



ANTOFAGASTA PLC



2011 Half Year Results Presentation

23 August 2011



ANTOFAGASTA PLC

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- EPS of 70.6c up 54.1% over 2010 H1, reflecting higher production volumes and commodity prices
- Interim dividend of 8 cents (2010 H1 - 4 cents), rebasing annual ordinary dividend to 20 cents level
- Continued ramp-up progress at Esperanza
- Antucoya project feasibility study substantially complete
- Strong pipeline of further growth opportunities, with pre-feasibility studies at Sierra Gorda and Los Pelambres, as well as international prospects
- Financial position remains strong



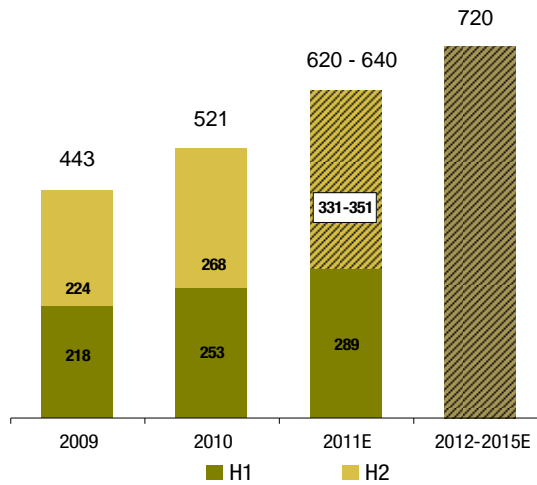


Production, market and cost overview

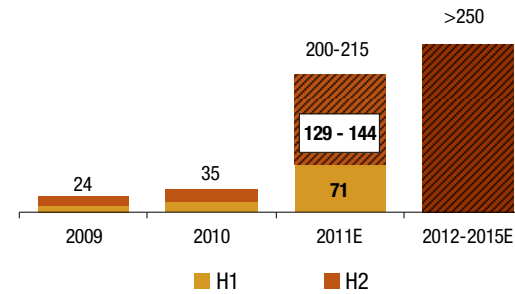
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Copper production ('000 tonnes)

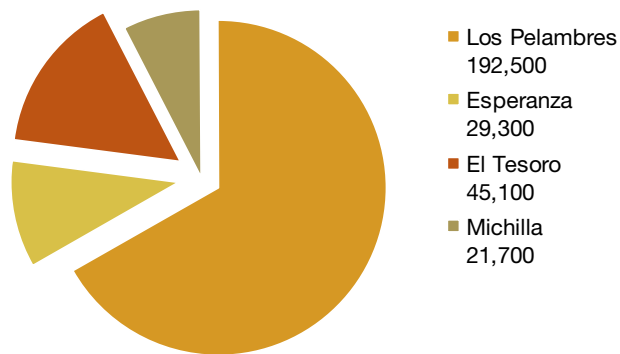


Gold production ('000 ounces)

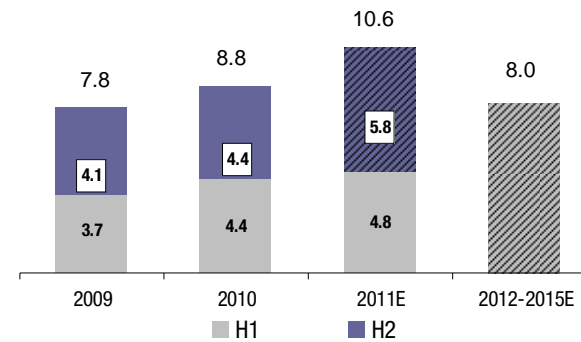


2011 H1 Copper production by company ('000 tonnes)

Total: 288,500 tonnes

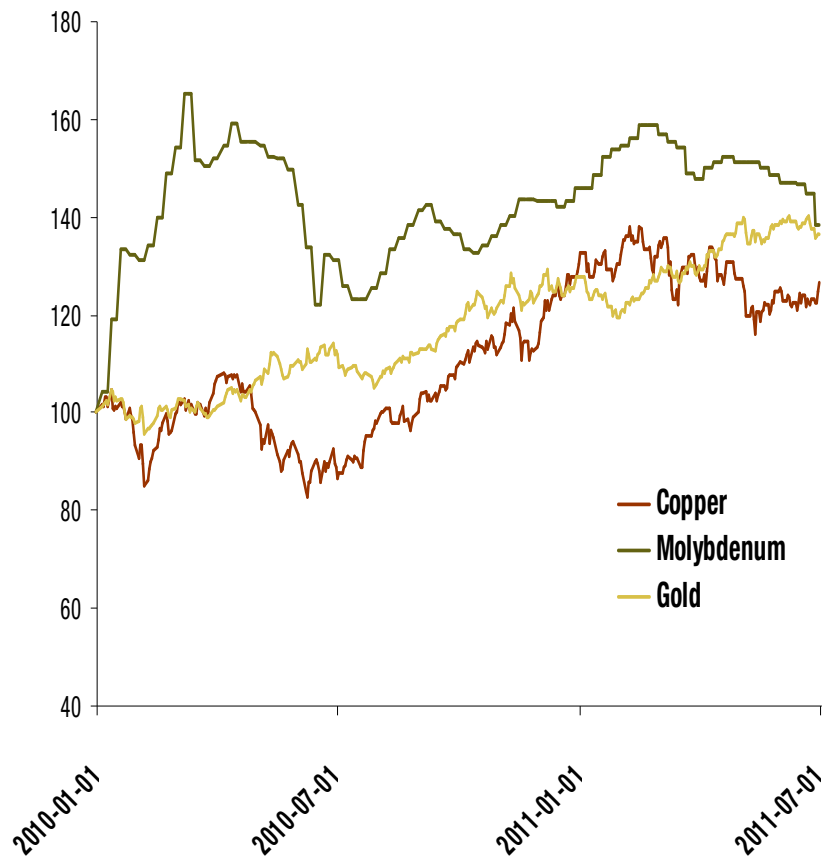


Molybdenum production ('000 tonnes)





Commodity prices (Base 100 = 1 January, 2010)



- Copper price expected to remain strong in 2011 H2, but with higher downside risk due to recent global economic developments
 - Good supply-demand fundamentals
 - Low level of inventories
- Copper concentrates market expected to tighten in 2011 Q3, with spot TC/RCs trending down and heavier deficit expected in coming years
- Gold prices have continued to strengthen with strong investment demand and safe-haven status
- Although Chinese exports and economic slowdown could add downside pressure to prices, molybdenum market is expected to remain stable
- Positive outlook for commodity prices for remainder of 2011, although global economic uncertainty creates downside risk



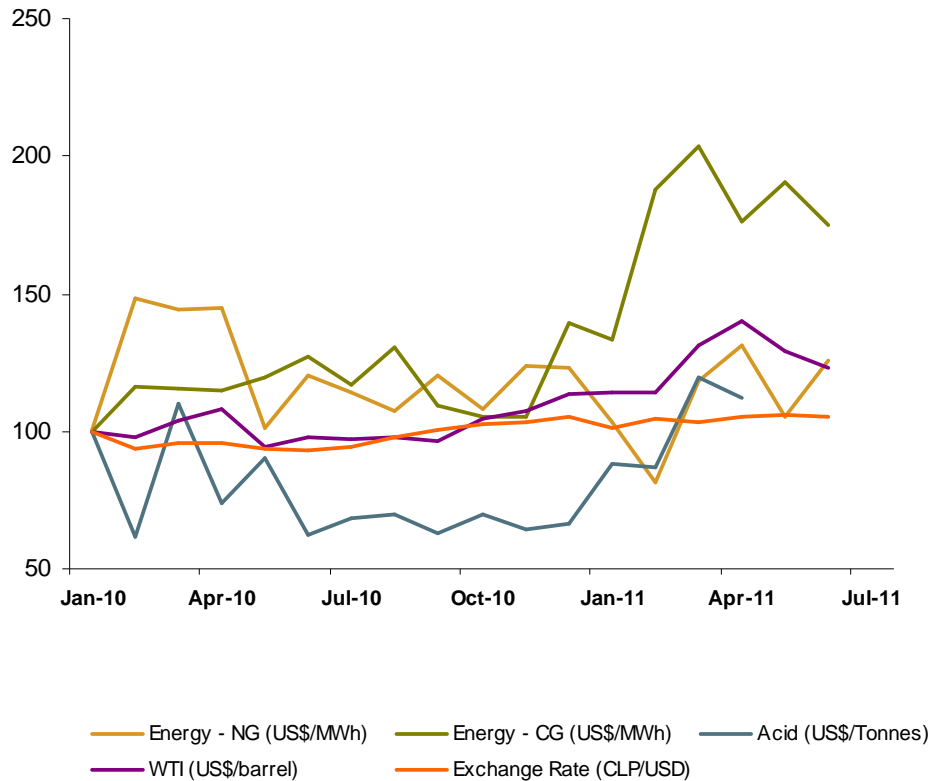
	2010 H1	2010 H2	2010 FY	2011 H1
Copper				
LME average price (cUS\$/lb)	323.4	350.4	342.0	426.3
Realised price (cUS\$/lb)	301.9	405.3	359.3	422.7
Molybdenum				
Market average price (US\$/lb)	16.1	15.4	15.7	17.0
Realised price (US\$/lb)	16.8	15.6	16.2	17.0
Gold				
Market average price (US\$/oz)	1,152	1,297	1,226	1,445
Realised price (US\$/oz)	1,155	1,303	1,237	1,491

- Higher realised prices in 2011 H1 compared with 2010 H1 and 2010 H2
- Reflects increase in underlying market prices for copper, molybdenum and gold
- No significant impact from provisional pricing and mark-to-market adjustments in period
- Hedged copper production in 2011 H1 represented 7% of Group copper production for the period

Market cost – recent trends



All prices (Base 100 = January 01, 2010)



	2010 H1	2010 H2	2010 FY	2011 H1
Energy				
Northern Grid (US\$/MWh)	127	116	121	111
Central Grid (US\$/MWh)	134	137	135	206
Sulphuric acid (US\$/tonnes)	84	68	76	103
WTI oil (US\$/barrel)	78	80	79	98
Exchange rate (\$/US\$)	525	495	510	476

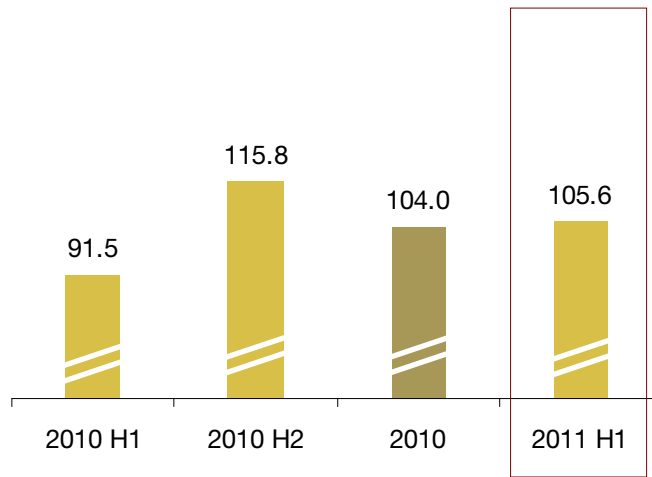
- Continued pressure on prices across a range of different inputs
- Exposure to market prices for inputs partly mitigated by:
 - fixed energy prices for 2011-12 under Los Pelambres' main contract
 - offtake contracts for acid with new Noracid plant
 - currency hedging at Michilla
- Higher resulting cash costs more than offset by increased commodity prices

