Investor Presentation

September 2016

ANTOFAGASTA PLC

Cautionary statement

This presentation has been prepared by Antofagasta plc. By reviewing and/or attending this presentation you agree to the following conditions:

This presentation contains forward-looking statements. All statements other than historical facts are forward-looking statements. Examples of forward-looking statements include those regarding the Group's strategy, plans, objectives or future operating or financial performance; reserve and resource estimates; commodity demand and trends in commodity prices; growth opportunities; and any assumptions underlying or relating to any of the foregoing. Words such as “intend”, “aim”, “project”, “anticipate”, “estimate”, “plan”, “believe”, “expect”, “may”, “should”, “will”, “continue” and similar expressions identify forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that are beyond the Group’s control. Given these risks, uncertainties and assumptions, actual results could differ materially from any future results expressed or implied by these forward-looking statements, which speak only as of the date of this presentation. Important factors that could cause actual results to differ from those in the forward-looking statements include: global economic conditions; demand, supply and prices for copper; long-term commodity price assumptions, as they materially affect the timing and feasibility of future projects and developments; trends in the copper mining industry and conditions of the international copper markets; the effect of currency exchange rates on commodity prices and operating costs; the availability and costs associated with mining inputs and labour; operating or technical difficulties in connection with mining or development activities; employee relations; litigation; and actions and activities of governmental authorities, including changes in laws, regulations or taxation. Except as required by applicable law, rule or regulation, the Group does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Certain statistical and other information about Antofagasta plc included in this presentation is sourced from publicly available third party sources. Such information presents the views of those third parties and may not necessarily correspond to the views held by Antofagasta plc.

This presentation is for information purposes only and does not constitute an offer to sell or the solicitation of an offer to buy shares in Antofagasta plc or any other securities in any jurisdiction. Further it does not constitute a recommendation by Antofagasta plc or any other person to buy or sell shares in Antofagasta plc or any other securities.

Past performance cannot be relied on as a guide to future performance.

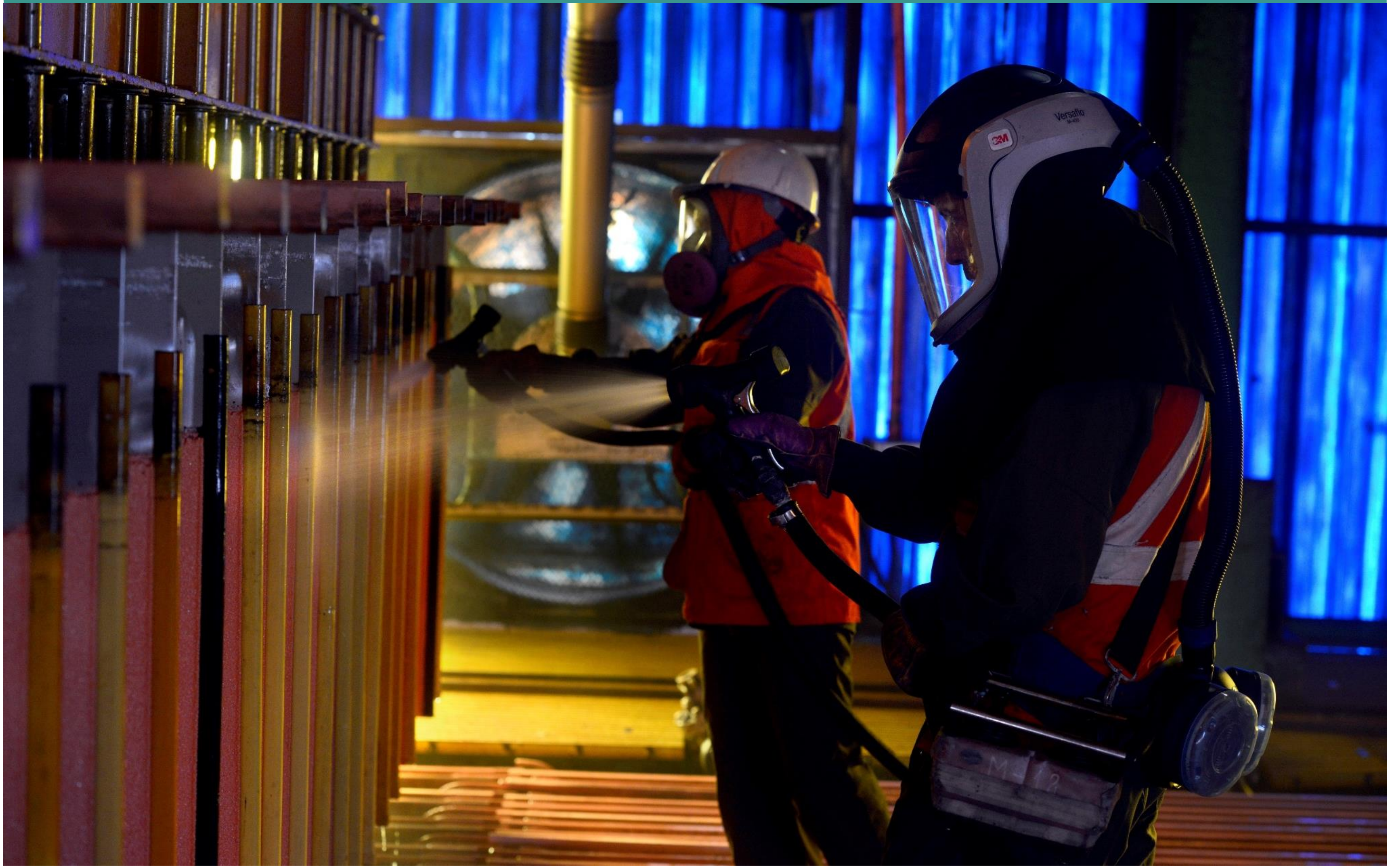
Agenda

ANTOFAGASTA PLC

Overview → Operational Review and Growth Opportunities → Cash Management → Investment Case

