33

Consolidated AISCOS in 2014 should benefit from :

- more payable silver sold
- lower sustaining capital
- reduced smelting, refining charges and royalties
- by-product credits stability (higher volumes help offset lower prices)

2013 Exploration Success

In 2013:

- We added 40.1 Moz Ag of new P+P reserves to more than replace the 33.7 Moz Ag mined during the year
- Spent \$16.3M and drilled almost 150K meters
- Consolidated P+P Ag mineral reserves rose 2% to record 323.5 Moz
- Consolidated P+P Au mineral reserves were 2.5 Moz

Since 2004:

- We have added 270 Moz Ag to mineral reserves solely through mine-site exploration, excluding acquisitions, more than replacing 230 Moz Ag mined during the same period
- The average cost per ounce Ag discovered through exploration is \$0.38 per ounce

Organic Growth – La Colorada Expansion

- Incremental expansion capital to be spent 2014-2017 estimated at \$80.0 million
- Total investment 2014-2017 estimated at \$163.8 million
- Largest portion of incremental expansion capital (excluding indirect costs) to be spent on:
 - Sulphide plant expansion - \$46.0 million
 - Additional mining equipment - \$8.2 million
 - Other infrastructure upgrades, including tailings - \$21.0 million

Ten-Year Period (2014-2023)	Ag \$19/oz	Ag \$25/oz
Net revenue	\$1.4 B	\$1.8 B
Net cash flow (after tax) – undiscounted	\$372 M	\$614 M
Net cash flow (after tax) – 10% discount	\$196 M	\$354 M
Expansion Project Net Cash Flow - 10%	\$38.6 M	\$71.7 M
Expansion Project - IRR	22%	32%
Payback Period	2.5 years	2 years

PAA – What we offer

- ✓ Industry leading executive team
- ✓ Modest production growth in 2014
- ✓ Lowest quartile “All in Sustaining Costs” per ounce of Ag
- ✓ Long life reserves (**323.5 m oz of Ag** and 2,491.3K oz of Au)
- ✓ Exceptional exploration potential (La Colorada, Dolores, San Vicente)
- ✓ Strong balance sheet
- ✓ **Industry leading dividend**

Appendix I

2014 Forecast Capital Investments

2014 Capital	\$ Millions	
La Colorada	8.0	
Alamo Dorado	0.5	
Dolores	32.5	→ Open pit pre-stripping and haul truck replacements
Huaron	9.5	
Morococha	9.0	
San Vicente (95%)	6.0	
Manantial Espejo	30.0	→ Open pit pre-stripping and tailings dam expansion
Sustaining Capital Sub-total	\$95.5	
La Colorada Project	32.0	→ Expansion Project
Dolores Project	35.0	→ Phase 2 of Pad 3 construction + Power line
Projects Sub-total	67.0	
2014 Total Capital Investments	\$162.5	

Appendix II

Proven & Probable Mineral Reserves ⁽¹⁾

Property	Location	Classification	Tonnes (Mt)	Ag (g/t)	Contained Ag (Moz)	Au (g/t)	Contained Au (000's oz)
Huaron	Peru	Proven	6.9	169	37.3	N/A	N/A
		Probable	4.7	163	24.9	N/A	N/A
Morococha (92.3%)	Peru	Proven	2.7	188	16.3	N/A	N/A
		Probable	2.7	206	18.1	N/A	N/A
La Colorada	Mexico	Proven	2.4	406	31.2	0.31	23.5
		Probable	4.1	378	50.2	0.39	51.9
Dolores	Mexico	Proven	39.4	31	39.9	0.75	949.5
		Probable	29.2	35	32.7	0.85	802.3
Alamo Dorado	Mexico	Proven	4.4	68	9.7	0.29	41.0
		Probable	0.7	88	2.0	0.61	13.8
La Bolsa	Mexico	Proven	9.5	10	3.1	0.67	203.0
		Probable	6.2	7	1.4	0.57	113.1
Manantial Espejo	Argentina	Proven	3.0	135	13.2	2.06	200.7
		Probable	1.3	140	6.0	2.17	92.4
San Vicente (95%)	Bolivia	Proven	2.1	413	28.1	N/A	N/A
		Probable	0.7	406	9.4	N/A	N/A
TOTAL ⁽²⁾			120.1	84	323.5	0.77	2,491.3