* Exchange rate is in the inverted axis. See page 32 for further details

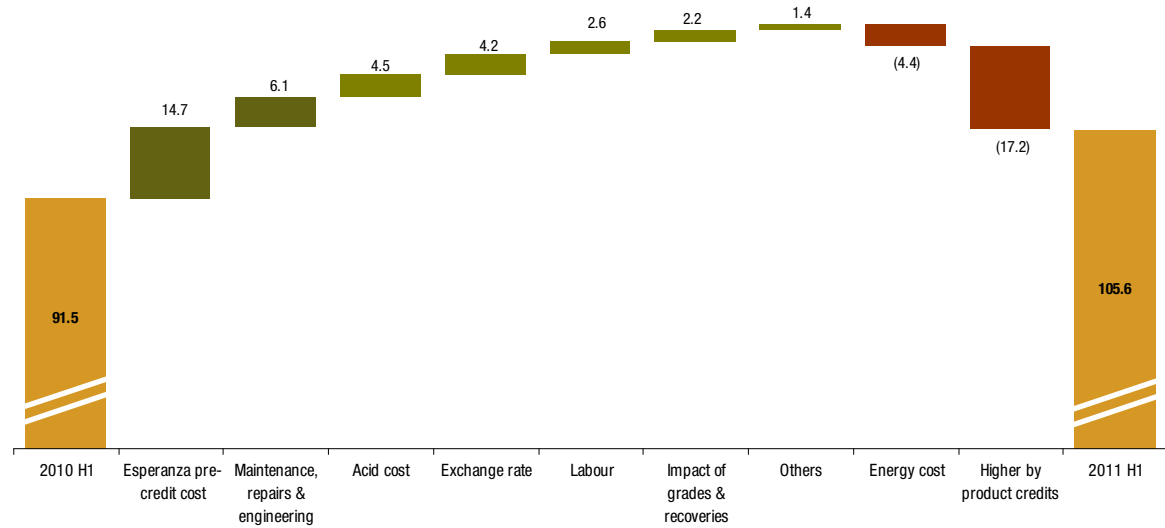
Cash cost analysis



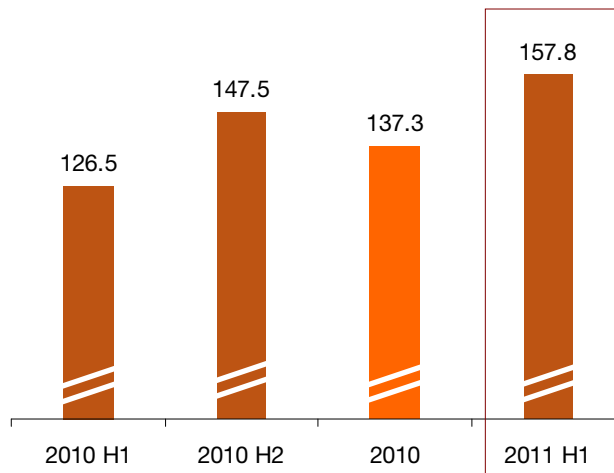
Group weighted average net of by-products (c/lb)



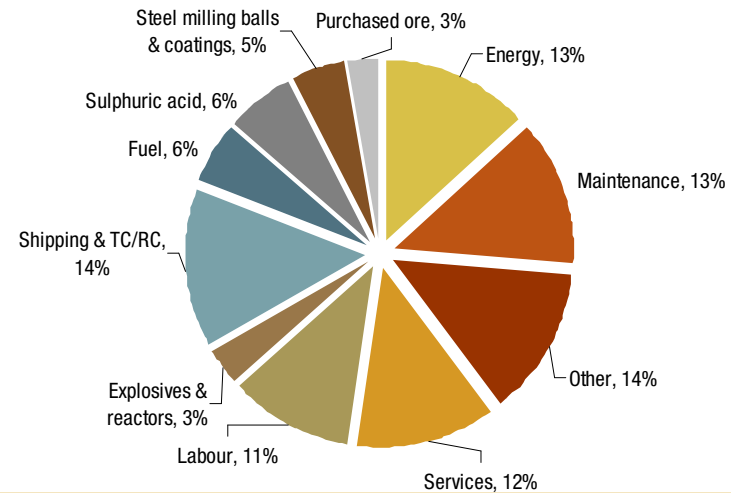
Weighted average cash cost including by-product 2010 H1 – 2011 H1 (c/lb)



Group weighted average (before deducting by products) (c/lb)

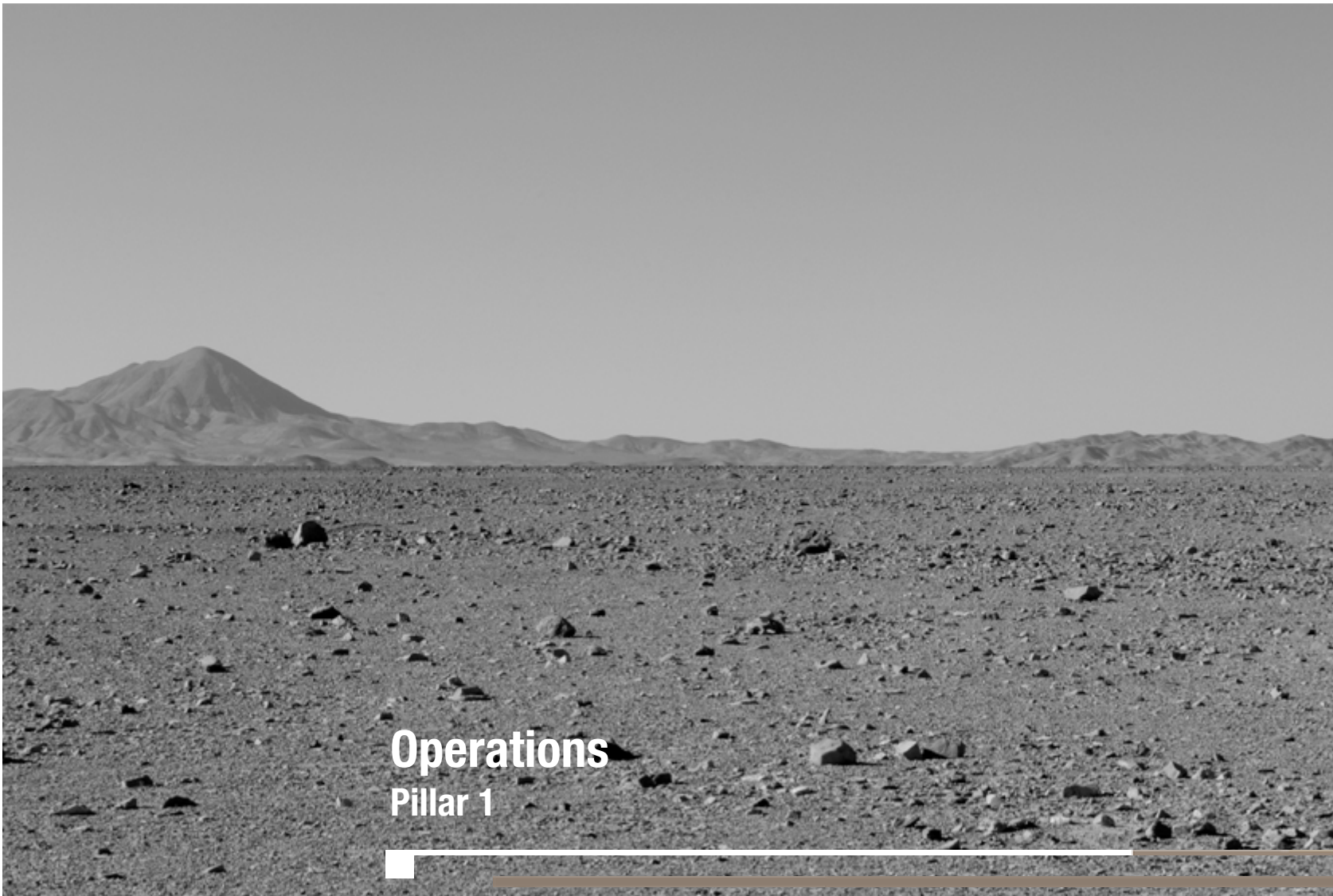


2011 H1 weighted average cash cost excluding by-products by type (c/lb)





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Operations Pillar 1

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- 2011 H1 production
 - 29,300 tonnes of copper
 - 52,700 ounces of gold
 - net cash costs of US\$121.9 cents per pound
- Continued progress with ramp-up, which is planned to be completed at the end of 2011
- Focus is on maximising the efficiency of the milling process and the reliability of the sea-water pumping system
- 2011E FY production
 - 80,000 to 100,000 tonnes of copper
 - 160,000 to 175,000 ounces of gold
 - Net cash costs of approximately 120 cents per pound



- 2011 H1 production

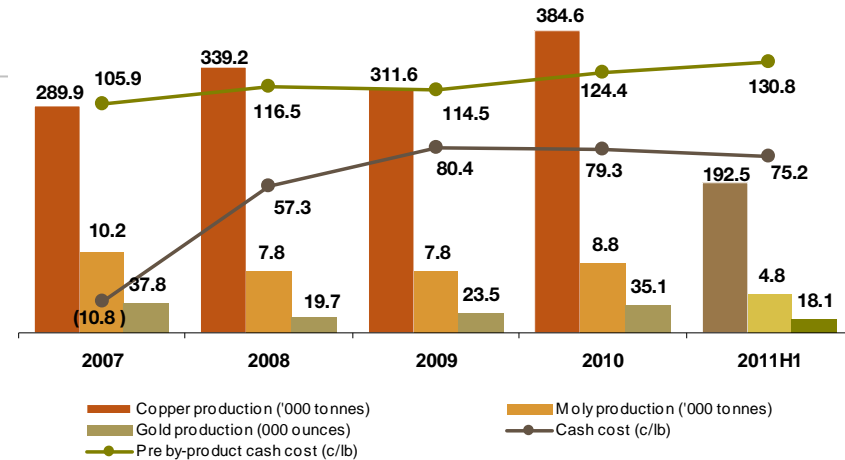
- 192,500 tonnes of copper
- 4,800 tonnes of molybdenum
- 18,100 ounces of gold
- net cash costs of US75.2 cents per pound

- Production affected by lower ore grade in Q1, which has recovered in Q2 and should improve production in H2

- 2011E FY production

- 407,000 tonnes of copper
- 10,600 tonnes of molybdenum
- 37,000 ounces of gold
- Net cash costs of approximately 81 cents per pound

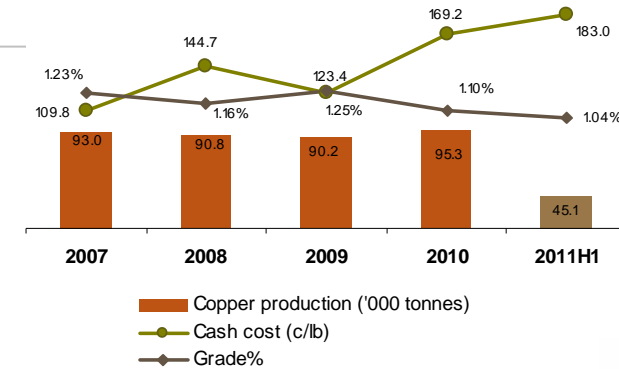
- Significant resource base could allow for further expansion in the future