ANTOFAGASTA PLC

Overview



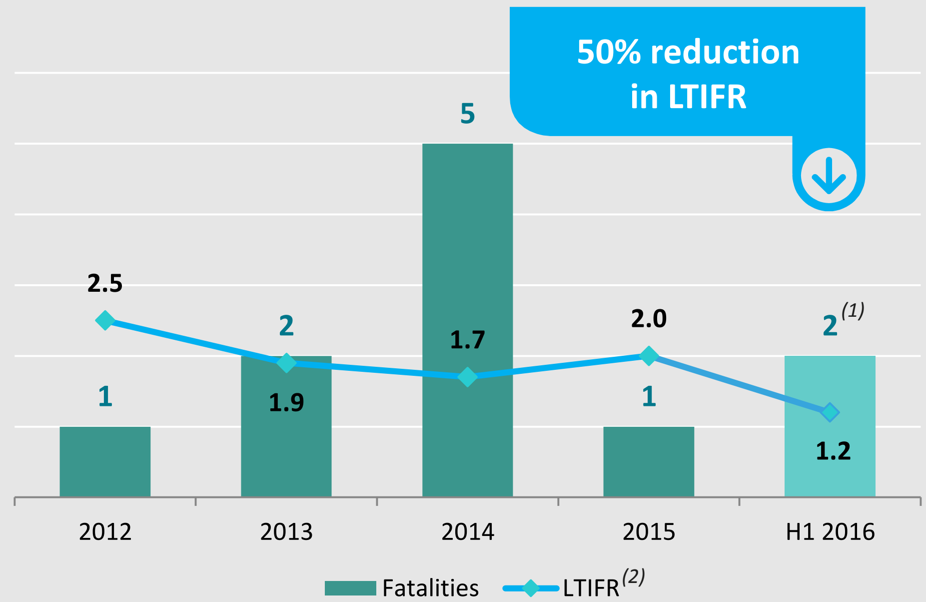
Safety First

- Unacceptably, a fatality occurred at Antucoya in April 2016 and another in the transport division in July
- Committed to zero fatalities target
- 50% improvement in injury rate
- New safety and occupational health model being extended to contractors
- Regular senior management site visits to reinforce Safety First

Renewed areas of focus

- Identify and assess fatality and serious injury risks
- Implement critical controls
- Report and investigate near misses
- Increase on the ground senior leadership

Safety Performance



1. *As of 31st July 2016*
2. *Lost Time Injury Frequency Rate*

Investment case - responding to uncertain times

ANTOFAGASTA PLC

High quality assets

- Strong and growing production
- Large resource base
- Low costs and long-life assets
- Four mines in two ‘world-class’ mining districts in Chile

Cost control

- Cost and Competitiveness Programme
- Focus on operating efficiencies through technical innovation and exploiting synergies

Capital discipline

- Strong and flexible balance sheet
- Manageable debt levels
- Protecting margins and profitability
- Consistent dividend policy

Robust platform

- Continuing to optimise mines
- Disciplined approach to acquisitions and disposals
- Lowering cost base

Creating value for shareholders

Positioning for the future

ANTOFAGASTA PLC

Group Position

- Strong balance sheet
- Competitive operating costs
- Re-setting community engagement
- Managing timing of growth projects
- Optimised asset portfolio

2016

Enhance Efficiency

- Cost and Competitiveness Programme
- Capital allocation
- Centralised services
- Productivity improvements

Beyond 2017

Positioned for uncertainty

- Rebase costs to withstand market weakness
- Portfolio of cash generative assets
- Optionality for organic growth

H1 2016 Highlights

ANTOFAGASTA PLC

Cu Production

323,330t

↑6.6% compared to last year

- Includes production from Antucoya and attributable production from Zaldívar
- Full year production weighted to second half

Revenue

$1,448 million

↓18.5% compared to last year

- Lower realised copper price
- Lower sales volumes
- Ramping up Antucoya, closed Michilla

Net Cash Cost

$1.26/lb

↓17.6% compared to last year

- 15% is group cash costs before by products
- Higher realised prices of gold and moly offset by lower volumes

EBITDA

$572 million

↑2.3% compared to last year

- 25% reduction in operating costs
- Includes EBITDA from associates

EBITDA Margin[1]