Appendix III

Mineral Resources

Mineral Resources – Measured and Indicated

Property	Location	Classification	Tonnes (Mt)	Ag (g/t)	Contained Ag (Moz)	Au (g/t)	Contained Au (000's oz)
Huaron	Peru	Measured	1.5	162	7.9	N/A	N/A
		Indicated	1.0	166	5.2	N/A	N/A
Morococha (92.3%)	Peru	Measured	0.8	150	3.9	N/A	N/A
		Indicated	1.1	202	7.4	N/A	N/A
La Colorada	Mexico	Measured	0.4	164	2.2	0.15	2.1
		Indicated	1.7	255	13.8	0.29	15.7
Dolores	Mexico	Measured	2.4	31	2.5	0.51	40.4
		Indicated	9.0	32	9.2	0.96	279.0
Alamo Dorado	Mexico	Measured	1.0	43	1.3	0.22	6.8
		Indicated	1.2	78	3.1	0.40	15.9
La Bolsa	Mexico	Measured	1.4	11	0.3	0.90	31.4
		Indicated	4.5	9	1.1	0.50	59.8
Manantial Espejo	Argentina	Measured	2.0	93	5.9	1.26	79.1
		Indicated	3.4	90	9.9	1.16	127.7
San Vicente (95%)	Bolivia	Measured	0.5	117	1.9	N/A	N/A
		Indicated	0.2	129	0.9	N/A	N/A
Navidad	Argentina	Measured	15.4	137	67.8	N/A	N/A
		Indicated	139.8	126	564.5	N/A	N/A
Pico Machay	Peru	Measured	4.7	N/A	N/A	0.91	137.5
		Indicated	5.9	N/A	N/A	0.67	127.1
Calcatreu	Argentina	Indicated	8.0	26	6.6	2.63	676.0
TOTALS⁽¹⁾		Measured + Indicated	206.0	114	715.4	1.10	1,598.5

Mineral Resources – Inferred

Property	Location	Classification	Tonnes (Mt)	Ag (g/t)	Contained Ag (Moz)	Au (g/t)	Contained Au (000's oz)
Huaron	Peru	Inferred	8.5	161	44.0	N/A	N/A
Morococha (92.3%)	Peru	Inferred	8.0	209	53.9	N/A	N/A
La Colorada	Mexico	Inferred	2.9	265	24.5	0.42	38.8
Dolores	Mexico	Inferred	10.7	39	13.3	0.97	334.5
Alamo Dorado	Mexico	Inferred	0.0	39	0.0	0.54	0.0
La Bolsa	Mexico	Inferred	13.7	8	3.3	0.51	222.4
Manantial Espejo	Argentina	Inferred	1.4	99	4.3	1.17	51.2
San Vicente (95%)	Bolivia	Inferred	3.1	330	33.2	N/A	N/A
Navidad	Argentina	Inferred	45.9	81	119.4	N/A	N/A
Pico Machay	Peru	Inferred	23.9	N/A	N/A	0.58	445.7
Calcatreu	Argentina	Inferred	3.4	17	1.8	2.06	226.0
TOTALS⁽¹⁾		Inferred	121.5	95	297.7	0.73	1,318.7

The foregoing tables illustrate Pan American's share of mineral reserves and resources. Properties in which Pan American has less than 100% interest are noted next to the property name.

Mineral reserves and resources are as defined by the Canadian Institute of Mining, Metallurgy and Petroleum.

Mineral resources that are not mineral reserves have no demonstrated economic viability.

Pan American does not expect these mineral reserve and resource estimates to be materially affected by metallurgical, environmental, permitting, legal, taxation, socio-economic, political, and marketing or other relevant issues.

See the Company's Annual Information Form dated March 28, 2013 for more information concerning associated QA/QC and data verification matters, the key assumptions, parameters and methods used by the Company to estimate mineral reserves and mineral resources, and for a detailed description of known legal, political, environmental, and other risks that could materially affect the Company's business and the potential development of the Company's mineral reserves and resources.

Grades are shown as contained metal before mill recoveries are applied. Pan American reports mineral resources and mineral reserves separately. Reported mineral resources do not include amounts identified as mineral reserves.

Metal prices used for all Mines: Ag: \$22.00/oz, Au: \$1,300/oz, Pb: \$1,950/Tonne, Cu: \$6,800/Tonne, Zn: \$1,850/Tonne

Metal prices for Dolores and Alamo Dorado resources: Ag \$35/oz, Au: \$1,400/oz

Metal prices used for Navidad were Ag: \$12.52/oz and Pb: \$1,100/tonne.

Metal prices used for Calcatreu were Ag: \$12.50/oz and Au: \$650/oz.

Metal prices used for La Bolsa were Ag: \$14.00/oz and Au: \$825/oz

(1) Totals may not add up due to rounding

Mineral resource and reserve estimates for Huaron, Dolores, San Vicente, La Colorada, Manantial Espejo, Alamo Dorado, Morococha, Pico Machay and Calcatreu were prepared under the supervision of, or were reviewed by Michael Steinmann, P. Geo., Executive Vice-President Corporate Development and Geology and Martin G. Wafforn, P. Eng., Vice-President Technical Services, each of whom are Qualified Persons as that term is defined in National Instrument 43-101 ("NI 43-101"). Navidad mineral resource estimates were prepared by Pamela De Mark, P. Geo., Director, Resources, formerly Sr. Consultant of Snowden Mining Industry Consultants, also a Qualified Person as that term is defined in NI 43-101. Mineral resource estimates for Hog Heaven and Waterloo are based on historical third party estimates. Michael Steinmann and Martin Wafforn, each of whom are Qualified Persons, as the term is defined in NI 43-101, have reviewed and approved the contents of this press release.