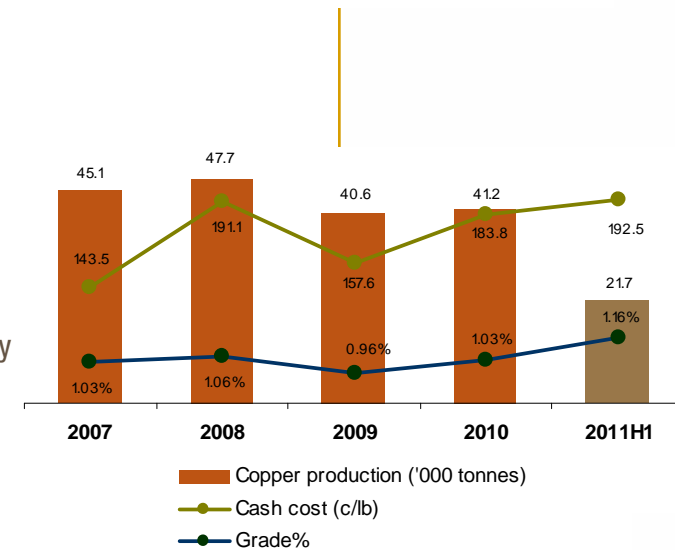
• El Tesoro

- 2011 H1 production of 45,100 tonnes at cash costs of 183.0 cents per pound
- Improved production costs in Q2 with full resumption of production from Tesoro NE
- Mirador ahead of schedule and cathode production expected during H2
- 2011E FY production of 96,000 tonnes, with cash costs estimate of approximately 168 cents
- Ore feed from Tesoro Central, Tesoro North-East and Run-of-Mine leaching



• Michilla

- 2011 H1 production of 21,700 tonnes at cash costs of 192.5 cents per pound
- 2011E FY production of 40,000 tonnes, and 2011E cash costs of approximately 212 cents
- Mine plan extended to 2015 during 2011 H1



• Transport and Water

- Increased volumes and results compared with 2010 H1



Financial analysis

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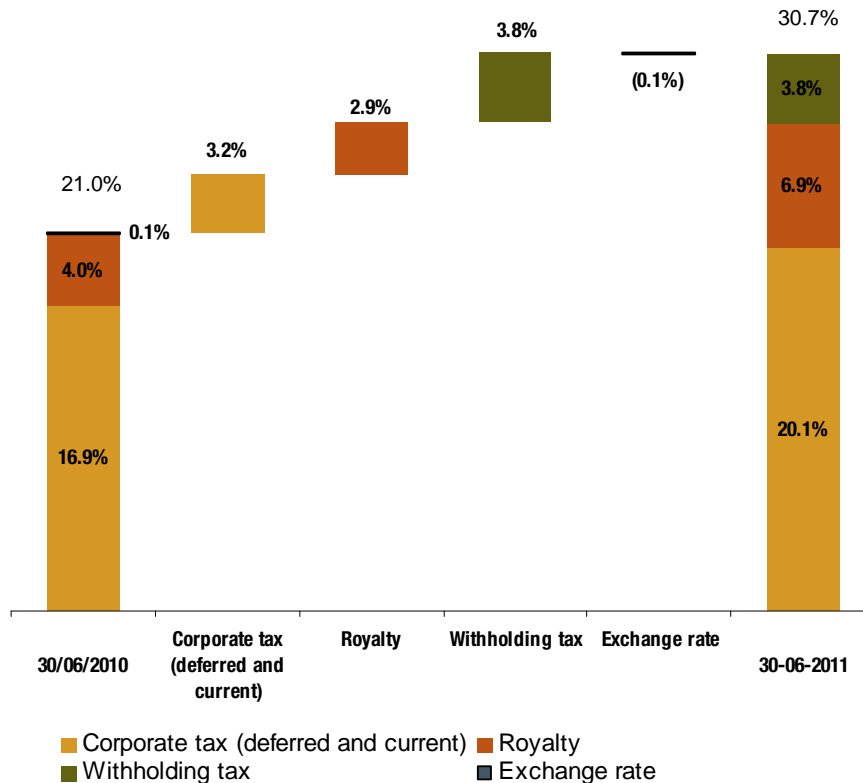
Financial Highlights – 2011 H1



	<u>2011 H1</u>	<u>2010 H1</u>	<u>11H1 vs. 10H1</u>		<u>2010 H2</u>	<u>11H1 vs. 10H2</u>		<u>2010</u>
Turnover (US\$m)	3,054	1,761	↑	73.4%	2,816	↑	8.5%	4,577
EBITDA (US\$m)	1,947	1,059	↑	83.8%	1,713	↑	13.6%	2,772
Profit before tax	1,692	932	↑	81.5%	1,641	↑	3.1%	2,573
Profit after tax	1,172	737	↑	59.1%	1,084	↑	8.1%	1,821
Earnings per share (cents)	70.6	45.8	↑	54.1%	60.9	↑	15.9%	106.7
Ordinary dividends per share (cents)	8	4	↑	100%	12			16
Special dividends per share (cents)	-	-	-		100	-		100



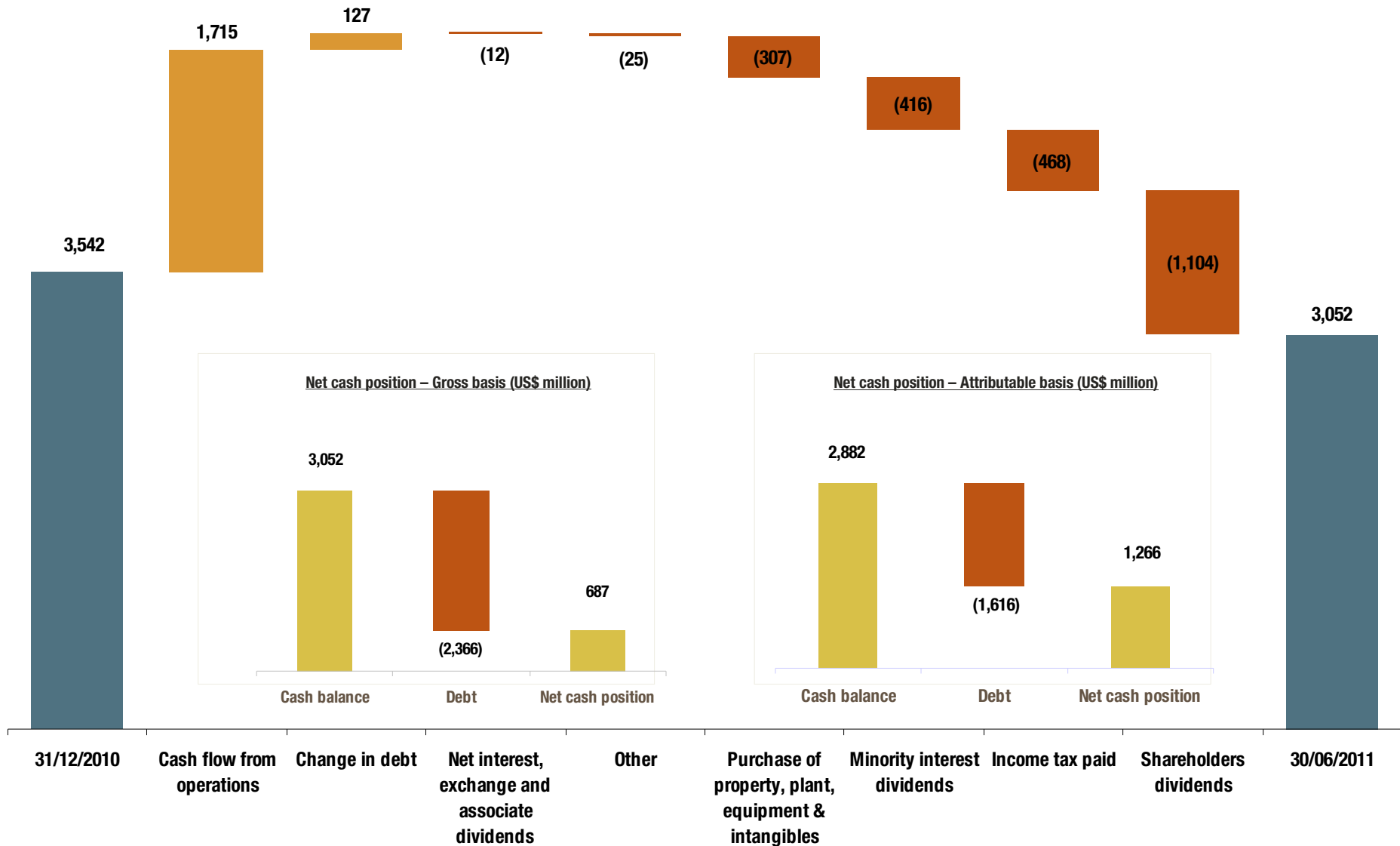
Effective tax (%)



- Legislative changes announced in 2010
 - To contribute to post-earthquake reconstruction costs
 - Temporary increase in corporation tax rates for 2011 - 2012
 - Changes to mining tax from 2010
- Increased level of withholding tax provision in 2011 H1
 - Reflects funding requirements for 2011 dividends
- 2011 H1 effective tax rate is 30.7% (2010 HY – 21.0%; 2010 FY – 29.3%)

	2010 H1	2011 H1
Profit before tax (MUS\$)	932.1	1,691.9
Income tax expense (MUS\$)	195.6	519.6
Effective tax rate	21.0%	30.7%

Cash flow 2011 H1 (US\$ million)





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Growth opportunities

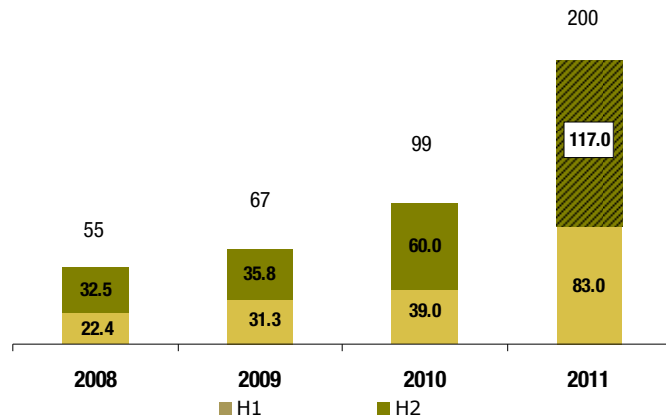
Pillar 2 and 3

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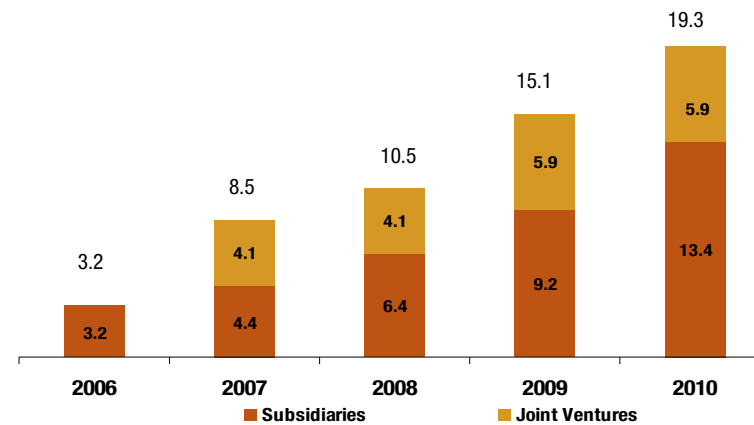
Growth opportunities



Group exploration and evaluation expenditure (US\$ m)

