



Antucoya - Site Visit

December 8th 2016

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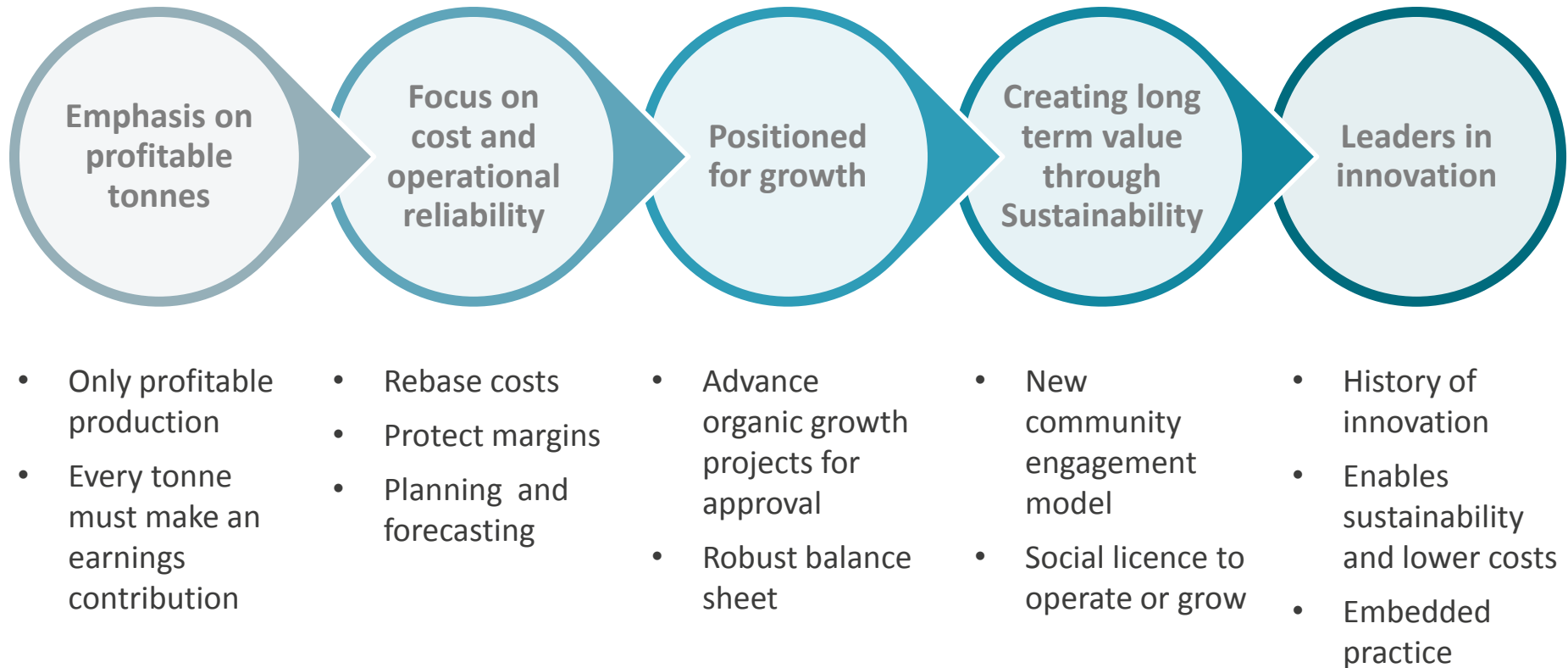
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Key Messages