39.5%

↑ From 31.5% last year

- Operating cost savings
- Lower Corporate costs and Exploration & Evaluation

Net Earnings

$88 million

↓3.0% compared to last year

- Increase in Corporate Tax rate

Operating Cash Flow

$774 million

↓4.2% compared to last year

- Reduced profits before tax
- Decrease in working capital

Capital Expenditure

$385 million

↓39% compared to last year

- Higher expenditure planned in H2 2016
- Mine development costs
- Revised development timetable for projects in construction

1. *Calculated as EBITDA/Group Revenue. If Associates and JV's revenue is included EBITDA Margin was 35.5% in H1 2016 and 30.8% in H1 2015. EBITDA is a non-GAAP measure*

Copper market

ANTOFAGASTA PLC

Unexpected strength in H1 2016

- Chinese stimulus measures
- Limited scrap availability
- Modest growth in supply, forecast to increase in H2 2016
- Dollar correlation broken

Scrap market weak

- 15-20% of refined copper supply
- Higher demand elasticity than primary copper
- Lower copper prices
- Lower scrap generation
- Low refining charges
- Processing concentrates higher margin than processing scrap

China remains key

- 48% of world consumption
- Ability to significantly stimulate economy
- Moving to consumption led growth
- Historic growth rate unsustainable
- Questions over debt quality
- One Belt, One Road
- Financial resources to prevent a hard landing

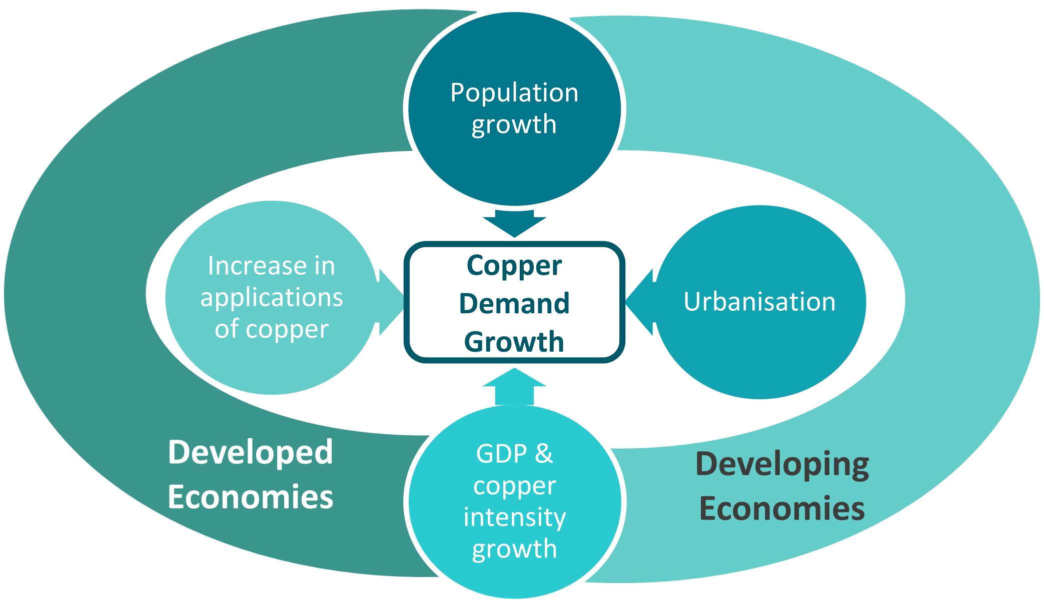
Copper market outlook

ANTOFAGASTA PLC

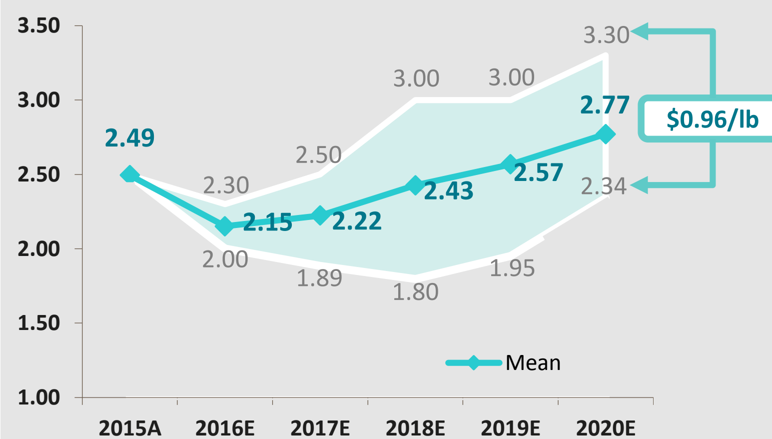
Optimistic in medium and long term

Outlook

- Expected demand growth during 2016-2020: 2.0-2.5% pa
- Supply is expected to grow modestly during 2016-2020
- Grades decline
- Few big copper projects coming
- New projects are more complicated and take longer
- Small surpluses expected until at least 2018