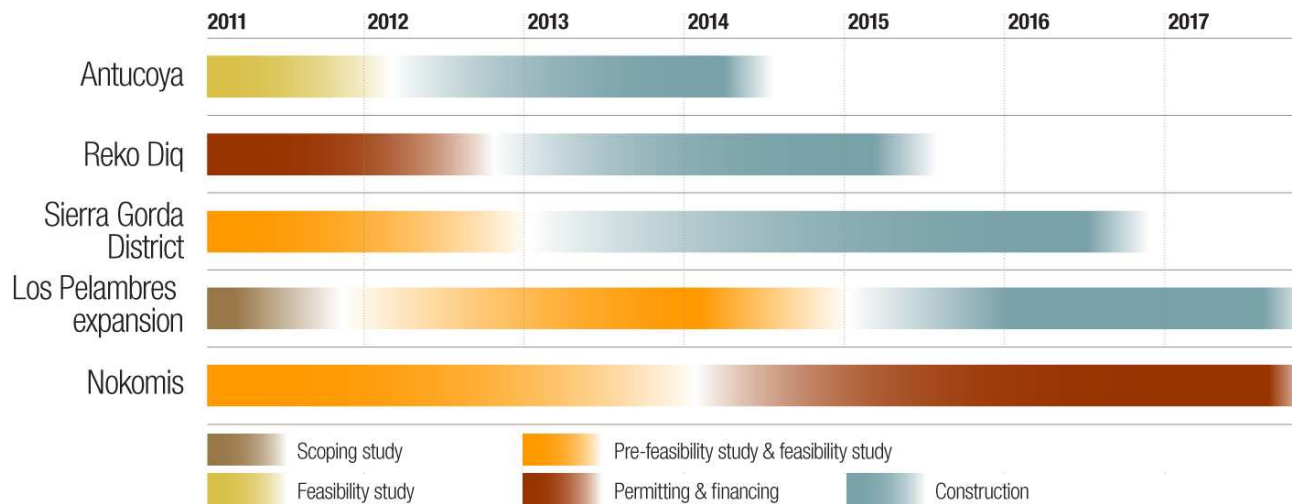


Mineral Resources (including ore reserves in billion tonnes)

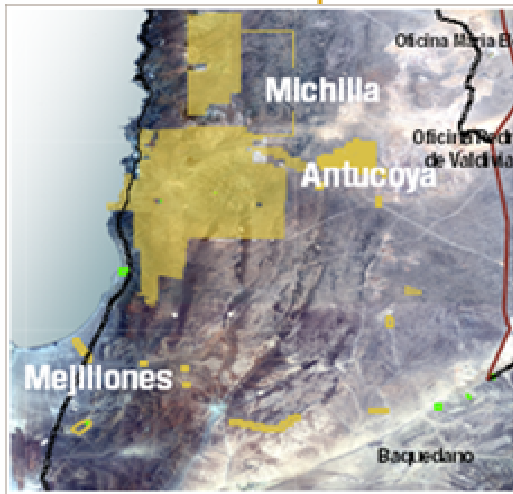


Subsidiaries resources are formed by Los Pelambres, Telegrafo, Esperanza, Caracoles, Antucoya, El Tesoro and Michilla, and Joint Ventures by Reko Diq

Current evaluation studies - indicative time line



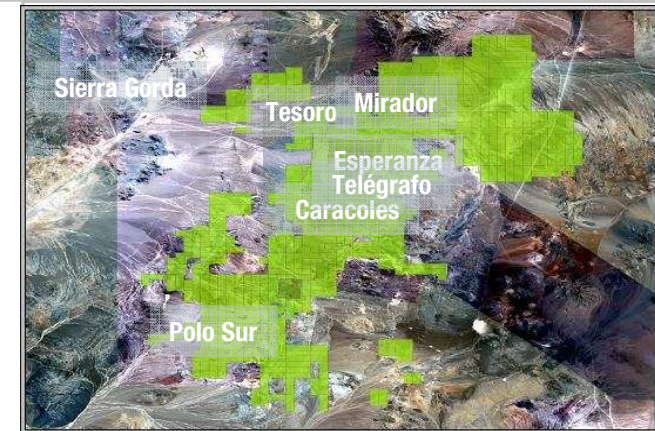
Many of the above projects are at any early stage, and therefore remain uncertain both as to the likelihood of approval and timing



- Environmental approvals received June 2011
- Feasibility study substantially completed
 - SX-EW operation with an annual cathode production of approximately 80,000 tonnes
 - Estimated mine over 20 years
 - Current project capex of US\$ 1.35 billion
 - Estimated cash costs of 145 cents in first 5 years and 155 cents over life of mine
- If approved, construction is expected between 2012 and 2013 with first production during 2014
- Project benefits from a number of factors
 - Low pre-stripping and low operational waste-to-ore ratios
 - Favourable location
 - Low acid consumption per tonne of ore leached



- Significant potential for brownfield and greenfield growth
 - Total resource estimate for Esperanza, Telégrafo and Caracoles of 5.8 billion tonnes
 - Average copper grade of 0.38% with gold credits at all three deposits
- Pre-feasibility study for district in progress
 - US\$70 million expenditure programme in May 2010, with additional US\$ 13 million approved in July 2011
 - Examining a range of options, including extension of Esperanza's plant life, expansion of the plant and/or a stand-alone project
 - Expected to be completed in late 2011
- Continuing exploration and drilling programme
 - To determine resource estimates in existing areas such as Polo Sur and also to identify further prospects in the district





- Existing mine plan includes ore reserves of 1.4 billion tonnes
- Total mineral resources of 5.8 billion tonnes @ 0.53% copper plus molybdenum and gold credits
- Additional resources provide opportunities for significant long-term growth
- Scoping study examining key issues of water supply, community engagement and environmental issues completed in 2011 H1
- Initiation of pre-feasibility study by Los Pelambres at a cost of just under US\$100 million approved



Reko Diq copper-gold project

- 37.5% effective interest in joint venture with Barrick Gold Corporation
- Feasibility study submitted to the Government of Balochistan in August 2010
- Application for mining lease submitted in February 2011



Twin Metals Project

- 40% interest in Nokomis project in NE Minnesota
- Partnership with Duluth Metals through Twin Metals Minnesota (TMM)
- Duluth's acquisition of Franconia Minerals Corporation expected to be transferred into TMM during 2011 H2, thereby combining the Birch Lake and Nokomis projects



Early stage earn-in agreements

- Long-term optionality through earn-in agreements with junior mining companies
- Further earn-ins signed to date in 2011 in Sweden, Turkey, Portugal and Canada





- 2011 H1 has been a key period in the continued growth of the Group
- Ramp-up at Esperanza is continuing and will contribute to production growth in 2011 and 2012 in both copper and gold
- Feasibility study for Antucoya project is substantially completed, which if approved would add further production from 2014
- Sierra Gorda, Los Pelambres and international prospects underline the Group's options for continued long-term growth
- Increased interim dividend of 8 cents re-bases the total ordinary dividend to the 20 cent level, more than double that of 2009
- Group's financial position remains very strong



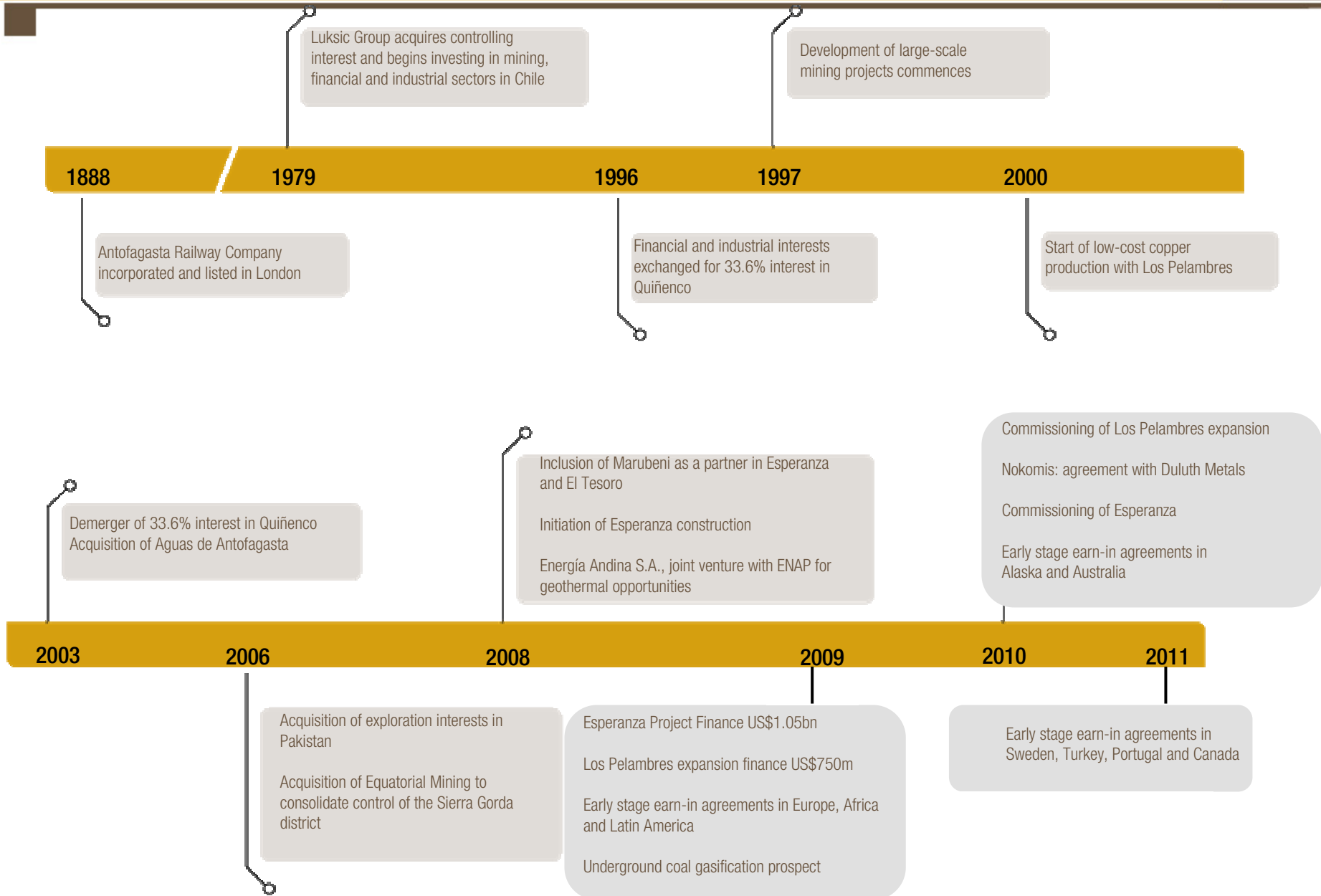
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23 August 2011

Brief history





Luksic Group

65%

LSE-Freefloat

35%

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- FTSE 100 since March 2004
- Market cap (19 August 2011): US\$19.2bn

Transport

**FCAB (Chile)
FCA (Bolivia)**

Combined rail and road tonnages of approx. 8.1 million tons per year



Mining

Operating assets (Chile) : Los Pelambres – Esperanza – El Tesoro – Michilla

2011 forecast production of:
620,000 - 640,000 tonnes of copper
200,000 - 215,000 ounces of gold
10,600 tonnes of molybdenum

Exploration and evaluation studies in Chile, the United States and Pakistan

Earn-in agreements in Europe, the Americas and Australia



Water

Aguas de Antofagasta (Chile)

Approx. 46 million m³ sold per year



* All figures are on a 100% basis, not on attributable basis and mining figures refer to 2011 estimates, which are subject to revision in the course of the year



