



CODE OF ETHICAL CONDUCT

(Adopted by the Board of Directors of First Majestic Silver Corp. (the “Company”) with immediate effect on August 29, 2007, as amended on March 6, 2015)

PURPOSE OF THIS CODE

The Company has adopted this Code of Ethical Conduct (the “Code”) in order to document the principles of conduct and ethics to be adhered to by the Company’s directors, officers and employees, and to establish mechanisms for the reporting of unethical conduct.

The Company is committed to:

- promoting honest and ethical conduct;
- operating in a responsible manner that complies with applicable laws, rules and regulations;
- promoting the avoidance of conflicts of interest;
- promoting the prompt internal reporting of violations of this Code;
- providing a safe and healthy workplace; and
- providing full, fair, accurate, timely and understandable disclosure in reports and documents filed with any governing body or publicly disclosed source.

The Company requires and expects its directors and officers to provide leadership and direction with respect to these principles and standards.

This Code is not intended to be an exhaustive review of all of the situations that directors, officers and employees may encounter in the course of their duties. There will be occasions where individuals are confronted by circumstances not covered by this Code and where individuals must use good judgment and common sense as to the appropriate course of action. An individual confronted with a scenario not covered by this Code are encouraged to contact their designated supervisor or manager, or another appropriate person for guidance.

RESPONSIBILITY

The Company’s Corporate Governance Committee (the “Governance Committee”) is responsible for setting the standards of business conduct contained in the Code, as well as overseeing and monitoring compliance with the Code. Notwithstanding the foregoing, it is the individual responsibility of each director, officer and employee of the Company to comply with the provisions of this Code and ignorance of this Code will not excuse individuals from its requirements.

DECLARATION OF COMMITMENT

All directors, officers and employees are required to review and declare their commitment to the Code. Upon being hired, recruited or employed by the Company, a director, officer or employee will be responsible for reviewing the Code and signing and dating the declaration in the form provided in Appendix A. There will be an annual review and every year there will be a requirement to further declare whether you are aware of any breaches of the Code and to further agree to comply with the Code. Should you become aware of a potential conflict of the Code, a declaration will become necessary in the form presented in Appendix B.

GUIDING PRINCIPLES

The guiding principles of this Code are as follows:

1. Compliance with Laws, Rules and Regulations

Directors, officers and employees are required to comply with all applicable laws, rules and regulations, including, without limitation, those dealing with environmental compliance, confidentiality and disclosure, insider trading, discrimination and harassment, and health and safety. In addition, each director, officer and employee should avoid any situation that could be perceived as improper, unethical or indicate a casual attitude towards compliance with such laws, rules and regulations. Although not all directors, officers and employees are expected to know the details of these laws, it is important to know enough to determine when to seek advice from appropriate personnel. The Company provides all necessary information to its personnel to promote compliance with laws, rules and regulations, including insider-trading laws.

2. Fair Dealings

Directors, officers and employees are required to deal fairly with the Company's employees, security holders, customers, suppliers and competitors in a business-like manner, free from discriminatory practices, including harassment.

3. Confidentiality

Directors, officers and employees are required to maintain and protect the confidentiality of all information and materials relating to the Company which are entrusted to them, or which they receive by virtue of their position or employment with the Company and all such information remains the sole property of the Company. Such information may only be divulged to persons authorized to receive the information. For added clarity, confidential information may not be divulged to spouses, associates, immediate family, friends, or persons with whom the officer is connected by frequent or close association.

Directors, officers and employees must not engage in any transactions for personal profit which results or may result from confidential or non-public information which the director, officer or employee gains by reason of their position or authority. See "Conflicts of Interest" below for further details.

4. Inside Information

Directors, officers, employees and outside consultants who have access to confidential information of the Company and of other public companies are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of the Company's business. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. All directors, officers and employees are required to review and understand the Company's Securities Trading Policy which provides further guidance in this manner.