Copper Price Consensus *($/lb)*



Source: 23 brokers' and analysts' estimates (less than 3 months old), July 2016

Operational review and growth opportunities

Operations overview

ANTOFAGASTA PLC

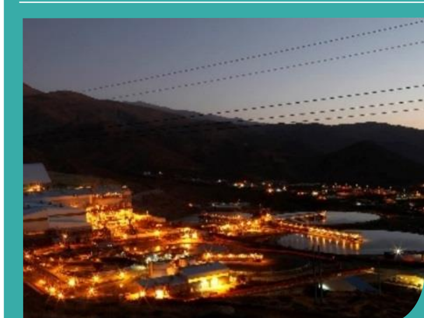
Group

ANTOFAGASTA PLC

H1 2015	H1 2016
303,400t Cu	323,300t Cu
C1 $1.53/lb	C1 $1.26/lb

- Focus on reducing operating and capital costs
- Grow production
- Maintain capital discipline

Los Pelambres



H1 2015	H1 2016
169,400t Cu	172,100t Cu
C1 $1.36/lb	C1 $1.02/lb[1]

- Improved production as recoveries offset lower throughput
- Harder ore
- Strong cost improvement

Centinela

H1 2015	H1 2016
118,400t Cu	98,100t Cu
C1 $1.67/lb	C1 $1.53/lb

- Lower oxide and sulphide grades
- Productivity improvement

Antucoya

H1 2015[2]	H1 2016
n/a	27,000t Cu
n/a	C1 $1.82/lb

- Commercial production achieved
- Plant modifications completed by Q4 2016

Zaldívar[3]

H1 2015	H1 2016
n/a	26,000t Cu
n/a	C1 $1.50/lb

- Synergies and costs savings being achieved
- Increased recoveries (leachable sulphides)

1. *Costs reduced by $0.08/lb to reflect revised estimation of stripping activity*
2. *Production started in Q3 2015*
3. *Completion of acquisition on 1 December 2015. Attributable production (50% interest)*

Los Pelambres – El Mauro tailings dam

ANTOFAGASTA PLC

Outstanding court cases resolved

- Two longstanding claims concerning:
  - Quality and quantity of water in stream
  - Ability of dam wall to withstand extreme seismic event
- Formal and transparent dialogue with community to understand concerns and share views
- Agreement reached with community in April 2016
- Both court cases resolved in favour of Los Pelambres in August 2016
- An appeal is possible, but is unlikely to be accepted by the court

Phased growth opportunities

ANTOFAGASTA PLC

2016 | 2017 | 2018 | 2019 | 2020+

2016

Antucoya[1]
Cu: 85ktpa[2]
Capex: $1,900m

Centinela 105ktpd[1]
Cu: 10-12ktpa[2]
Capex: $110m

2017

Encuentro Oxides[1]
Cu: 50ktpa[2]
Capex: $635m

Centinela Moly Plant[1]
Mo: 2,400tpa[2]
Capex: $125m

2020+

Centinela Second Concentrator[3]
Cu: 140ktpa[2]
Capex: $2,700m

Los Pelambres Phase 1 Incremental Expansion[3]
Cu: 60ktpa[2]`
Capex: $1,100m[4]

Los Pelambres Phase 2 Incremental Expansion[3]
Cu: 35ktpa[2]
Capex: $500m

1. Feasibility study figures
2. Estimated figures for the first five years
3. Pre-feasibility study figures
4. Including desalination plant

Ramp-up
Construction
Feasibility study

Antucoya – ramp-up

Delivering growth

- High levels of fine dust slowing ramp-up
- Commercial production commenced in April 2016
- Reach design capacity in H2 2016
- Improved dust suppression systems to be completed by the end of the year

Antucoya

Start of operation:
Q3 2015

Remaining mine life:
18 years

Reserves (P+P)[1]:
686.6mt @ 0.34% Cu

	H1 2016	2016[2]
Copper production (t)	27,000	65-75,000
Cash costs ($/lb)	1.82[3]	1.65

1. *As of 31 December 2015*
2. *Guidance January 2016*
3. *From start of commercial production, 1 April 2016*

Zaldívar - integration

Synergies being achieved

- Acquired 1 December 2015. Antofagasta operator
- Best acquisition opportunity in recent years
- Cost synergies achieved: $15-20 million
- Recoveries improved: 69% in Q1 2016 vs 59.5% in 2015
- Integration very substantially complete
- Production growth to 75 ktpa[(1)] on grade increase

Zaldívar

Start of operation:
1995

Remaining mine life:
14 years

Reserves (P+P) [(2)]:
455mt @ 0.55% Cu

	H1 2016	2016[(3)]
Copper production[(1)] (t)	26,000	50-55,000
Cash costs ($/lb)	1.50	1.80

1. *Attributable production (50% interest)*
2. *As of 31 December 2015*
3. *Guidance January 2016*

Centinela Mining District - under construction

ANTOFAGASTA PLC

Three projects - increasing production, lowering unit costs

Centinela debottlenecking

- Debottlenecking to increase throughput to 105,000 tpd
- Includes thickened tailings
- Front-end completed in 2015
- Complete installation of tailings thickeners in H2 2016

Molybdenum plant

- Construction underway
- Completion in 2017
- 2,400 tpa molybdenum

Encuentro Oxides

- Start production in 2017
- 8-year mine life
- Feed for existing SX-EW plant
- Full production 50,000 tpa copper