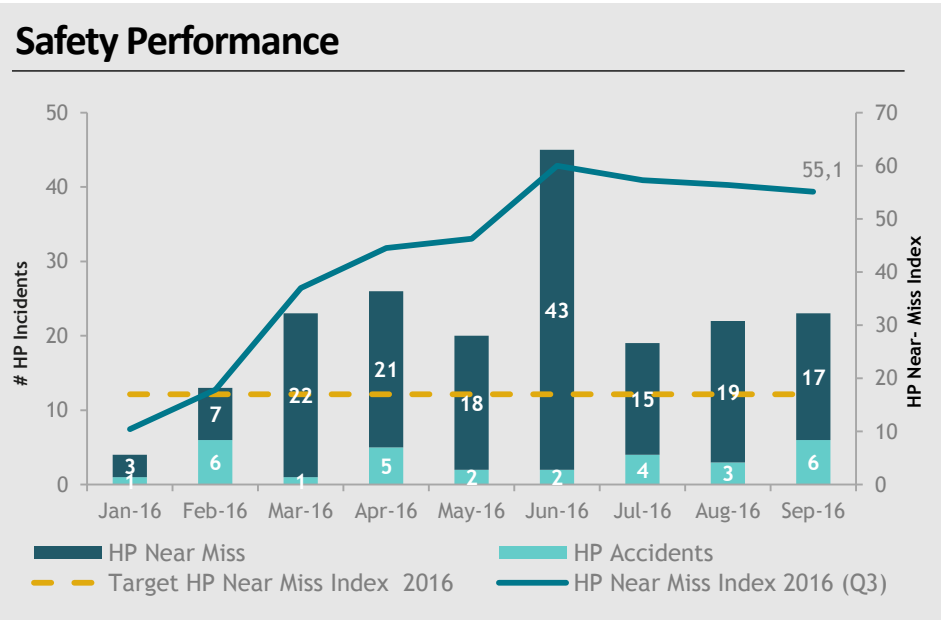
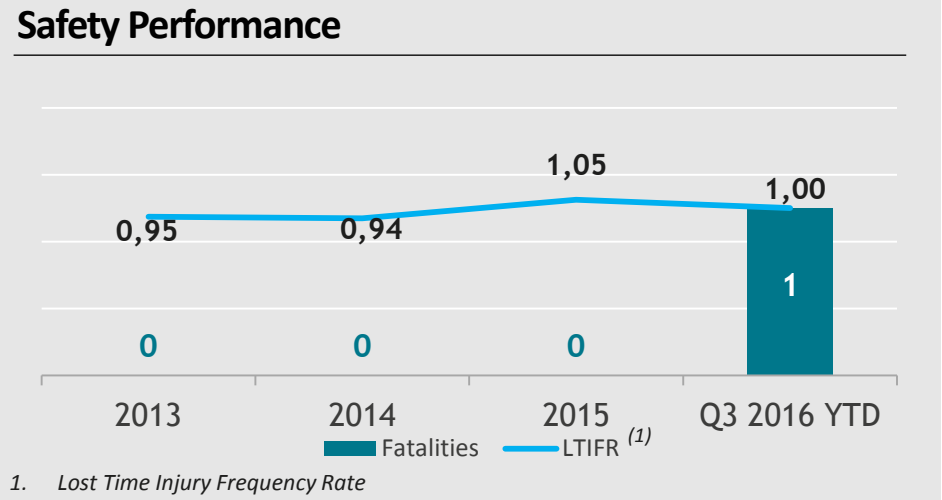
Safety First: Mining Group Approach



Focus on:

- Identify and assess fatality and serious injury risks.
- Preventative reporting and investigation of high-potential near misses.
- On-the-ground executive safety leadership.
- Development of verification tools for the implementation of critical controls of the transversal fatality risks
- Progress in communications and culture.