5. Protection of Intellectual Property and Company Assets

Directors, officers and employees are responsible for the appropriate care and protection of all corporate property associated with their duties, including exercising reasonable safeguards to prevent theft or damage. Company facilities and property, including furniture, equipment, and supplies may only be used for business purposes, and should not be removed from Company premises without authorization. Intellectual property and other proprietary information including documents or files must be similarly safeguarded and should not be removed from Company premises without authorization. All ideas, methods, techniques, technical or business innovations, patents, and written or computer coded materials manifested in Company products are considered 'works made for hire' and all rights are owned by the Company.

6. Computer/Communication Systems

Information and Computer Responsibility

If you have access to Company computing and communication devices, you are expected to use them in a responsible manner for the benefit of the Company. Whether you work in an Information Technology capacity, are a member of the management team or simply use computing and communication devices to do your job, you should ensure that they are used appropriately and with care.

Do not disclose your computer system passwords and/or user identification to anyone except in accordance with Company policy. You must not use personal software on Company systems and must adhere to all applicable software licensing agreements when using our computer and communication systems.

Information transmitted through Company resources, including emails, implies affiliation with the Company and should therefore always reflect positively upon the Company and its mission. This is especially true of the World Wide Web and our own internal networking system. Professionalism should always be foremost in your mind when deciding whether to communicate and share information through Company computing and communication devices.

Email and the Internet

Company computer systems, data, programs and communication systems are the property of First Majestic Silver Corp. We are able to monitor and record all email, Internet use and files stored in private areas of our network. You should at no time expect privacy when using our computing resources – whether you are accessing them on site or from a remote location (e.g. by employees from home). The Company reserves the right to monitor and review any material created, stored, sent or received on our network. As an employee, officer or director, you are encouraged to use the Company's provided Internet resource when it is appropriate for business purposes. However, the infrastructure required to provide this access represents a sizeable commitment of our resources. You should avoid unnecessary and/or inappropriate Internet use as it causes network and server congestion, additional costs and puts our computer resources at risk. For these reasons, you may not use the [FMSC wireless or Local Area Network](#) for personal, non-work-related activities including viewing and/or distributing illegal, offensive or pornographic material.

7. Use of Resources

Directors, officers and employees must safeguard and use the Company's assets and resources, including opportunity, information and publication of the name of the Company, for legitimate business purposes only and not for personal use.

8. Financial Reporting and Company Records

Directors, officers and employees are responsible to ensure the integrity of the Company's accounting, financial, geological and engineering, and other records of the Company and to ensure the full, fair, accurate and timely disclosure of financial information.

The Company maintains a high standard of accuracy and completeness in its financial records. These records serve as a basis for managing our business and are crucial for meeting obligations to employees, customers, investors and others, as well as for compliance with regulatory, tax, financial reporting and other legal requirements. Employees, officers, and directors who make entries into business records or who issue regulatory or financial reports, have a responsibility to fairly present all information in a truthful, accurate and timely manner. No employee, officer or director shall exert any influence over, coerce, mislead or in any way manipulate or attempt to manipulate the independent auditors of the Company.

The Company maintains all records in accordance with laws and regulations regarding retention of business records. The term "business records" covers a broad range of files, reports, business plans, receipts, policies and communications, including hard copy, electronic, audio recording, microfiche and microfilm files whether maintained at work or at home. The Company prohibits the unauthorized destruction of or tampering with any records, whether written or in electronic form, where the Company is required by law or government regulation to maintain such records or where it has reason to know of a threatened or pending government investigation or litigation relating to such records.

9. Incentive Compensation Clawback

In order to ensure that incentive compensation paid to directors, officers and employees is based on accurate financial data, in the event that there is a restatement or correction to the Company's financial statements, the board of directors (the "Board") shall, or shall direct the Compensation and Nominating Committee to, review the circumstances that caused such restatement or correction and the Board shall take such action as it deems appropriate to address any impact upon incentive compensation paid out.