Strategic Plan for the Mining Division 2009 - 2015



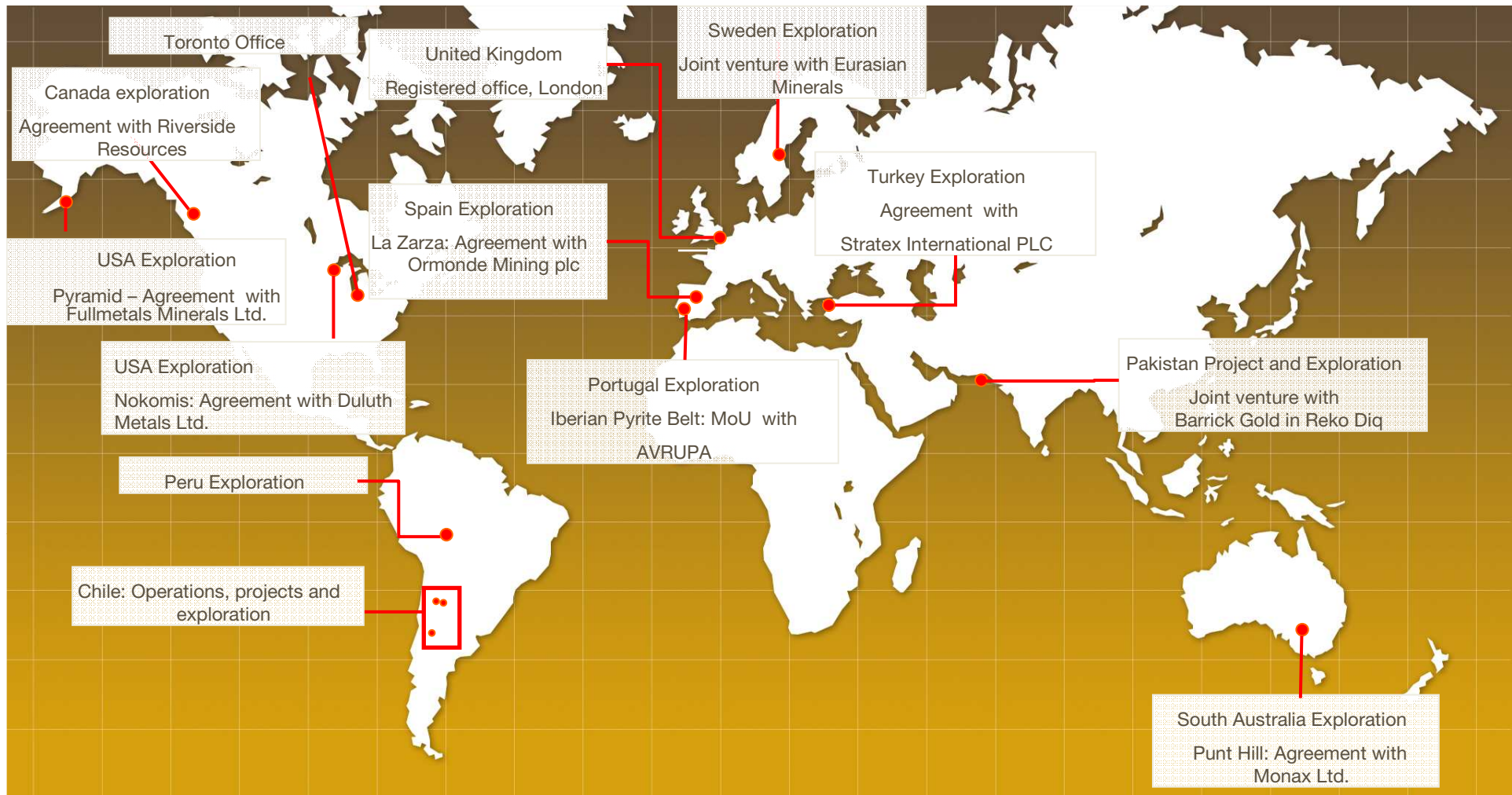
- 1**
- Los Pelambres
 - El Tesoro
 - Michilla
 - Esperanza

- 2**
- Los Pelambres district
 - Sierra Gorda district

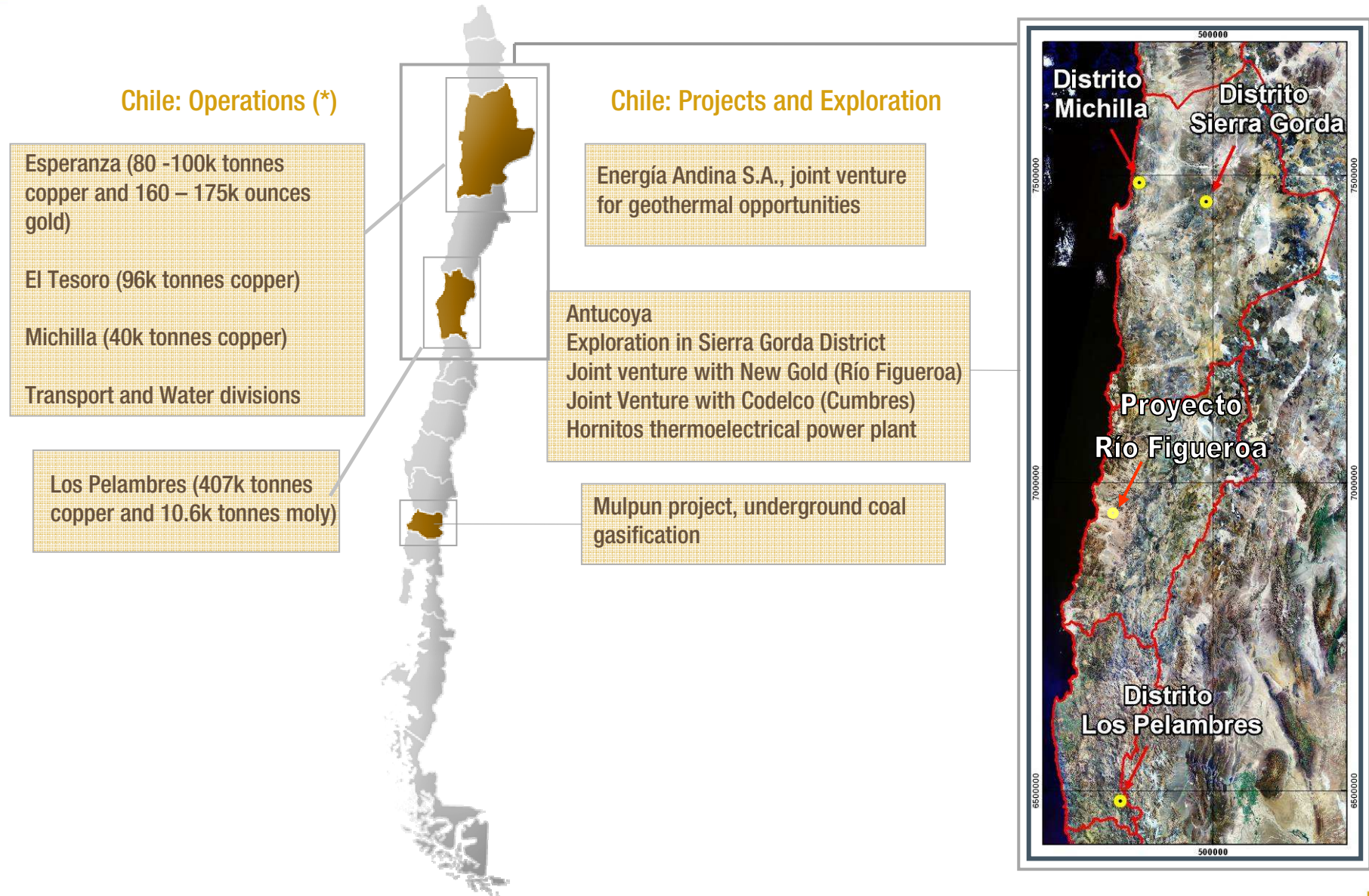
- 3**
- Search for high-potential early stage mining base:
 - Chile (outside Sierra Gorda and Los Pelambres districts)
 - International
 - Antucoya
 - Reko Diq
 - Twin Metals
 - Generation of international capabilities
 - Coal gasification and geothermal

- Major copper producer with existing low-cost operating base in Chile
- Copper production to increase nearly 65% from 2009 to 2012E, providing low cost and profitable growth
 - 2009 : 443k tonnes
 - 2010 : 521k tonnes
 - 2011E : 620-640k tonnes
 - 2012-2015E : 720k tonnes
 - Increased molybdenum and gold by-products
- Substantial resources in existing areas of operation identified through exploration
- Early-stage prospects and earn-in agreements acquired in Chile and abroad
- Social and environmental strategies to support objectives

Geographical locations – operations and exploration



Geographical locations - Chile



Realised prices and mark-to-market



<i>(US cents/pound)</i>	2010 H1	2010 H2	2010	2011 H1
LME average copper price	323.4	350.4	342.0	426.3
Realised copper price	301.9	405.3	359.3	422.7
<i>(US dollars/pound)</i>				
Market average moly price	16.1	15.4	15.7	17.0
Realised moly price	16.8	15.6	16.2	17.0
<i>(US dollars/ounce)</i>				
Market average gold price	1,152.4	1,297.2	1,226.3	1,445.0
Realised gold price	1,154.8	1,302.7	1,236.5	1,490.8

<i>Effects on results (US\$ million)</i>	2010 H1	2010 H2	2010	2011 H1
Provisional pricing – copper ⁽¹⁾	(82.1)	385.6	303.5	(8.6)
Provisional pricing – molybdenum ⁽¹⁾	1.5	(2.9)	(1.4)	(7.8)
Provisional pricing – gold ⁽¹⁾	-	-	-	0.1
Realised hedging gains (losses) – copper ⁽²⁾	(34.7)	(46.7)	(81.4)	(12.3)
<i>Period end mark-to-market * (US\$ million)</i>				
	30 Jun 2010	31 Dec 2010		30 Jun 2011
Provisional pricing – copper ⁽¹⁾	(64.2)	129.8		40.9
Provisional pricing – molybdenum ⁽¹⁾	(5.7)	0.3		(2.2)
Provisional pricing – gold ⁽¹⁾	-	-		(0.1)
Hedge instruments – copper ⁽²⁾	(12.1)	(78.2)		(68.7)

* Pre-tax and minorities

(1) Provisional pricing: both actual realisations and mark-to-market are reflected in the income statement.

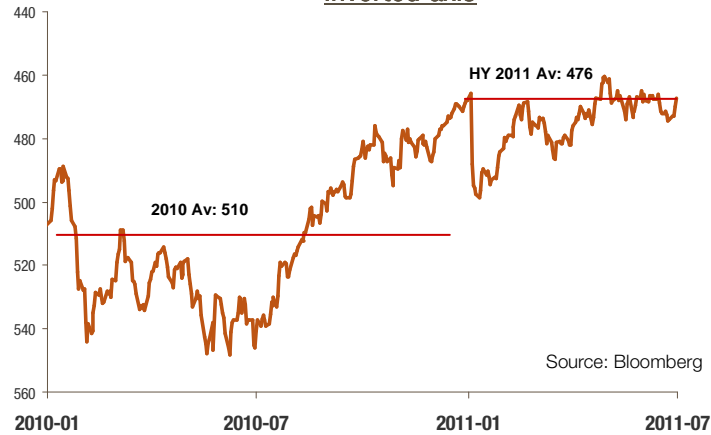
(2) Hedge instruments: only actual realisations and ineffective hedges are reflected through the income statement. Unrealised mark-to-market for effective hedges are reflected through reserves.