High Potential (HP) Incidents: Total number of HP accidents and HP Near misses
 *Near-miss index : Represents total number of high potential near misses for every million hours worked.
 *Near-miss index Target 2016: 17



Overview



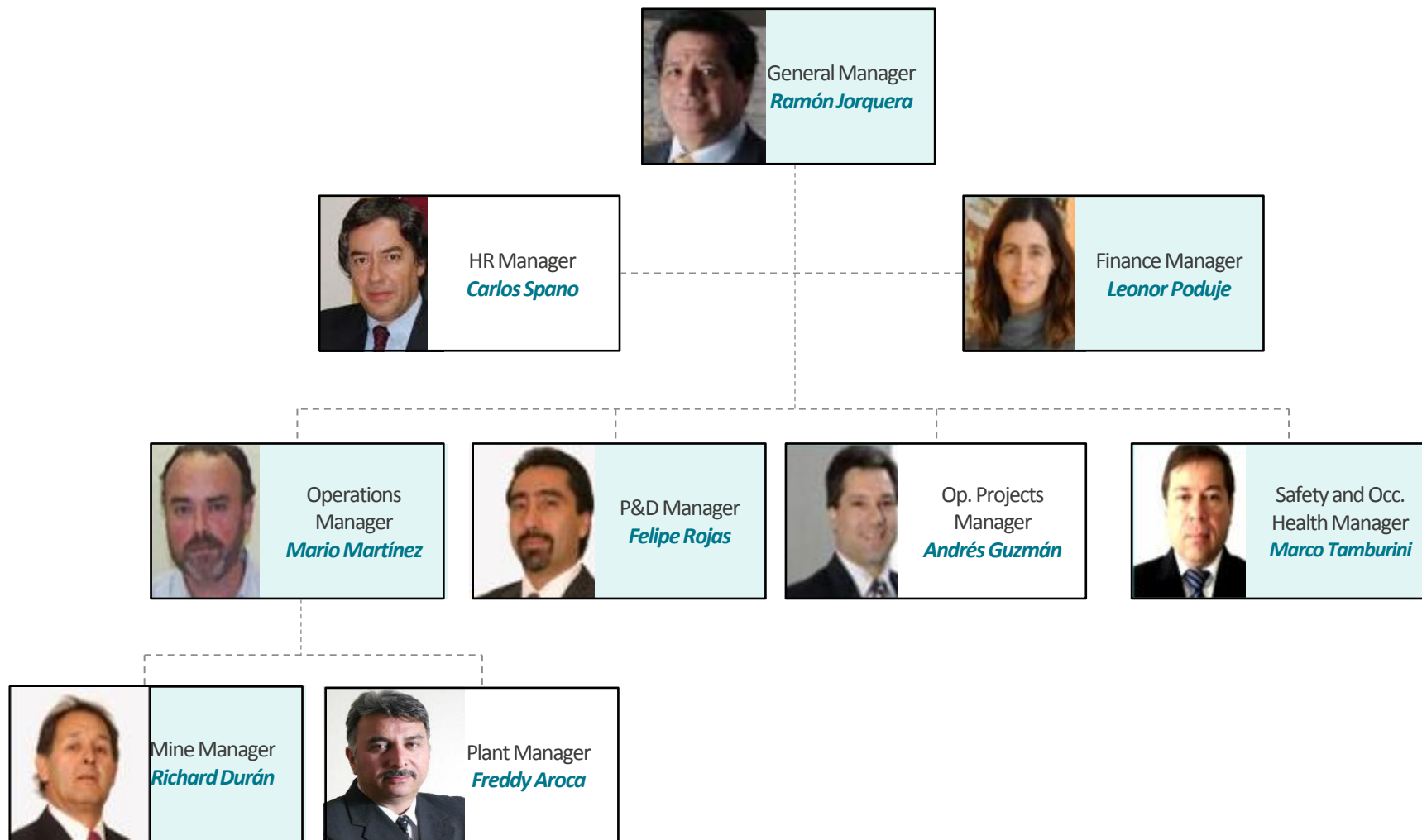
Antucoya overview



- **Ownership structure**
 - 70% Antofagasta
 - 30% Marubeni Corporation
- **History**
 - Construction completed in 2015
 - Commercial production started in April 2016
- **Location**
 - 125km north-east of Antofagasta
- **Facilities overview**
 - Low-grade, low strip-ratio, oxide deposit which produces high-quality copper cathodes using a dynamic-pad leach process followed by SX/EW.
- **Production**
 - 85,000 tpa Cu for first 5 years
- **Life of Mine**
 - 20 years (to 2036)