Restatements and Calculation of Overpayment

Without limiting the foregoing, the Board may require reimbursement or forfeiture to the Company of any overpayment received by the individual from any bonus or incentive compensation or any equity-based compensation awarded to or received by such individual in the following circumstances:

- a) The Company's financial statements are required to be restated as a result of material non-compliance with any financial reporting requirements under applicable securities laws (other than a restatement due to a change in financial accounting rules);
- b) As a result of such restatement, a performance measure or specific performance target which was a material factor in determining the amount of bonus, incentive or equity compensation previously earned by an individual is restated; and
- c) The Board determines in its discretion that a lower amount of bonus, incentive or equity compensation would have been paid to such officer based upon the restated financial results such that the Executive received an excess amount of compensation as a result of the restatement.

In determining whether to require reimbursement or forfeiture and the amount of any such reimbursement or forfeiture, the Board may take into account such considerations as it deems appropriate, including: (i) the likelihood of success in seeking reimbursement or forfeiture under governing law relative to the effort involved; (ii) whether the assertion of a reimbursement or forfeiture claim may prejudice the interests of the Company in any related proceeding or investigation, or otherwise; (iii) whether the expense of seeking reimbursement or forfeiture is likely to exceed the amount sought and whether it is likely to be recovered; (iv) the passage of time since the occurrence of any acts or omissions giving rise, directly or indirectly, to the financial restatement or correction; (v) any pending or threatened legal proceedings relating to any acts or omissions giving rise, directly or indirectly, to the financial restatement or correction, and any actual or anticipated resolution (including any settlement) relating thereto; and (vi) such other factors as it may deem appropriate under the circumstances.

Forms of Recovery

If the Board, in their discretion, determines to seek reimbursement of any overpayment, the Company shall have the right to demand that the director, officer or employee, as the case may be, reimburse the Company for the excess received. To the extent such reimbursement is not made, the Company may sue and/or reduce or cancel outstanding and future incentive compensation of such individual. To the extent that any equity of the Company has been issued under vested awards or such equity has been sold by such individual, the Company will have the right to cancel any other outstanding equity-based compensation awards with a value equivalent to the overpayment received by such individual.

The determination of the Board with respect to forms of recovery need not be uniform with respect to one or more individuals and recovery may be determined by the Board regardless of whether the director, officer or employee specifically contributed to the need for the restatement or correction. Any required reimbursement under this Code will be in addition to, and not in lieu of, any actions imposed by law enforcement agencies, regulatory or other authorities, where applicable.

10. Duty of Loyalty and Duty of Care

Directors, officers and employees must act honestly, in good faith, and in the best interests of the Company. Directors, officers and employees also owe a duty of care to the Company and must exercise the degree of skill and diligence reasonably expected from an ordinary person of his or her knowledge and experience.

11. Duty to Disclose

Directors have a duty to disclose to the Board their individual private interests, if any, in transactions in which the Company is involved or proposes to be involved. An officer must disclose such interests to the Chief Executive Officer or the Chairman of the Board.

12. Conflicts of Interest

Directors, officers and employees shall avoid situations where their individual personal interests could conflict with, or appear to conflict with, the interests of the Company and its stakeholders, and shall perform the responsibilities of their positions on the basis of what they firmly believe is in the best interests of the Company, free from the influence of personal considerations and relationships.

A conflict of interest may be real or apparent:

- A “real conflict of interest” occurs when directors, officers or employees exercise their corporate duties, official powers or perform official duties or functions and at the same time know that in doing so there is the opportunity for personal gain.
- An “apparent conflict of interest” occurs when a reasonably well-informed person could have a perception that a director’s, officer’s or employee’s ability to exercise their corporate duty, an official power, or perform an official duty or function, was or will be affected by that individual’s private interests.

Examples of conflict of interests are as follows:

a. Furthering Private Interests

(i) Employees, officers and directors should avoid any outside financial interests which might influence their corporate decisions or actions, and must not engage in such activities or transactions where the activity or transaction may be detrimental to the Company or where the activity is in substantial conflict with the proper discharge of their duties to the Company.