Market cost – recent trends

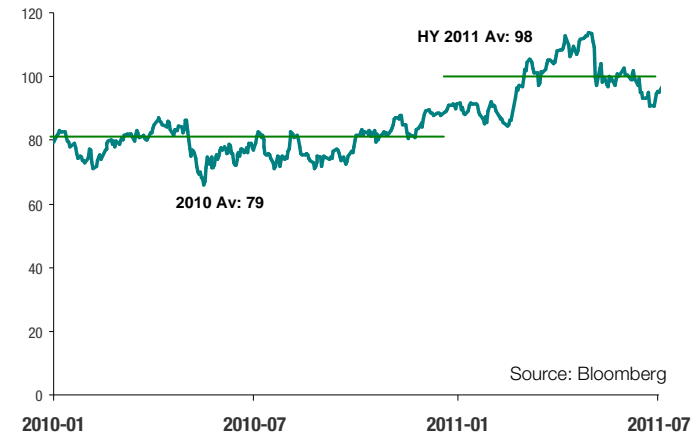


Exchange rate (CLP/USD)

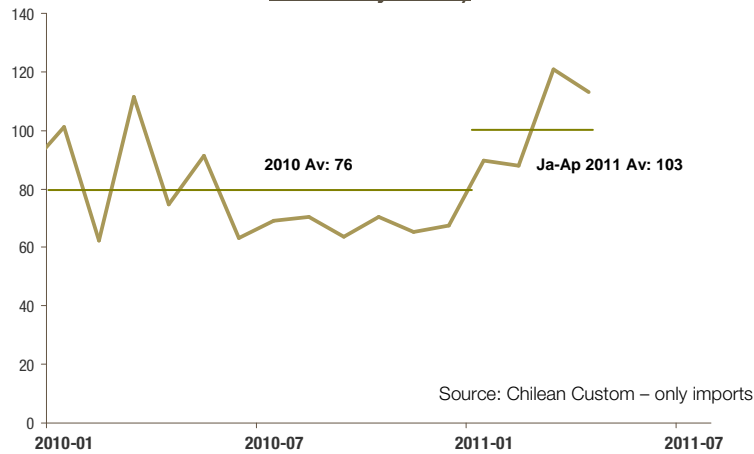
Inverted axis



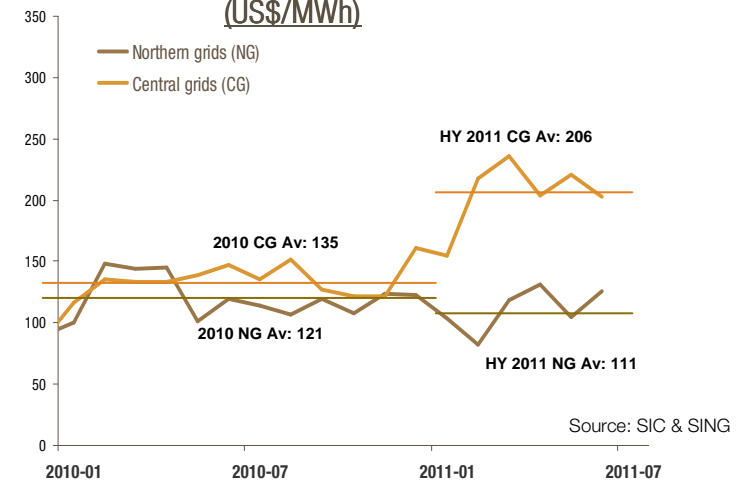
WTI oil price (US\$/barrel)



Monthly prices of sulphuric acid (US\$/tonnes – CIF Mejillones)



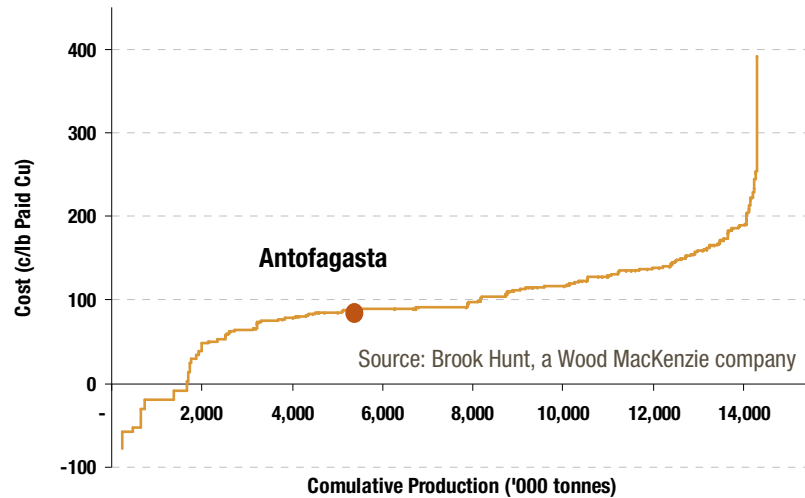
Chilean central and northern grid spot energy prices (US\$/MWh)



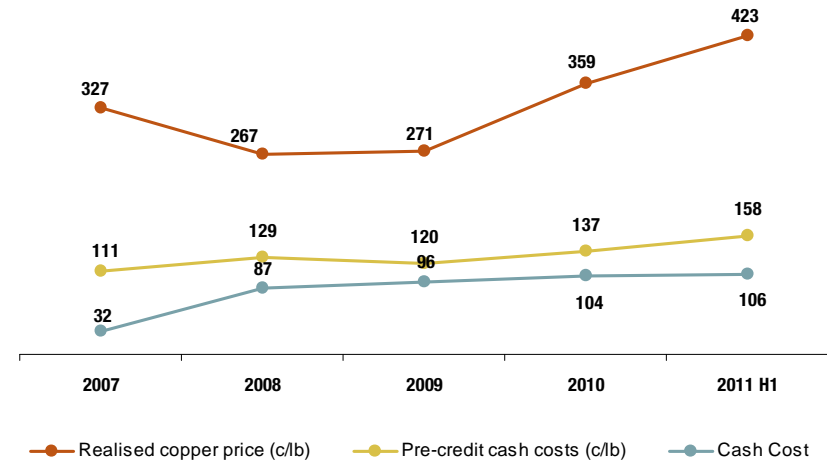
Cash cost profile



2010 copper cost curve (Ranked by C1)



Realised copper price and cash cost



Cash cost by operation (c/lb)

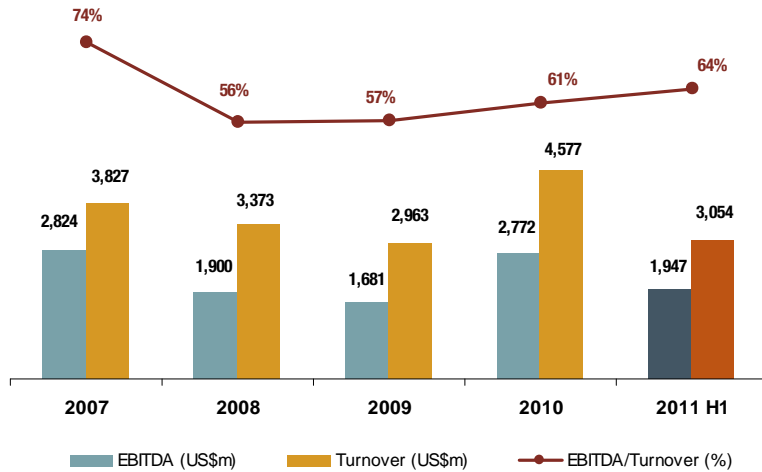
	2009	2010H1	2010H2	2010	2011H1	2011e*	2011b**
Los Pelambres	80.4	68.1	89.8	79.3	75.2	81.0	78.9
Esperanza	-	-	-	-	121.9	120.0	40.6
El Tesoro	123.4	146.6	191.5	169.2	183.0	168.0	160.7
Michilla	157.6	180.4	186.9	183.8	192.5	212.0	197.6
Group weighted average net of by-products	96.3	91.5	115.8	104.0	105.6	110.0	88.1
Group weighted average (before deducting by products)	120.3	126.5	147.5	137.3	157.8	160.0	142.8

* Refers to 2011 estimates at August

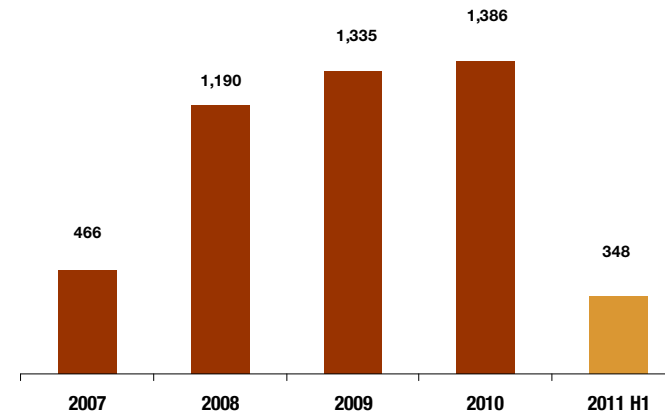
** Refers to original 2011 estimates at March



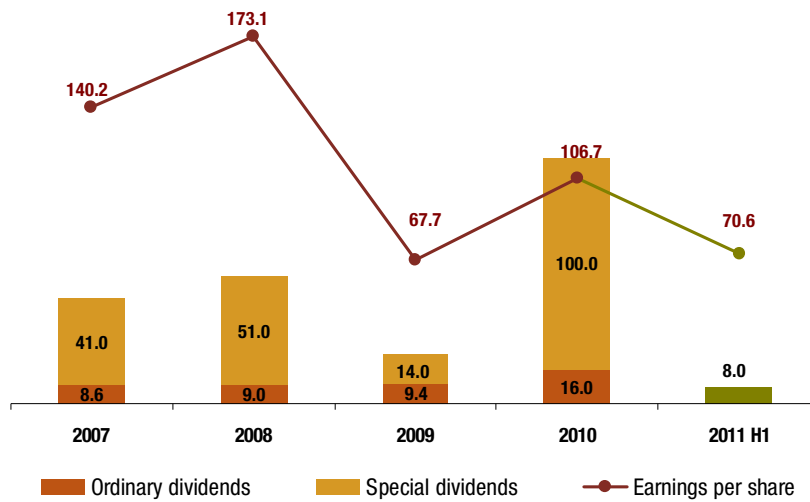
EBITDA (US\$m) and EBITDA margin (%)



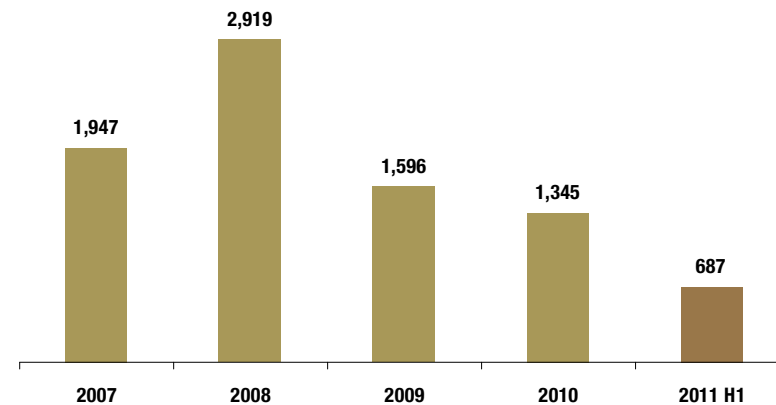
Capital expenditure (US\$m)



Earnings and dividends per share (cents)