Centinela Mining District - future development

ANTOFAGASTA PLC

District has a series of development options

Centinela Second Concentrator

- Planned 2nd concentrator 7 km from current facilities
- Two-phase growth:
    - Phase 1 - 90,000 tpd throughput
    - Phase 2 - +50,000 tpd throughput
- Annual production (Phase 1):
    - 140,000 tonnes copper
    - 150,000 oz gold
    - 3,000 tonnes molybdenum
- EIA approval expected in 2016
- Slowed feasibility study, focusing on critical path items
- Investment decision late 2017

Los Pelambres Incremental Expansion

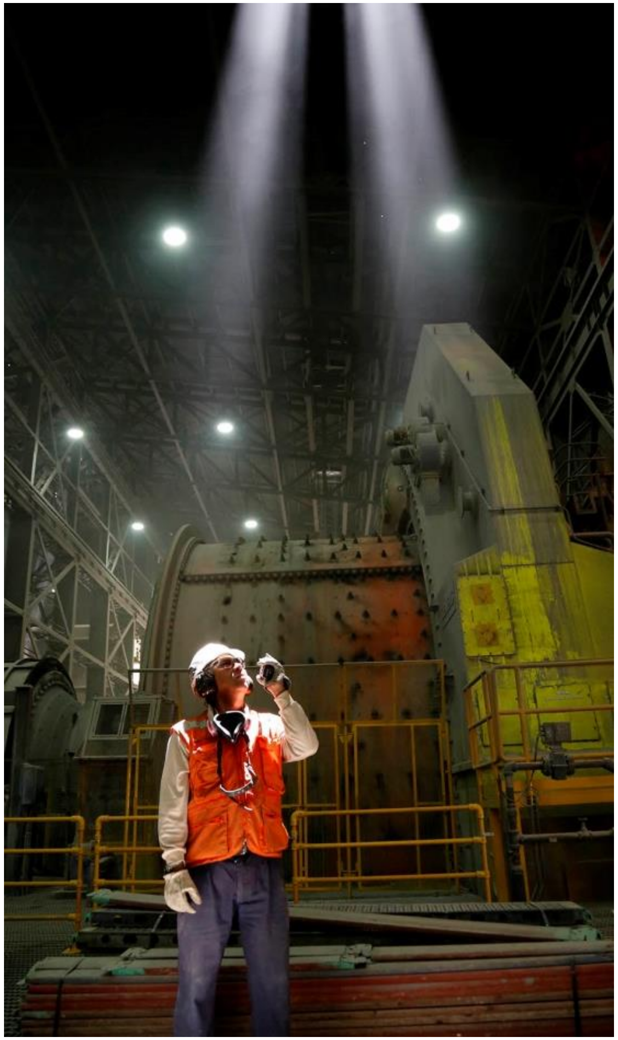
ANTOFAGASTA PLC

Phase 1

- Maximising throughput under existing permits
- Throughput expansion to 190,000 tpd + desalination plant
- New grinding and flotation circuit to counter the increasing hardness of the ore
- Capex $1.1 billion including desalination plant and water pipeline
- EIA submitted in April 2016
- Investment decision in late 2017

Phase 2

- Throughput expansion to 205,000 tpd
- Mine life extension beyond 2037
- New permits required
- Repower conveyors from primary crusher to concentrator
- Estimated capex $500 million
- EIA submission in 2018+



Further growth opportunities - beyond 2020

ANTOFAGASTA PLC

Twin Metals Project

- 2.4 billion tonne resource in Minnesota containing copper, nickel and PGMs
- Optimising pre-feasibility study
- Permitting process complex with some challenges
- Progress rate slowed to reduce costs

Exploration

- Chile and internationally
- More targeted exploration and evaluation as part of cost savings programme
- 66% reduction H1 2016 vs H1 2015

H1 2016 performance and FY guidance

ANTOFAGASTA PLC

Portfolio optimised. Costs control ongoing

Cu	Au	Mo	C1
H1 2016 Production *(t)*	**H1 2016 Production *(oz)***	**H1 2016 Production *(t)***	**H1 2016 Net Cash Costs *($/lb)***
323,300	109,500	3,300	1.26
2016 Guidance *(t)*	**2016 Guidance *(oz)***	**2016 Guidance *(t)***	**2016 Guidance *($/lb)***
710,000 - 740,000[1]	245,000 - 275,000[2]	8,000 - 9,000[2]	1.30[1]

