



FROM THE PRESIDENT & CEO



Keith Neumeyer
President & CEO

TO OUR SHAREHOLDERS

20 Years – Steadfast in Our Vision

It's been quite a journey through First Majestic's first 20 years. These two decades have proved gratifying and successful, but also challenging at times with difficult markets and setbacks. We enjoyed profits. We endured losses. We grew into a substantial enterprise in a relatively short amount of time.

From day one, our dream was to build one of the world's top silver mining companies. We achieved that goal, and we continue to build towards our vision of becoming the world's largest primary silver producer.

Common themes across our 20 years have included dedication to our vision, operating with persistence, teamwork and creativity in the face of challenges. First Majestic has been fortunate to have hired talented, supportive people in all positions, working as a family through the good times and the bad.

We made fruitful and timely acquisitions along the way. We made mistakes that cost us. We let go of older and/or smaller mines. We acquired larger, more efficient operations that would further our vision. We innovated with technology and strove to be leaders in modern mining and social practices. We were early ESG adopters and supported our communities. We protected local environments and improved lives.

We made a major, grassroots discovery at the Santa Elena mine that will provide significant revenue for years to come. We continued to invest heavily in exploration to make more discoveries across our large and prospective land packages.

2023 – Challenges and High Points

Looking at 2023, the year proved to be one of the most challenging in our history. We faced significant setbacks at the Jerritt Canyon mine, water issues at La Encantada and political headwinds in Mexico. But there was plenty of good news to carry us into what looks to be a better year in 2024.

We met our revised production guidance in 2023, highlighted by record silver equivalent production at Santa Elena of 9.6 million ounces. We completed the sale of the La Guitarra and La Parrilla silver mines to Sierra Madre Gold & Silver Ltd. and Silver Storm Mining Ltd., respectively. We also moved the ISO 9001:2015 certified Central Lab from Durango to Santa Elena, providing greater efficiency for assaying and analysis.

First Mint – a Better Way to Sell Our Silver

I'm very excited about launching First Mint, our fully-owned minting facility, in Las Vegas, Nevada. First Mint will expand upon First Majestic's existing bullion sales by vertically integrating the production of investment-grade fine silver bullion. The mint will allow us to sell a substantially greater portion of our silver production directly to our shareholders and bullion customers through our Bullion Store, while earning higher margins on our mined silver.

The mint provides us with higher margins on our doré silver sales, and we are the only mining company tapping into this aspect of silver. Ultimately, we hope to sell all our mined silver to the mint.

Jerritt Canyon's Impact on Revenues and Earnings

Revenues for 2023 totaled \$573.8 million, 8% lower than 2022, due primarily to the temporary suspension of mining activities at Jerritt Canyon in March 2023. As a result, we realized a 10% decrease in the total number of payable AgEq ounces sold, offset partly by an increase in payable AgEq ounces produced at Santa Elena and a 4% increase in the average realized silver price.

The Jerritt Canyon suspension, resulting in an impairment charge of \$125.2 million and a one-time standby cost of \$13.4 million, was the primary catalyst in our net loss of \$135.1 million.

Strengthening the First Majestic Family

Since suffering high turnover following the pandemic, we have built a new and younger team, one with fresh ideas and enthusiasm for achieving First Majestic's vision. I'm gratified at how this group has gelled and come together; I know they will provide the skills and innovation to carry us into a successful third decade.

2024 – Treasury Growth and Exploration

Looking ahead to 2024, we're focused on treasury growth and strengthening our balance sheet through efficient operations. We have reduced our workforce from nearly 6,000 to around 3,800. We expect no significant capital expenditures this year besides exploration, for which we've budgeted \$35 million – the highest in our history.

We will continue our search for a suitable, silver-dominant acquisition, focusing on safe and dependable jurisdictions. We have grown First Majestic primarily through M&A activity, but we adhere to high standards. Great silver projects are rare, and we have succeeded in finding them.

In closing, I take great satisfaction in seeing First Majestic reach this 20-year milestone. Credit goes to the First Majestic family, both past and current, who worked tirelessly through good times and bad. I'm grateful for your contributions, and I know we can all look forward to a successful third decade.

(signed) "Keith Neumeyer"

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