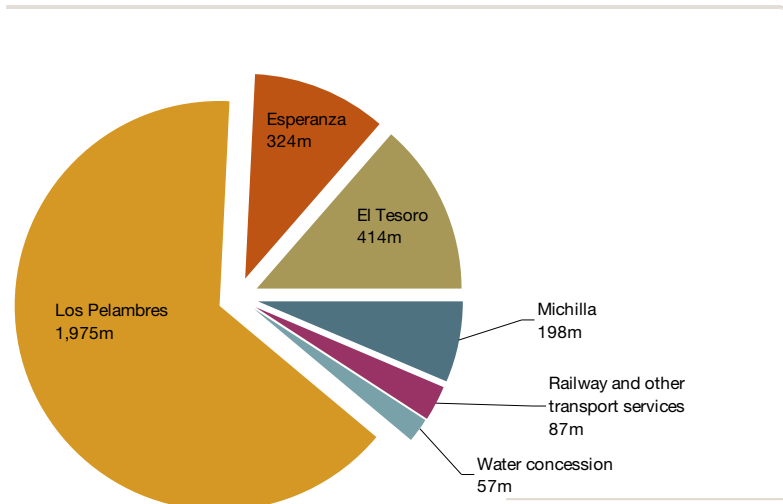
Net cash position (US\$ million)



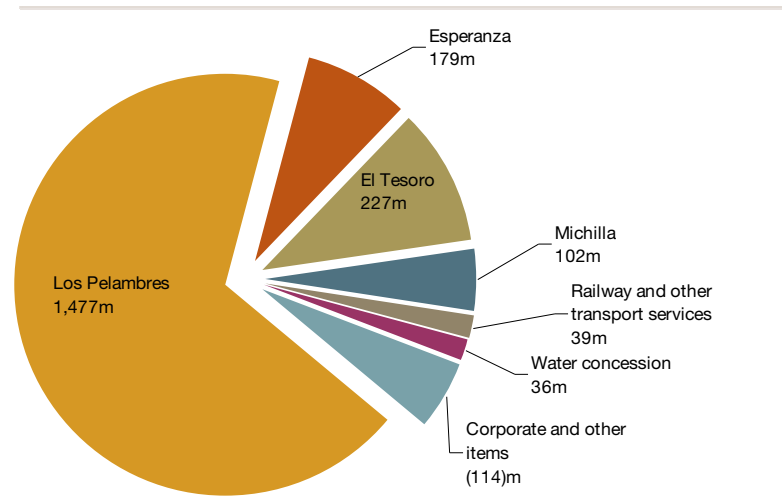
Segmental analysis – 2011



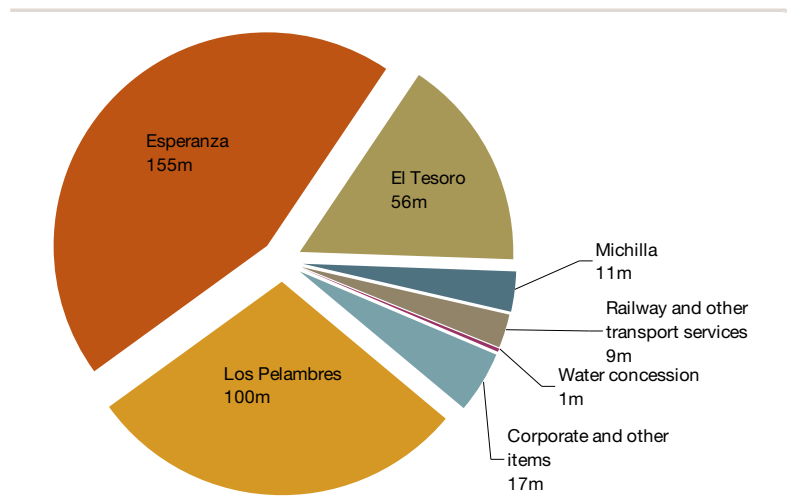
Turnover US\$3,054m



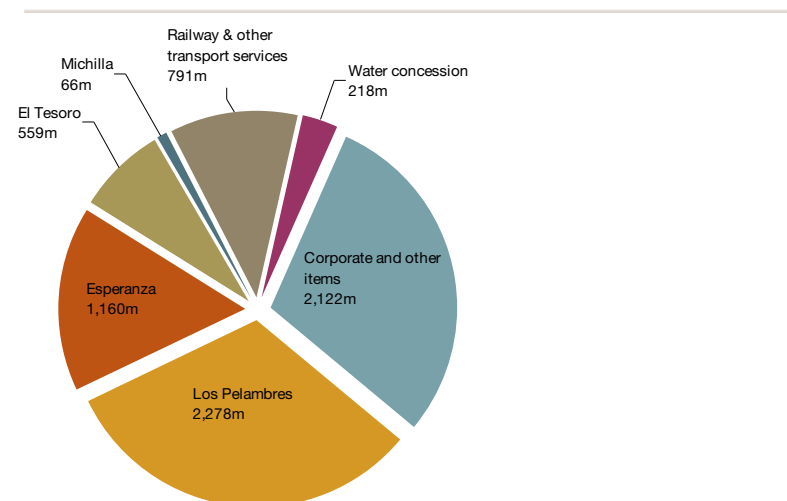
EBITDA US\$1,947m



Capex including intangibles US\$348m (actual basis)



Segment net assets US\$7,194m

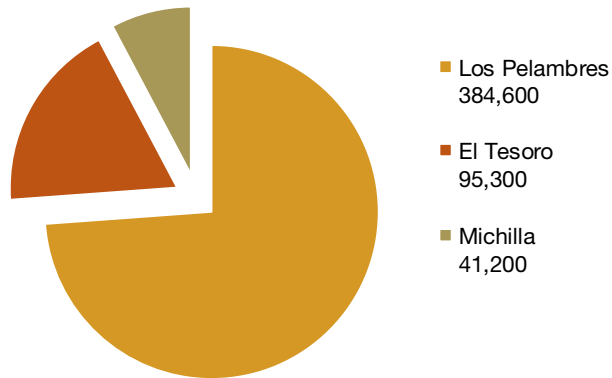


Production analysis



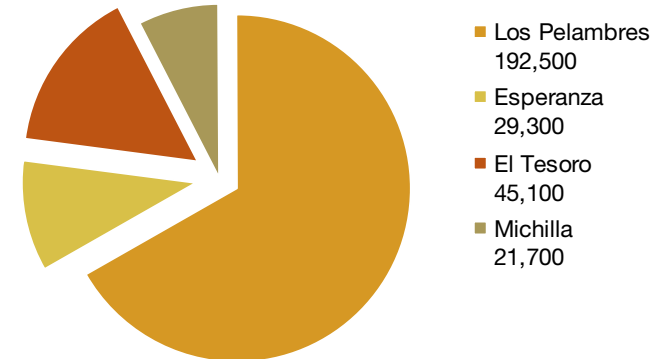
2010 FY Copper production by company ('000 tonnes)

Total: 521,100 tonnes



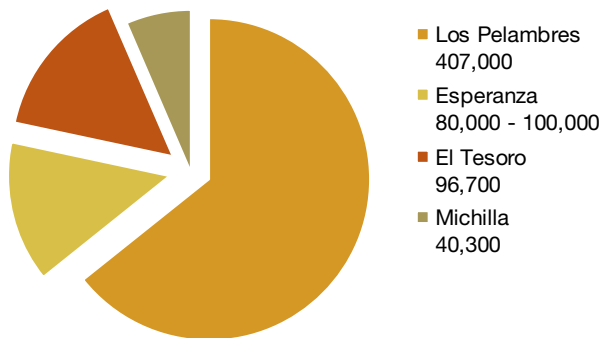
2011 H1 Copper production by company ('000 tonnes)

Total: 288,500 tonnes



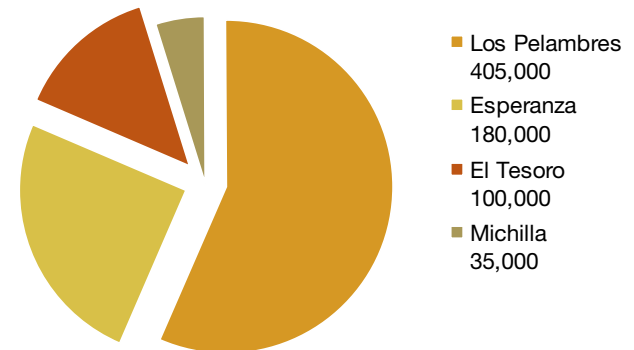
2011 Copper production by company ('000 tonnes)

Total: 620,000 - 640,000 tonnes



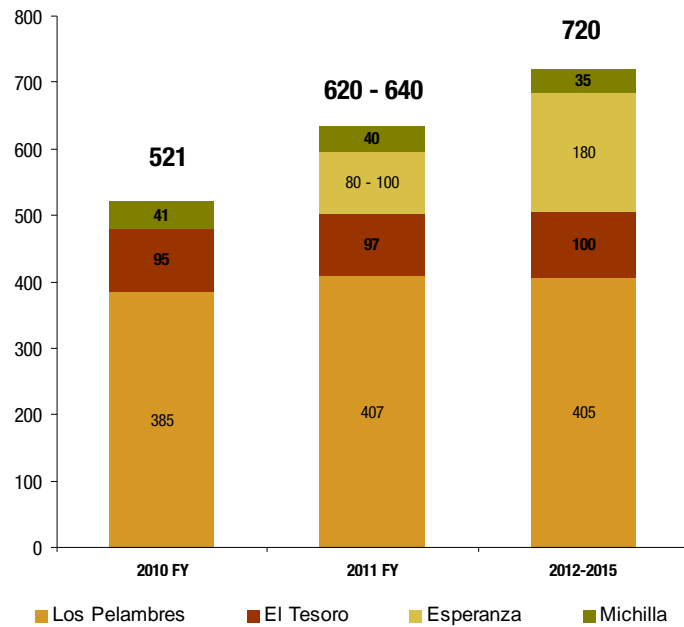
2012-2015 Copper production by company ('000 tonnes)

Annual average : 720,000 tonnes

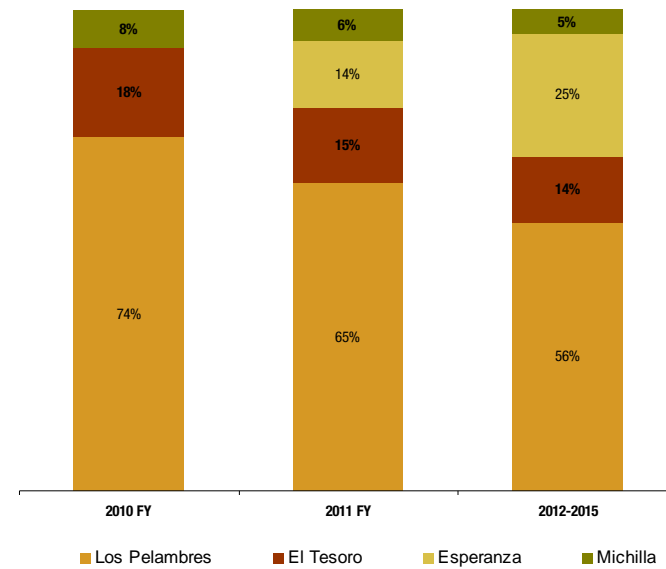




Copper Production ('000 tonnes)



Copper Production (%)