1. *July 2016. Production guided to lower end of range*
2. *January 2016*

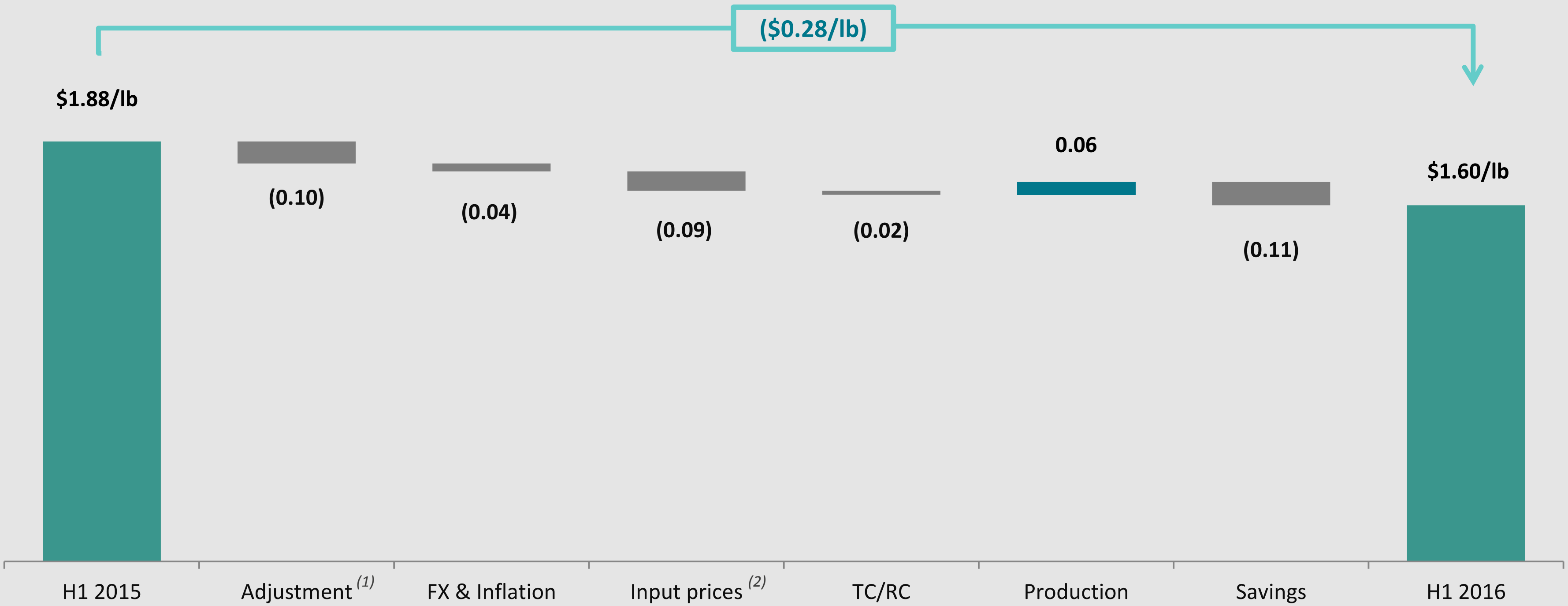
ANTOFAGASTA PLC

Cash Management

Unit cash costs

ANTOFAGASTA PLC

Cash costs before by-product credits *($/lb)* - by cost type



1. *Adjustment made to H1 2015 figures based on application of revised estimation of deferred stripping costs*
2. *Energy, diesel and acid*

Operating cost savings

ANTOFAGASTA PLC

FY target of $160m with $124m of savings to date

Mine Site Costs

- $67[1]m, ($0.11/lb) of savings
- Cumulative savings of $250m since start of CCP[2]

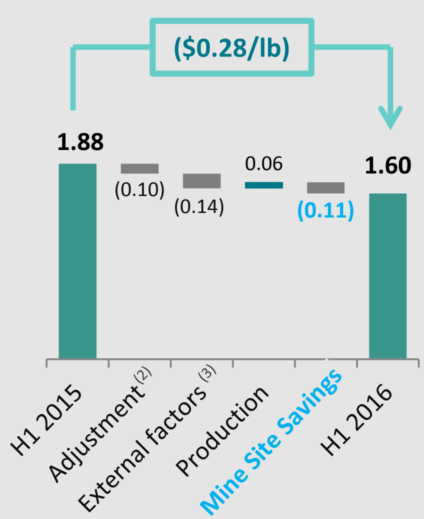
E&E and Corporate Costs

- $57m of Exploration & Evaluation, and Corporate costs savings
- Cost control without increasing risk

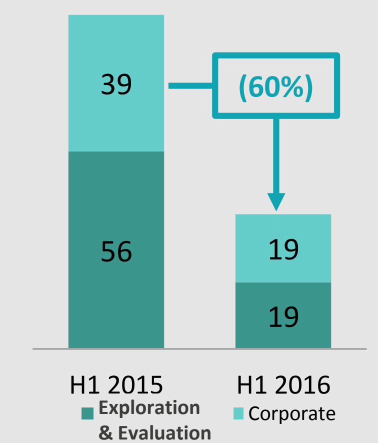
Operating Costs

- Cost reduction negotiations with a larger group of contractors
- Simplified functional support areas
- Strengthened operations and maintenance

Gross Cash Costs *($/lb)*



E&E and Corp Costs *($m)*



Services Productivity:
Improving productivity and quality of contracts while reducing costs

Operational & Maintenance Management
Improving performance of critical processes and standardised maintenance management practices

