

# FIRST MAJESTIC SILVER CORP.

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## NEWS RELEASE

New York - AG  
Toronto – FR  
Frankfurt – FMV  
Mexico - AG

May 24, 2017

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### **First Majestic Announce illegal Blockade at La Encantada**

**FIRST MAJESTIC SILVER CORP.** (AG: NYSE; FR: TSX) (the "Company" or "First Majestic") announces that a rogue group of union workers have halted activities and blocked the accesses at the La Encantada Silver Mine in the state of Coahuila, Mexico. The illegal blockade arose after some of the unionized individuals did not agree with the bonus that the company and the National Union of Miners, Metallurgists, Steelworkers and Similar Workers of Mexico (National Union), agreed to offer the miners in lieu of profit sharing.

Despite an agreement with the National Union, this rogue group of workers unilaterally decided to form a blockade, which has disrupted operations for all of the mine's employees. It is currently not known how long the blockade will continue, however, First Majestic is working with the leadership of the National Union in order to resume operations and have the workers return to work.

"It is very unfortunate that this group of individuals have chosen to react in this manner instead of through dialogue and the proper channels through its union leadership," said Dustin VanDoorselaere, COO. "We have been working very diligently with the leadership of the National Union to provide a fair solution for all union employees."

Keith Neumeyer, President & CEO commented, "This is a minor setback in our plans for renewed investment at La Encantada focusing on underground development and brownfields exploration, which will over time result in increased throughput rates and higher head grades. As part of our 2017 capital expenditure program, La Encantada is receiving the highest level of investment of our six mines, including improvements to the camp facilities and the investment in the new roasting project."

The company has always had a positive relationship with the National Union and continues to work to find a resolution to the conflict. Unfortunately, the conditions in Mexico are difficult with low metal prices and higher taxes and fuel costs. Unfortunately, this type of work disruption is increasingly occurring in many other mining operations throughout the country of Mexico.

#### **ABOUT FIRST MAJESTIC**

First Majestic is a mining company focused on silver production in Mexico and is aggressively pursuing the development of its existing mineral property assets. The Company presently owns and operates six producing silver mines; the La Parrilla Silver

Mine, the San Martin Silver Mine, the La Encantada Silver Mine, the La Guitarra Silver Mine, Del Toro Silver Mine and the Santa Elena Silver/Gold Mine. Production from these six mines is projected to be between 11.1 to 12.4 million ounces of pure silver or 16.6 to 18.5 million ounces of silver equivalents in 2017.

FOR FURTHER INFORMATION contact [info@firstmajestic.com](mailto:info@firstmajestic.com), visit our website at [www.firstmajestic.com](http://www.firstmajestic.com) or call our toll free number 1.866.529.2807.

## FIRST MAJESTIC SILVER CORP.

*“signed”*

Keith Neumeyer, President & CEO

### SPECIAL NOTE REGARDING FORWARD-LOOKING INFORMATION

This news release includes certain "Forward-Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. When used in this news release, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "schedule" and similar words or expressions, identify forward-looking statements or information. These forward-looking statements or information relate to, among other things: the price of silver and other metals; the accuracy of mineral reserve and resource estimates and estimates of future production and costs of production at our properties; estimated production rates for silver and other payable metals produced by us, the estimated cost of development of our development projects; the effects of laws, regulations and government policies on our operations, including, without limitation, the laws in Mexico which currently have significant restrictions related to mining; obtaining or maintaining necessary permits, licences and approvals from government authorities; and continued access to necessary infrastructure, including, without limitation, access to power, land, water and roads to carry on activities as planned.

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 or information and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: fluctuations in the spot and forward price of silver, gold, base metals or certain other commodities (such as natural gas, fuel oil and electricity); fluctuations in the currency markets (such as the Canadian dollar and Mexican peso versus the U.S. dollar); changes in national and local government, legislation, taxation, controls, regulations and political or economic developments in Canada, Mexico; operating or technical difficulties in connection with mining or development activities; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected 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; inability to obtain adequate insurance to cover risks and hazards; and the presence of laws and regulations that may impose restrictions on mining, including those currently enacted in Mexico; 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, permits and approvals from government authorities; diminishing quantities or grades of mineral reserves as properties are mined; the Company's title to properties; and the factors identified under the caption "Risk Factors" in the Company's Annual Information Form, under the caption "Risks Relating to First Majestic's Business".

Investors are cautioned against attributing undue certainty to forward-looking statements or information. 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 anticipated, estimated 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.