(ii) If a director or officer is directly or indirectly personally interested in a proposed activity or transaction which involves the Company, or if the director or officer has discretionary decision-making power which could bring about financial benefit to the director or officer due to his or her financial holdings or business and property interests, there is potential for a conflict of interest. In these instances, at a minimum, these circumstances and these holdings should be disclosed to the Chief Executive Officer and the Governance Committee. If it is determined that there is a conflict of interest, the conflict must be disclosed to the Board.

b. Corporate Opportunity

(i) Directors, officers and employees cannot divert to a third party, themselves, their spouses, their children or other relatives of a private corporation controlled by any of these individuals, a business opportunity that the Company is pursuing.

(ii) A director, officer or employee of the Company whose corporate duties bring them into business dealings with a business in which they or a member of their family or a private corporation controlled by any of these individuals has a financial interest has an indebtedness, or a business employing a relative or close friend, must immediately:

1. in respect of a director or officer, notify the Governance Committee; and
2. in respect of an employee, notify his or her immediate supervisor, who will then notify the Governance Committee; and such business dealings may not be completed unless properly authorized by the Governance Committee.

c. Preferential Treatment of Others

Directors, officers and employees must not assist others in their dealings with the Company if this may result in preferential treatment. A director, officer or employee who exercises regulatory, inspection or other discretionary authority over others, must disqualify themselves from dealing with individuals where the director’s, officer’s or employee’s relationship with the individual could bring their impartiality into question.

d. Use of Corporate Property for Private Interest

Directors, officers and employees must not use corporate property to pursue private interests or the interests of a spouse, family members or a private corporation controlled by any of these individuals. Corporate property includes real and tangible items such as moneys or financial instruments, land, buildings, furniture, fixtures, equipment supplies, and vehicles and also includes intangible items such as data, computer systems, reports, information, proprietary rights, patents, trademarks, copyrights, logos, name and reputation. The Company may, through prior written approval by an appropriate person within the Company, authorize a director, officer or employee to use corporate property where doing so does not result in additional costs to the Company, does not detract from a director’s, officer’s or employee’s performance of duties to the Company, and does not result in a material personal gain.

e. Dealing with Suppliers and Contractors

The Company is a valuable customer for the suppliers of goods, services and facilities. People who want to do business or to continue to do business, with the Company must understand that all purchases by the Company will be made exclusively on the basis of price, quality, service and suitability to the Company's needs.

f. "Kickbacks" and Rebates

Purchases of goods and services by the Company must not lead to employees, officers or directors, or their families, receiving any type of personal kickbacks or rebates. Employees, officers or directors, or their families, must not accept any form of "under-the-table" payment.

g. Accepting Significant Gifts, Benefits and Entertainment

Directors, officers and employees must not solicit or accept benefits, entertainment or gifts in exchange for or as a condition of the exercise of duties or as an inducement for performing an act associated with the director's, officer's or employee's duties or responsibilities to the Company except within the guidelines set forth below.

Directors, officers and employees generally may accept gifts, hospitality or other benefits associated with official duties and responsibilities if such gifts, hospitality or other benefits:

- are within the bounds of propriety, a normal expression of courtesy, or within the normal standards of hospitality;
- are advertising and promotional materials, clearly marked with the company or brand names;
- would not bring suspicion on the employee's objectivity and impartiality; and
- would not compromise the integrity of the Company.

An improper gift or benefit should be returned to the person offering it as soon as practicable. If there is no opportunity to return an improper gift or benefit, or where the return may be perceived as offensive for cultural or other reasons, the gift must immediately be disclosed and turned over to the Corporate Secretary, or the Legal Affairs manager who will attend to a suitable disposition of the item.

h. Working Relationships

Directors, officers, employees and individuals who are direct relatives or who permanently reside together may not be employed or hold office in situations where:

- a reporting relationship exists where a director, officer or employee has influence, input or decision-making power over the relative or cohabitant's performance evaluation, salary, special permissions, conditions of work or similar matters; and
- the working relationship affords an opportunity for collusion between the individuals that could have a detrimental effect on the Company's interest.