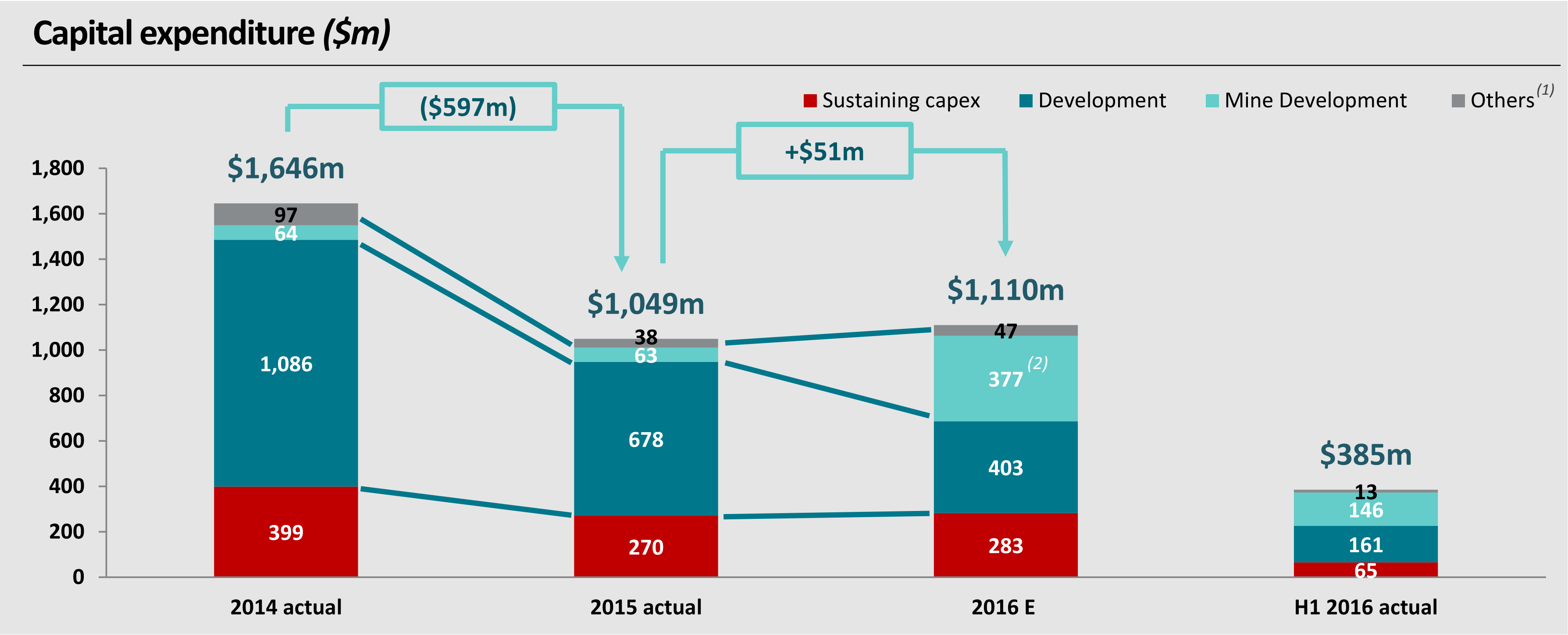
Corporate & Organisational Effectiveness
Reducing corporate costs and restructuring Group's organisational functions

Energy Efficiency
Optimising energy efficiency and improving pricing

1. Including Antucoya & Zaldívar
2. Adjustment made to H1 2015 figures based on application of revised estimation of deferred stripping costs
3. FX, inflation, input prices and TC/RC

Capital expenditure

ANTOFAGASTA PLC



Sustaining capex ratio	$566/tCu	$431/tCu	$414/tCu	$218/tCu

- Slowing development projects under construction: Encuentro Oxides and the Molybdenum Plant
- Decreasing sustaining capex ratio

Note: Figures are based on cash flow and exclude Zaldívar. Unaudited H1 2016 figures.

1. *Transport Division, Water Division (until sale in June 2015) and Corporate*
2. *Includes $112m capitalised stripping activity at Los Pelambres*

