



SAY-ON-PAY POLICY

(Adopted by the Board of Directors of First Majestic Silver Corp. (the “**Company**”) with immediate effect on March 6, 2015)

POLICY STATEMENT

The board of directors of the Company (the “Board”) believes that shareholders should have the opportunity to fully understand the objectives, philosophy and principles the Board has used in its approach to executive compensation decisions and to have an advisory vote on the Board’s approach to executive compensation.

The purpose of the ‘Say on Pay’ advisory vote is to provide appropriate accountability to the shareholders of the Company for the Board’s compensation decisions by giving shareholders a formal opportunity to provide their views on the disclosed objectives of the executive compensation plans, and on the plans themselves.

While shareholders will provide their collective advisory vote, the directors of the Company remain fully responsible for their compensation decisions and are not relieved of these responsibilities by a positive advisory vote by shareholders.

FORM OF RESOLUTION

The management information circular distributed in advance of each annual meeting of the Company’s shareholders will ask shareholders to consider a non-binding advisory resolution in substantially the following form:

Resolved, on an advisory basis and not to diminish the role and responsibilities of the board of directors that the shareholders accept the approach to executive compensation disclosed in the Company’s information circular for this meeting.

Approval of the above resolution will require an affirmative vote of a majority of the votes cast at the annual meeting of shareholders.

RESULTS OF ADVISORY ‘SAY-ON-PAY’ VOTE

As this is an advisory vote, the results will not be binding upon the Board. However, the Board will take the results of the vote into account, as appropriate, when considering future

compensation policies, procedures and decisions and in determining whether there is a need to significantly increase their engagement with shareholders on compensation and related matters. The Company will disclose the results of the shareholder advisory vote as a part of its report on voting results for the meeting.

In the event that a significant number of shareholders oppose the resolution, the Board will consult with its shareholders, particularly those who are known to have voted against the resolution, in order to understand their concerns and will evaluate whatever actions are necessary to the Company's approach to compensation in the context of those concerns. Shareholders who have voted against the resolution will be encouraged to contact the Board to discuss their specific concerns.

The Board will disclose to shareholders in the management information circular for the Company's next annual meeting, a summary of the significant comments relating to compensation received from shareholders in the engagement process and an explanation of the changes to the compensation plans made or to be made by the board or why no changes will be made.

EFFECTIVE DATE

This Say-on-Pay Policy was approved and adopted by the Board on March 6, 2015 and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such date.

GOVERNING LAW

This Say-on-Pay Policy shall be interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in that province.

* * *