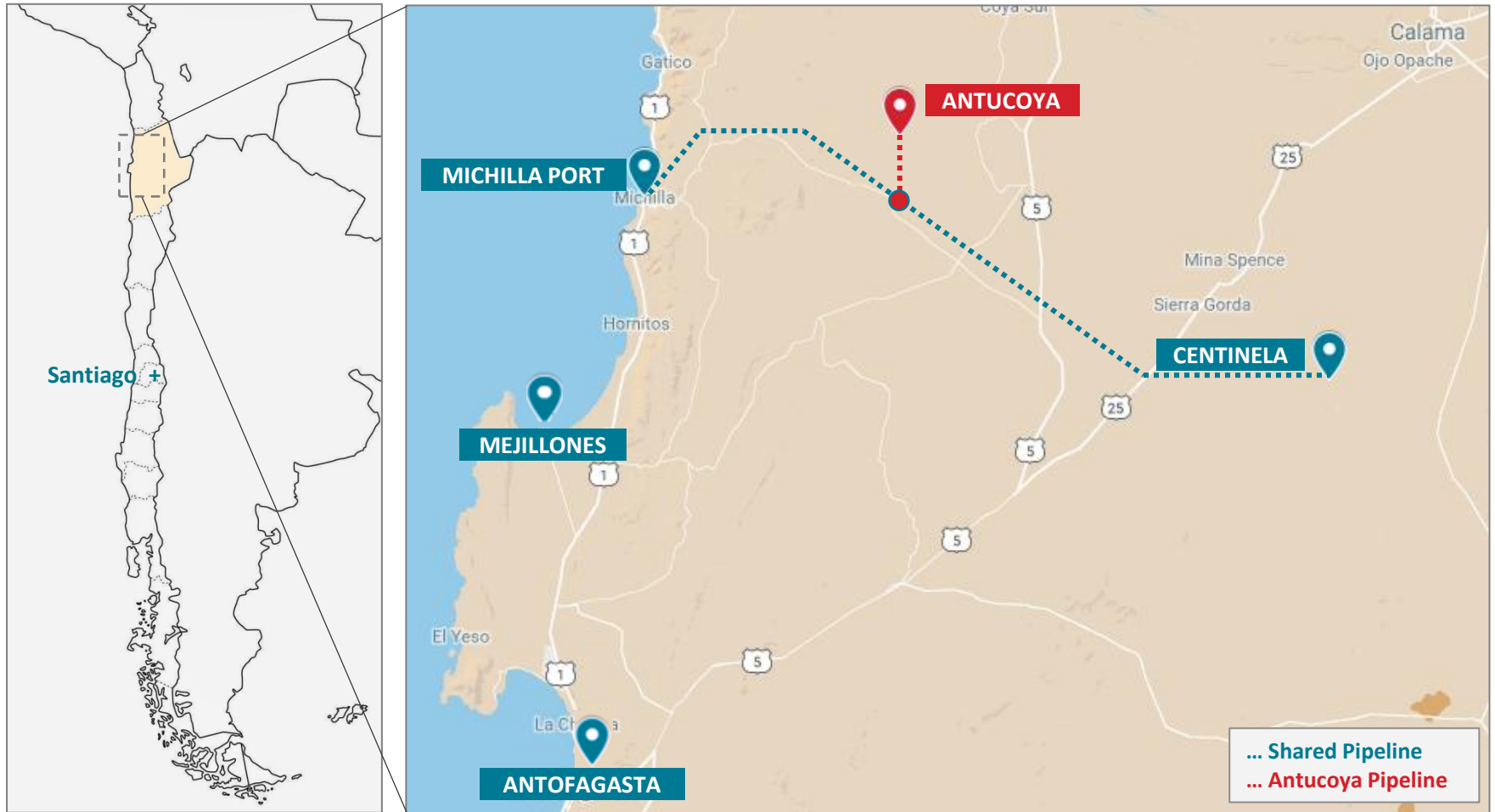
<p>Cu Cathode</p>	<p>C1</p>
<p>YTD Q3 016 Production (t)</p>	<p>YTD Q3 2016 (c/lb)</p>
<p>46,000</p>	<p>174</p>
<p>Guidance 2016 Production (t)</p>	<p>Guidance 2016 (c/lb)</p>
<p>65,000 - 70,000</p>	<p>165</p>