This restriction may be waived if the Governance Committee is satisfied that sufficient safeguards are in place to ensure that the interests of the Company are not compromised.

13. International Operations

Corporate employees, officers and directors operating outside of Canada have a special responsibility to know and obey the laws and regulations of countries where they act for the Company.

14. Anti-Bribery and Anti-Corruption

The Company and its directors, officers and employees are required to comply with Canada's *Corruption of Foreign Public Officials Act* (the "CFPOA"), the U.S. *Foreign Corrupt Practices Act* (the "FCPA") and any local anti-bribery or anti-corruption laws that may be applicable.

The terms "corruption" and "bribery" are not specifically defined in either the CFPOA or the FCPA. For the purposes of this Code, corruption is the misuse of public power for private profit, or the misuse of entrusted power for private gain and bribery is the direct or indirect offer, promise, or payment of cash, gifts, loans, advantages, benefits or even excessive entertainment or an inducement of any kind offered or given to a person in a position of trust to influence that person's views or conduct or to obtain an improper advantage. Bribery and corruption can take many forms, including the provision or acceptance of:

- Cash payments;
- Phony jobs or “consulting” relationships;
- Kickbacks;
- Political or charitable contributions or sponsorships;
- Social benefits; or
- Gifts, travel, hospitality and reimbursement of expenses.

Company personnel and agents are strictly prohibited from offering, paying, promising or authorizing any payment or other benefit to a government official (including any foreign or domestic official or person doing business in the private sector) or any other person, directly or indirectly, through or to a third party for the purpose of (i.e. in exchange for)

- (a) causing the person to act or fail to act in a certain manner in the performance of his or her duties;
- (b) inducing the person to use his or her position to influence any acts or decisions of a government or a governmental agency or entity
- (c) causing the person to act or fail to act in violation of a legal duty; or
- (d) securing an improper advantage, contract or concession, for the Company or any other party.

Note that a “government official” includes low-ranking employees of a government or a state-owned entity, political parties and candidates for political office.

Further, directors, officers and employees are required to maintain accurate books and records or internal controls necessary to prevent bribery or inaccurate record keeping. Accordingly, it is important to ensure that the books and records of the Company correctly reflect all payments and financial transactions involving the Company. See “Financial Reporting and Company Records” above.

15. Environmental Management

The Company is committed to sound environmental management. It is the intent of the Company to conduct itself in partnership with the environment and manage all phases of its business in a manner that reasonably minimizes any adverse effects of its operations on the environment. The Company is committed to complying with all applicable environmental laws and regulations in regions where we operate.

16. Health, Safety and Environmental Protection

Directors, officers and employees must pay due regard to the health and safety of the Company’s employees, officers and directors and others and to the state of the environment, including full compliance with federal, provincial, state and local workplace safety and environmental laws which through various governmental agencies regulate both the physical safety of employees, officers and directors as well as exposure to conditions in the workplace. Should you be faced with an environmental health issue or have a concern about workplace safety, you should contact your supervisor or notify management immediately. We must be aware of the laws and penalties for non-compliance in the countries in which we operate, including the laws of regional and local governments and their potentially complex legislation to ensure we comply with the laws and protect the health and safety of employees, or the general interests of the public, to the prevention of pollution and the protection of the environment. These laws often provide penalties both for the companies and executive personnel involved in the event of violations.

17. Diversity and Non-Discrimination

The Company is committed to diversity and inclusion at all levels in the workplace and on the Board, which includes a commitment to ensuring that there are no systemic barriers or biases in the Company’s policies, procedures and practices. The Company believes that supporting a diverse workplace is a business imperative that helps the Company and the Board attract and retain the brightest and most talented individuals. The Company promotes a work environment that values and utilizes the contributions of women and men equally, with a variety of backgrounds, experiences and perspectives through awareness of the benefits of workforce diversity and successful management of diversity. All directors, officers and employees are expected to adhere to these values and discrimination on the basis of gender, age, racial background, sexual orientation, disability or on any other basis will not be tolerated. The Company does not condone engagement in actions that would violate anti-discrimination, equal opportunity or other laws and regulations. For additional details on the Company’s commitment to diversity, see the Company’s Diversity Policy.

