

For immediate release

**Cleveland House
33 King Street, St James's
London, SW1Y 6RJ
United Kingdom**

**Telephone: + 44 20 7808 0988
Fax: + 44 20 7930 7578
info@antofagasta.co.uk**

Comments made by Mr. Jean-Paul Luksic at the 2012 Annual General Meeting

London, 13 June 2012

I would like to begin by giving a brief summary of our performance during the past year, and where we stand today. 2011 was a challenging year, but we were still able to achieve significant growth in our production and earnings. We produced over 640,000 tonnes of copper – more than 20% higher than 2010. Our gold production was nearly 200,000 ounces – a more than five-fold increase compared with the prior year, and our molybdenum production also increased to just under 10,000 tonnes. The increase in our copper and gold production was mainly driven by the ramp-up of the Esperanza mine during the year.

These production levels translated into strong financial results, with earnings per share increasing by 18% to 125.4 cents per share. We have continued with our approach of combining consistent capital returns to our shareholders with maintaining our sound balance sheet position. We hope that you will agree later in this meeting to approve the proposed final dividend of 36 cents per ordinary share, which includes a special dividend of 24 cents. Along with the interim dividend of 8 cents paid in October 2011, this will give total dividends for the 2011 financial year of 44 cents per share. This represents a payout ratio of 35% of our net earnings.

In terms of our progress so far this year, overall our operations are broadly in line with our forecasts. At Los Pelambres there has been a real focus on ensuring the reliability of the operation, after two years where we fell short of our production targets, and I am pleased to say that this year we are on-track to meet our production forecast.

As I have said, Esperanza ramped-up during 2011. It was a tightly engineered project, reflecting the challenges of today's high capital cost environment, and this resulted in a longer than expected start-up process. The Board is not satisfied that plant throughput has not yet reached the design capacity of 97,000 tonnes per day, and we are working hard to get there. We have made significant progress during the past 18 months, with the plant estimated to operate at around 80,000 tonnes per day this year. There are now two main areas of focus – the tailings thickeners and the capacity of the grinding line, and we expect that our work on these areas should allow us to achieve the full plant capacity by the end of 2013. Nevertheless, we should not lose sight of the fact that Esperanza is already an excellent and profitable asset – in fact, it is currently the Group's lowest cost operation on a net basis.

At El Tesoro, we are now mining mainly from the higher-grade Mirador pit, along with material from the run-of-mine operation, and as a result we expect 2012 to be a year of record production.

Our smallest mine Michilla continues to operate profitably, and we are evaluating options for further extending its life.

Across the mining division, we are still on track to produce approximately 700,000 tonnes of copper this year, at an average cash cost before by-product credits of approximately 165 cents per pound, as we indicated at the start of the year. Our Transport and Water divisions also continue to deliver solid performance.

Looking beyond the existing operations, we have an extensive portfolio of growth opportunities, particularly surrounding our existing operations in Chile. Our most immediate growth project is Antucoya, which is expected to commence production in the second half of 2014. We were delighted at the end of 2011 to welcome

Marubeni Corporation as partners in this project, further building on our existing relationships with them at Los Pelambres, Esperanza and El Tesoro.

Our other opportunities in Chile are principally in the Centinela Mining District (formerly known as Sierra Gorda) and at Los Pelambres. Between them, they could result in a major increase in the scale of the Group over the course of this decade.

Outside of Chile, at the Twin Metals project in Minnesota we are progressing with the pre-feasibility study, with a particular emphasis on the most appropriate metallurgical process for this large, poly-metallic deposit. We are also continuing to expand our portfolio of early-stage exploration agreements, both in Chile and internationally.

We are mindful, however, that we are seeing strong capex inflation across the industry at present. With many of our growth opportunities it will be some time before the final development decision has to be made, but when we take those decisions we will maintain our disciplined approach to evaluating and approving investments. This approach has allowed us to continue to deliver profitable growth while making consistent, strong capital returns to our shareholders over many years.

Acting in a sustainable and responsible manner is core to everything we do, and we are very conscious of the environment we operate in. In Chile, three of the key issues currently facing the mining sector are energy, water and skilled labour, and we are actively involved in addressing all of these issues.

In terms of energy supply in Chile, we are concerned with the challenge which the country faces in the coming years to meet its future requirements, which will be relevant to the development of our large growth projects. We are playing a part in the development of new renewable energy sources in Chile. For example, Los Pelambres has recently signed a long-term energy supply agreement with a windfarm which will be constructed in central Chile, as well as taking a 30% stake in the project. When completed, it will be Chile's largest windfarm.

With water, Antucoya will be the third of our operations to use untreated seawater – following Michilla and Esperanza – and we feel that we have been pioneers in the use of this technology within the Chilean mining industry.

In terms of developing the next generation of the highly skilled workforce our industry needs, we have developed a number of initiatives. This includes an apprenticeship programme for training school leavers from local communities, agreements with several Chilean universities to provide scholarships and other support for students pursuing mining related degrees, and a graduate trainee programme to attract the strongest mining graduates in Chile.

Turning now to the leadership of the Group, I am delighted to welcome Ollie Oliveira to his first AGM, after joining the Board last October. He further strengthens the Board's considerable range of experience and expertise in the mining sector. The Board and its committees are also progressing with the search for the right individual to act as CEO of the mining division, to manage the next stage of the Group's growth, and to meet the operational and technical challenges of the coming years.

The global economy is clearly going through an extremely challenging and unpredictable period, and this has affected commodity prices since the start of the year. Nevertheless, we continue to believe that the underlying market fundamentals for copper remain strong. On the demand side, it is a commodity which is supported both by infrastructure investment, as well as by increased consumer demand. On the supply side, the industry remains relatively constrained in the medium term. In these challenging and uncertain economic times, we believe that our portfolio of high-quality, low-cost assets places us in a strong position to go on delivering value.

I am confident that given the quality of the Group's asset base and the focus and dedication of your Board and management team on both our existing operations and our growth opportunities, 2012 will be another good year for the Group. I would like, finally, to give thanks to those people who have been key to both the growth we have achieved in recent years, and to the potential opportunities we have in front of us – in particular our workers, management team and partners, who all continue to make an essential contribution to this Company.

Enquiries

London

Investor relations - Antofagasta plc

Tel: +44 20 7808 0988

www.antofagasta.co.uk

Hussein Barma - hbarma@antofagasta.co.uk

Philip Holden - pholden@antofagasta.co.uk

Media enquiries - Bankside Consultants

Tel: +44 20 7367 8871

Simon Rothschild – simon.rothschild@bankside.com

Santiago

Antofagasta Minerals S.A.

Tel: +562 798 7000

Alejandro Rivera - arivera@aminerals.cl