Team



Denotes presence at presentation

Location and Map



Site Map



Steady state production in 2017

- Commercial production started in April 2016
- Full fine copper production achieved in August 2016
- Ramp-up will be completed by end of 2016
- Optimization in 2017 to achieve stable full throughput capacity

Focused on costs

- In 2017 Antucoya will complete its mine loading equipment addition and truck fleet renewal, which will ensure mine plan delivery and operating at the lowest cost
- Cost and Competitiveness Program (CCP) was started in 2016 and will be expanded in 2017
- Antucoya is to operate as a lean, low-cost operation

Sustainability of operation is critical

- Dust suppression system successfully implemented in primary crusher and progressing in balance of plant in order to proceed with testing by the end of the year
- Safety efforts have been intensified to further reduce accidents and eliminate fatalities

Reserves and Resources

Reserves:

Antucoya	Tonnage (millions of tonnes)	Copper
Proved	374	0.36%
Probable	313	0.31%
Total⁽¹⁾	687	0.34%

Resources:

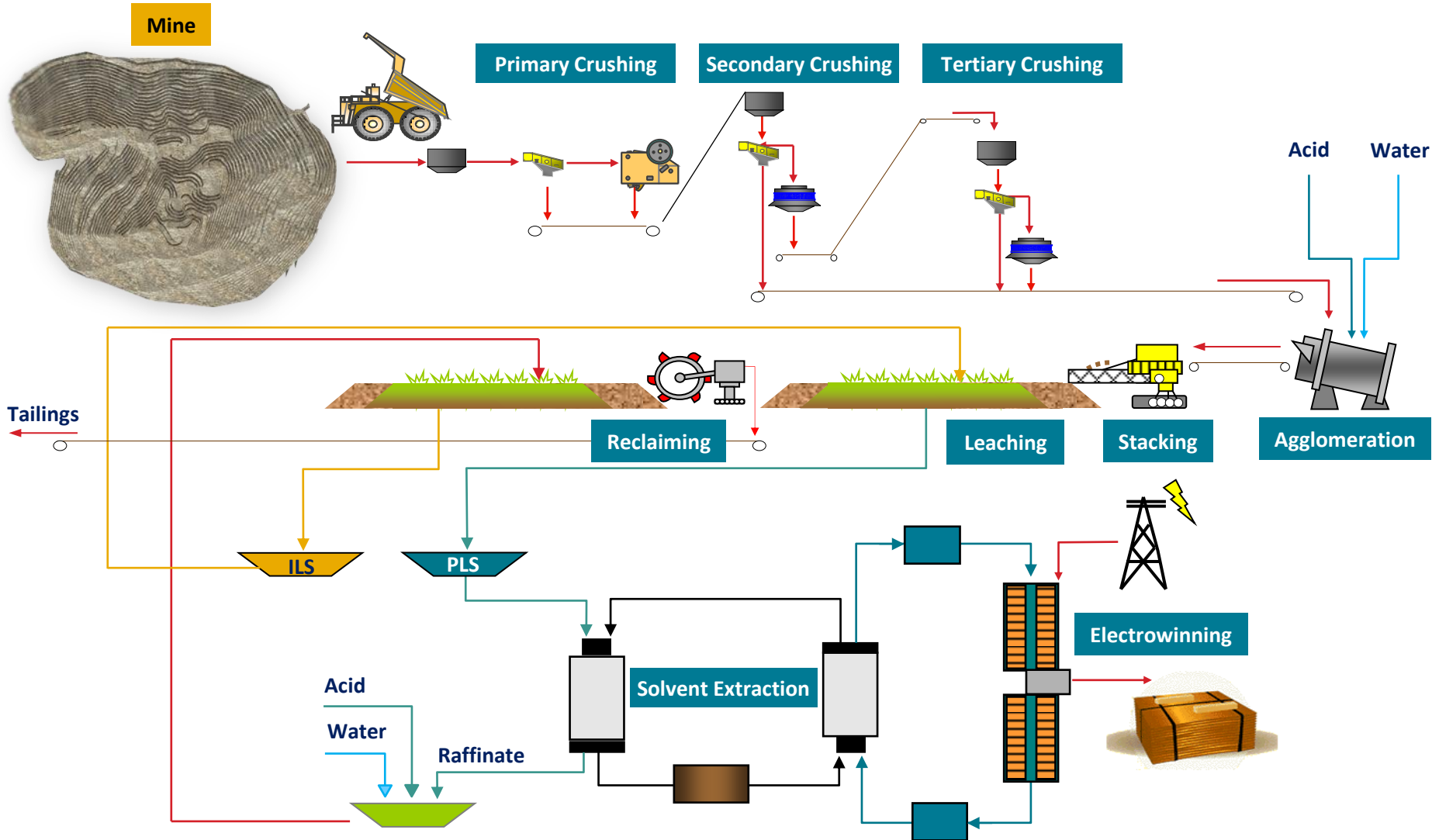
Antucoya	Tonnage (millions of tonnes)	Copper
Measured + Indicated	900	0.32%
Inferred	355	0.27%
Total⁽¹⁾	1,255	0.31%



