

For immediate release, 3 July 2014

TWIN METALS PROJECT

Antofagasta plc (“Antofagasta”) announces that its wholly owned subsidiary Northern Minerals Investment (Jersey) Limited, has given notice today under the Second Amended and Restated Participation and Limited Liability Company Agreement (the “Participation Agreement”) of Twin Metals Minnesota LLC (“TMM”) that it has terminated, with immediate effect, its option to acquire an additional 25% of TMM. As a result of being provided the option termination notice, Duluth Metals Limited (“Duluth Metals”) has a right under the Participation Agreement to purchase, within 180 days, Antofagasta’s 40% of TMM for a price equal to Antofagasta’s sunk costs (currently estimated to be approximately US\$220m) plus approximately US\$10m currently outstanding (plus accrued and unpaid interest) under the bridge loan facility. If Duluth Metals does not exercise its buy-back right, Antofagasta will continue to own 40% of TMM and Duluth Metals will be required to repay the bridge loan facility, at its option, in either cash or Duluth Metals shares. Antofagasta currently owns 10.35% of Duluth Metals. Following the termination of the option, Duluth Metals will control the management and development of the Twin Metals Project.

Both parties share a desire for an orderly and immediate transition of control of TMM.

Antofagasta is evaluating its options with respect to its continued 40% interest in the TMM and its direct shareholding in Duluth Metals.

Diego Hernandez, Chief Executive of Antofagasta, said: “Despite our belief that TMM and the Duluth Complex have potential long term geological attractions, we have taken the decision to terminate our option to acquire an additional 25% of TMM now that the pre-feasibility study is nearing its completion and due to elements of the Participation Agreement. Our focus is on prioritizing projects with the highest value and lowest risks within our portfolio.”

Antofagasta will provide further updates as appropriate.

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