18. Violations of Standards

If a director, officer or employee finds him or herself in a conflict or potential conflict of interest, or in violation of the Code, their duties are as follows:

- If the individual involved is an employee:
 - The individual must immediately notify his or her immediate superior.
 - If the conflict or violation cannot be avoided or resolved by the individual and his or her respective superior, the individual must advise the Chief Executive Officer.
 - For non-executive officers, the Chief Executive Officer may, in appropriate circumstances as he or she determines using best judgment, waive a conflict or violation of the Code. Any such waivers must be reported to the Governance Committee at its next meeting.
 - For officers of the Company, only the Board may waive a conflict or violation.
- If the individual involved is a director:
 - The individual must immediately notify the Chairman of the Board and the Chairman will advise the chairman of the Governance Committee.
 - If the conflict or potential conflict cannot be avoided or resolved:
 - the Chairman will advise the remainder of the Board to discuss a resolution; and
 - the director must abstain as the case may be, from any vote or meeting in connection with the subject of the conflict.

19. Reporting of Illegal or Unethical Behavior

A director has a duty to report to the Board, and an officer or an employee has a duty to report to the Chief Executive Officer, any activity which:

- he or she believes contravenes the law;
- represents a real or apparent conflict of interest or a breach of this Code;
- represents a misuse of the Company's funds or assets;
- represents a danger to public health, safety, or the environment; or
- might result in a failure by the Company to provide full, fair, accurate and timely disclosure of financial results and material facts.

The Company will not tolerate any form of retaliation against individuals who submit reports or complaints in good faith regarding suspected violations of the Code. The Company will provide a whistle blower 1-800 telephone number which is only to be used where an infraction has been observed and it is necessary to disclose the infraction in an anonymous fashion. For more details, refer to the Company's Whistle Blower policy.

20. Consequences of Non-Compliance and Waiver of the Code

Violations of this Code are treated as serious matters. Non-compliance with this Code, the law or other dishonest or unethical business practices are forbidden and may result in disciplinary action, including termination of employment or removal from office or the Board, as applicable.

Subject to the provisions in Sections 13 and 19 of this Code, any waiver of the Code for the benefit of a director, officer or employee may be granted only by the Board, or a committee of the Board duly authorized to do so.

Any waivers will be promptly disclosed as required by law or stock exchange regulations applicable to the Company, and will be reported to the Governance Committee at its next meeting.

APPENDIX A

DIRECTOR, OFFICER AND EMPLOYEE DECLARATION AND COMMITMENT

Last Name _____ First Name _____
Employee Number _____

Declaration

I, the undersigned, declare that I have read and understood First Majestic Silver Corp.'s Code of Ethical Conduct and its related policies. I agree to comply with the Code of Ethical Conduct and amendments thereto, provided such amendments have been brought to my attention. I declare that I have informed the Company, through one of its officers, of any known or potential conflicts of interest involving me by preparing and submitting the applicable Declaration Form. I agree to report any new conflict of interest as soon as it arises. I declare that I have no actual or potential conflict of interest apart from those stated in the Declaration of Actual or Potential Conflicts of Interest.

Signature _____ Date _____

Signature of Witness _____ Date _____

APPENDIX B

DECLARATION OF ACTUAL OR POTENTIAL CONFLICT OF INTEREST

Employee Name _____ Employee Number _____

A. I am directly or indirectly involved in another enterprise or occupation that is or could be in conflict with the interests of the Company.

B. I have direct or indirect investments or business relations that are or could be in conflict with the interests of the Company.

C. I have direct or indirect personal or family relations that are or could be in conflict with the interests of the Company.

D. Other items (details provided below):

Signature _____ Date _____

Signature of Manager _____ Date _____

Signature of Officer _____ Date _____

E. Conflict situation has been resolved by:

Signature _____ Date _____

Signature of Manager _____ Date _____