Operational Review



Production Process



Fleet and mining equipment

Type	Brand - Model	N° of Units
Drilling <ul style="list-style-type: none">• Production Drill• Pre-Cut Drill	<ul style="list-style-type: none">• Caterpillar MD6420• Atlas Copco D65	<ul style="list-style-type: none">• 2 units• 1 unit
Loading <ul style="list-style-type: none">• Electric shovels• Front-end loaders	<ul style="list-style-type: none">• P&H 4100XPC• Front loader L2350	<ul style="list-style-type: none">• 2 units• 1 unit
Haulage <ul style="list-style-type: none">• Trucks	<ul style="list-style-type: none">• CAT797	<ul style="list-style-type: none">• 10 units by end of 2016
Support Equipment	<ul style="list-style-type: none">• Bulldozers, Wheeldozers, Water Trucks, Excavators, Grader, Cable manipulator	

Mine Equipment

- Fleet of CAT797 trucks will be replaced by Komatsu 930E trucks in 2017
- Two hydraulic shovels will be bought in 2017, bringing more flexibility to loading process
- The new fleet will allow Antucoya to increase moved material from 45Mt in 2016 to 69Mt in 2017, and over 80Mt after 2018

Mine Plan – Phase 01

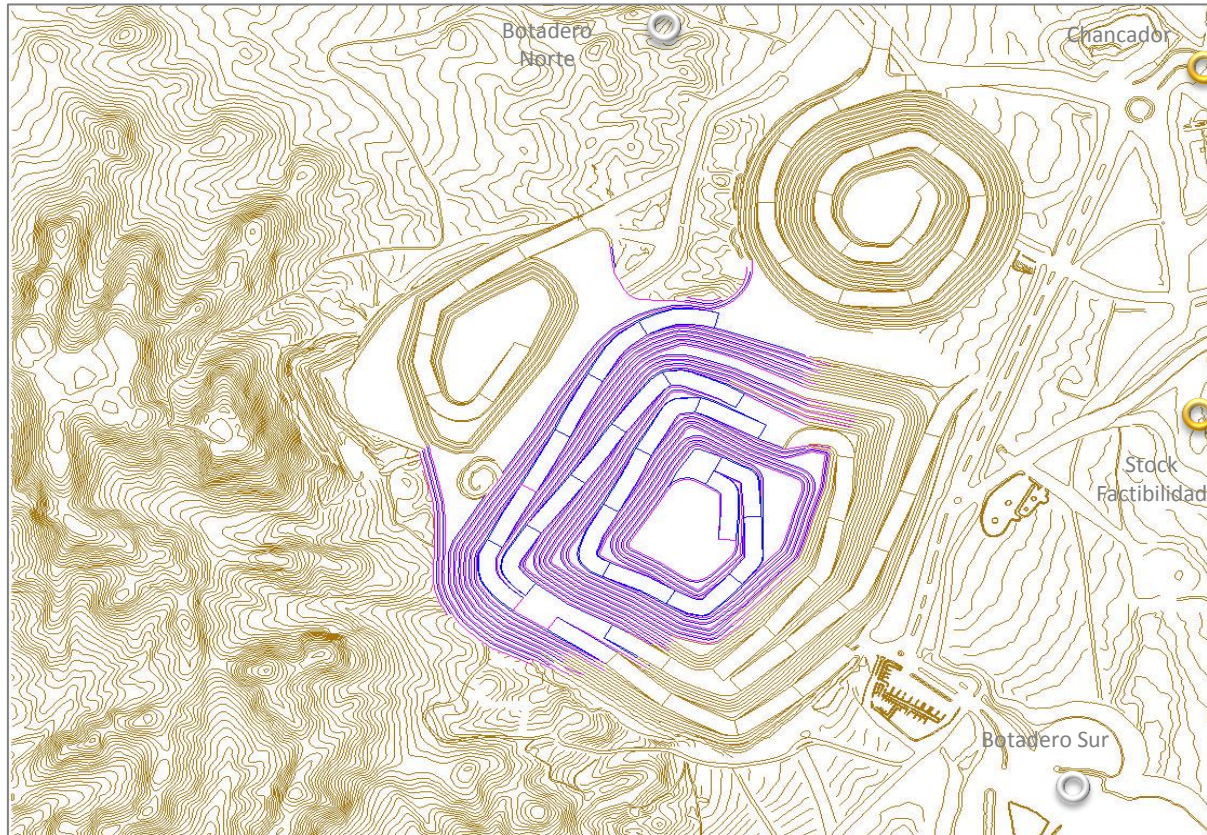


Mine Plan – Phase 02

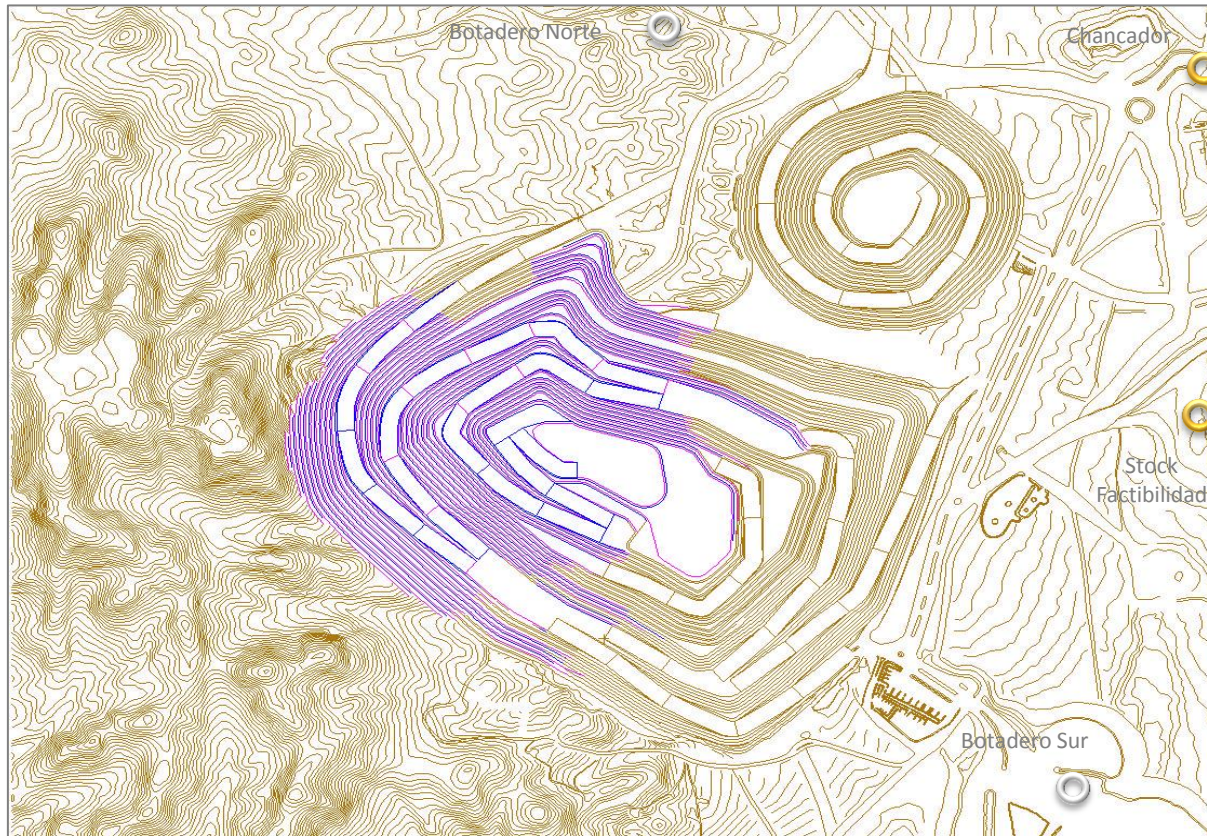