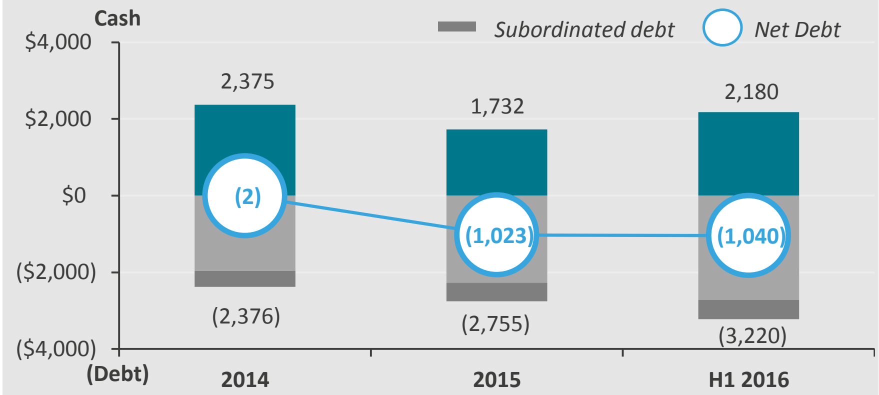
Balance sheet

ANTOFAGASTA PLC

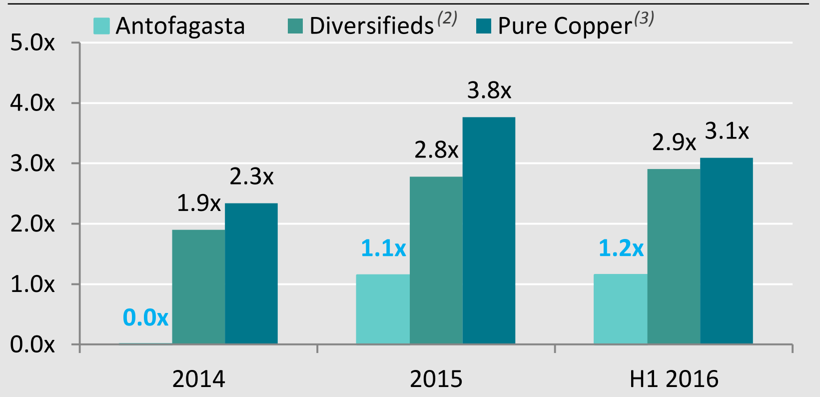
Resilient Balance Sheet

- Strong balance sheet and liquidity
- Low Net Debt/EBITDA ratio
- Low cost of funding
- Well positioned to withstand prolonged downturn – if required

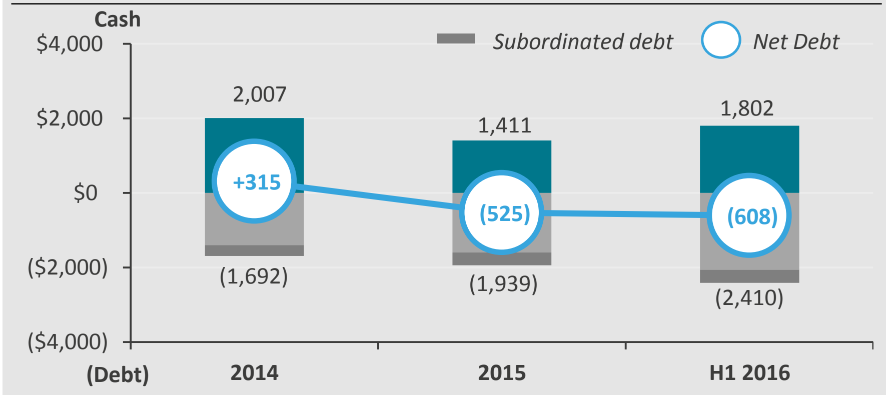
Net Cash/(Debt) Gross Basis *($m)*



Net Debt to LTM EBITDA[1]



Net Cash/(Debt) Attributable Basis *($m)*



1. *Source: FactSet and companies' filings. Median points for Diversifieds and Pure Copper Companies, and Antofagasta unaudited actuals*
2. *Diversifieds: BHP Billiton, Rio Tinto, Anglo American, Glencore, Vale, South32, Vedanta and Teck*
3. *Pure Copper Companies: Freeport, Southern Copper, First Quantum, KGHM, Kaz Minerals, Oz Minerals , Hudbay and Lundin*

Investment case

Investment case - responding to uncertain times

ANTOFAGASTA PLC

High quality assets	Cost control	Capital discipline	Robust platform
• Strong and growing production • Large resource base • Low costs and long-life assets • Four mines in two 'world-class' mining districts in Chile	• Cost and Competitiveness Programme • Focus on operating efficiencies through technical innovation and exploiting synergies	• Strong and flexible balance sheet • Manageable debt levels • Protecting margins and profitability • Consistent dividend policy	• Continuing to optimise mines • Disciplined approach to acquisitions and disposals • Lowering cost base

Creating value for shareholders

Antofagasta contacts

ANTOFAGASTA PLC

ANTOFAGASTA PLC

Andrew Lindsay

Director, London Office

alindsay@antofagasta.co.uk

Tel: +44 20 7808 0988

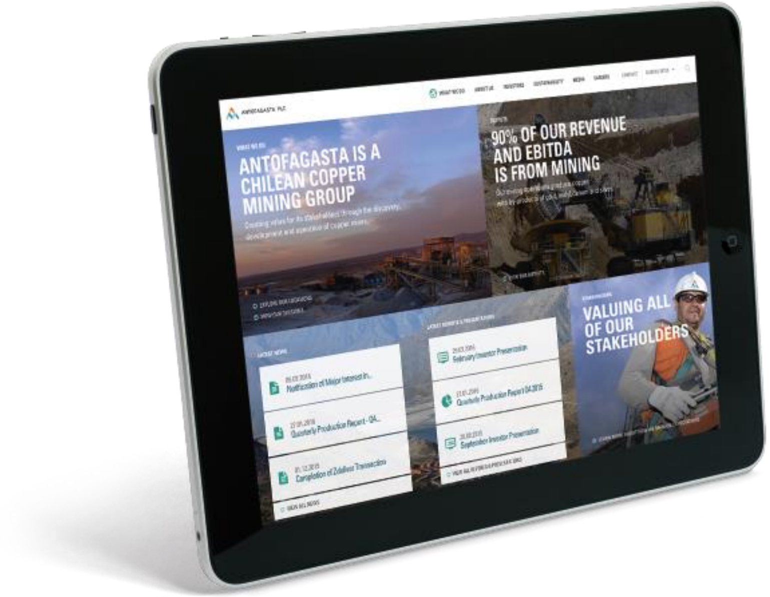
ANTOFAGASTA PLC

Paresh Bhanderi

Investor Relations Manager

pbhanderi@antofagasta.co.uk

Tel: +44 20 7808 0988



www.antofagasta.co.uk

ANTOFAGASTA PLC