Mine Plan – Phase 03





Mine Plan – Phase 05



Mine Plan – Phase 06





Energy

- Energy Supplier: ENGIE (biggest generator in the Sistema Interconectado del Norte Grande, SING)
- Antucoya has a main 220/23 kV substation, a set of mobile substations for the mine area, and a back-up plant with six fuel generators

Water facilities

- The use of sea water allows Antucoya to have a safe supply in a region with very limited water availability
- The shared pipeline between Antucoya and Centinela is a major synergy
- The Leaching/SX/EW cycle is a water-efficient process, only requiring replenishment of water lost in tailings and through evaporation

Port

- Finished cathodes are transported through the Antofagasta and Angamos (Mejillones) ports
- Acid is transported from the Michilla and Mejillones ports

Sustainability



A solid strategy for community engagement

- Communication and transparency – we keep an open communication channel
- Dialogue and participation – we identify and work with all stakeholders (public sector, organizations, private sector, other)
- Local presence – activities with the community ensure a continuous presence
- Sustainable community development

Concrete actions

- Second version of apprenticeship program started in April 2016
- Scholarships, apprenticeships, vocational guidance, and technical visits are offered to support technical and professional education in the surrounding communities
- Social scholarships are also offered to improve education levels in the region



Environmentally sustainable

- 100% compliance with commitments related to the construction phase (RCA 101 - Antucoya project; RCA 128 - Electrical transmission line). Audited in 2015
- 100% compliance with the environmental commitments related to operating phase as of November 2016
- Closure plan has been approved by the local authority (Resolution Ex. 1681)
- Other environmental commitments - underground waters, Garuma seagull, archaeological sites- under control
- No fines nor observations by the authority



- Antucoya completed and operating at full cathode production capacity
- Cost optimisation is key for this type of deposit, provides a learning platform for the future
- Project Finance completion test scheduled for second half of 2017, in line with program
- Metallurgical performance in line with feasibility study



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