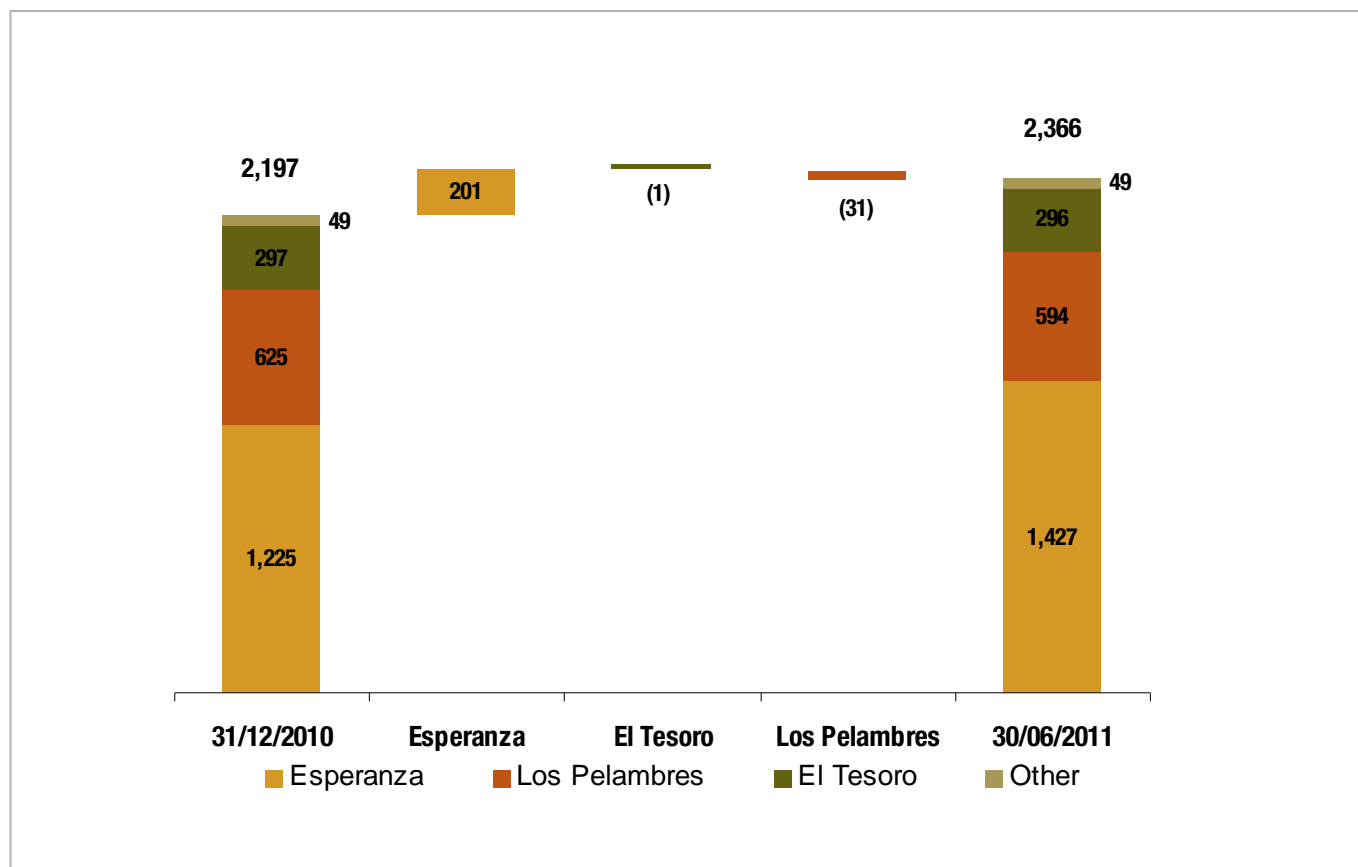
<u>Los Pelambres</u>	<u>2011 H1</u>	<u>2010 H1</u>	<u>11H1 vs. 10H1</u>	<u>2010 H2</u>	<u>11H1 vs. 10H2</u>	<u>2010</u>
Copper sales ('000 tonnes)	196.2	162.4	↑ 20.8%	216.7	↓ -9.5%	379.1
Realised copper price (cents/pound)	423.7	304.1	↑ 39.3%	422.4	↓ 0.3%	371.7
Moly sales ('000 tonnes)	4.4	4.1	↑ 7.3%	4.8	↓ -8.3%	8.9
Realised moly price (US\$/pound)	17.0	16.8	↑ 1.2%	15.6	↑ 9.0%	16.2
Gold sales ('000 ounces)	18.1	15.5	↑ 16.8%	19.6	↓ -7.7%	35.1
Realised gold price (US\$/ounce)	1,480.7	1,154.8	↑ 28.2%	1,302.7	↑ 13.7%	1,236.5
Pre-credit cash cost (cents/pound)	130.8	115.8	↑ 13.0%	132.5	↓ -1.3%	124.4
Cash cost (cents/pound) including by-product credits	75.2	68.1	↑ 10.4%	89.8	↓ -16.3%	79.3

<u>El Tesoro</u>	<u>2011 H1</u>	<u>2010 H1</u>	<u>11H1 vs. 10H1</u>	<u>2010 H2</u>	<u>11H1 vs. 10H2</u>	<u>2010</u>
Copper sales ('000 tonnes)	43.9	46.6	↓ -5.8%	48.7	↓ -9.9%	95.3
Realised copper price (cents/pound)	427.4	319.7	↑ 33.7%	382.7	↑ 11.7%	351.9
Cash cost (cents/pound)	183.0	146.6	↑ 24.8%	191.5	↓ -4.4%	169.2



<u>Esperanza</u>	<u>2011 H1</u>						
Copper sales ('000 tonnes)	27.1						
Realised copper price (cents/pound)	423.2						
Moly sales ('000 tonnes)	-						
Realised moly price (US\$/pound)	-						
Gold sales ('000 ounces)	47.5						
Realised gold price (US\$/ounce)	1,494.7						
Pre-credit cash cost (cents/pound)	270.8						
Cash cost (cents/pound) including by-product credits	121.9						

<u>Michilla</u>	<u>2011 H1</u>	<u>2010 H1</u>	<u>11H1 vs. 10H1</u>	<u>2010 H2</u>	<u>11H1 vs. 10H2</u>	<u>2010</u>
Copper sales ('000 tonnes)	22.3	20.3	↑ 9.9%	21.3	↑ 4.7%	41.6
Realised copper price (cents/pound)	403.4	244.2	↑ 65.2%	282.5	↑ 42.8%	263.8
Cash cost (cents/pound)	192.5	180.4	↑ 6.7%	186.9	↑ 3.0%	183.8



- Esperanza – US\$200 million of new short-term borrowings
- Los Pelambres – Regular repayments of term loans, partly offset by new finance leases

Production and realised prices analysis – 2011 H1



Copper, molybdenum and gold production

	2009	2010H1	2010H2	2010	2011H1	2011e*	2011b**
Copper ('000 tonnes)							
Los Pelambres	311.6	186.1	198.5	384.6	192.5	407.0	419.2
Esperanza	-	-	-	-	29.3	90.0	159.1
El Tesoro	90.2	47.3	48.0	95.3	45.1	96.0	96.1
Michilla	40.6	19.5	21.7	41.2	21.7	40.0	40.4
Group total	442.5	252.9	268.2	521.1	288.5	633.0	714.8
Molybdenum ('000 tonnes)							
Los Pelambres	7.8	4.4	4.4	8.8	4.8	10.5	9.3
Gold ('000 ounces)							
Los Pelambres	23.5	15.5	19.6	35.1	18.1	37.0	37.6
Esperanza	-	-	-	-	52.7	160.0	286.4
Group total	23.5	15.5	19.6	35.1	70.7	197.0	324.0

Realised copper (c/lb), molybdenum (US\$/lb) & gold price (oz/lb)

	2009	2010H1	2010H2	2010	2011H1
Copper					
Los Pelambres	286.8	304.1	422.4	371.7	423.7
Esperanza					423.2
El Tesoro	246.3	319.7	382.7	351.9	427.4
Michilla	195.7	244.2	282.5	263.8	403.4
LME price	234.2	323.4	350.4	342.0	426.3
Molybdenum					
Los Pelambres	11.3	16.8	15.6	16.2	17.0
Market price	11.1	16.1	15.4	15.7	17.0
Gold					
Los Pelambres	-	1,154.8	1,302.7	1,236.5	1,480.7
Esperanza	-	-	-	-	1,494.7
Market price	-	1,152.4	1,297.2	1,226.3	1,445.0

* Refers to 2011 estimates at August

** Refers to original 2011 estimates at March

Cash cost analysis – 2011



Cash cost (c/lb)

	2009	2010H1	2010H2	2010	2011H1	2011e*	2011b**
Los Pelambres	80.4	68.1	89.8	79.3	75.2	81.0	78.9
Esperanza	-	-	-	-	121.9	120.0	40.6
El Tesoro	123.4	146.6	191.5	169.2	183.0	168.0	160.7
Michilla	157.6	180.4	186.9	183.8	192.5	212.0	197.6
Group weighted average net of by-products	96.3	91.5	115.8	104.0	105.6	110.0	88.1
Group weighted average (before deducting by products)	120.3	126.5	147.5	137.3	157.8	160.0	142.8

Los Pelambres cash cost (c/lb)

	2009	2010H1	2010H2	2010	2011H1	2011e*	2011b**
On-site and shipping	95.3	98.4	114.7	106.8	112.0	113.1	106.3
Tolling charges	19.2	17.4	17.8	17.6	18.8	19.2	17.2
Before by-product credits	114.5	115.8	132.5	124.4	130.8	132.3	123.5
By-product credits	(34.1)	(47.6)	(42.8)	(45.1)	(55.5)	(51.3)	(44.6)
After by-product credits	80.4	68.1	89.8	79.3	75.2	81.0	78.9

Esperanza cash cost (c/lb)

	2011H1	2011e*	2011b**
On-site and shipping	255.3	244.0	131.1
Tolling charges	15.5	16.0	14.7
Before by-product credits	270.8	260.0	145.8
By-product credits	(148.9)	(140.0)	(105.2)
After by-product credits	121.9	120.0	40.6

* Refers to 2011 estimates at August

** Refers to original 2011 estimates at March

Cash cost analysis: 2010 actual vs. 2011 actual



Los Pelambres

	cents/lb
2010 HY Actual	68.1
Stronger Chilean Peso and inflation	4.5
Higher engineering costs	4.1
Lower grades impact on unit costs	3.0
Increased maintenance	3.1
Higher inputs costs	2.6
Other costs	2.1
Mine contracts prices impact	2.0
Lower energy price	(7.8)
<i>2011 HY Actual on site and shipping costs</i>	<i>13.6</i>
Tolling charges	1.4
By-product credits	(7.9)
2011 HY Actual	75.2

El Tesoro

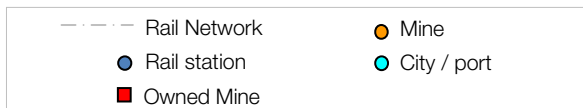
	cents/lb
2010 HY Actual	146.6
Higher acid costs	24.5
Higher energy costs	5.0
Lower grades and recovery impact on unit costs	4.3
Stronger Chilean Peso exchange rate	3.0
Other costs	1.7
Lower fuel costs	(2.1)
2011 HY Actual	183.0

Michilla

	cents/lb
2010 HY Actual	180.4
Higher acid costs	9.5
Stronger Chilean Peso exchange rate	9.4
Other costs	6.3
Lower amount of ore purchased from Enami	(6.5)
Higher ore grades impact on units costs	(6.6)
2011 HY Actual	192.5



Chile's Antofagasta Region



Transport 2011 H1

- Combined rail and road volumes of 4.1 million tonnes (rail volumes of 3.2 million tonnes and road volumes of 0.9 million tonnes)
- Total revenues US\$87 million (*)
- EBITDA US\$39 million

Water 2011 H1

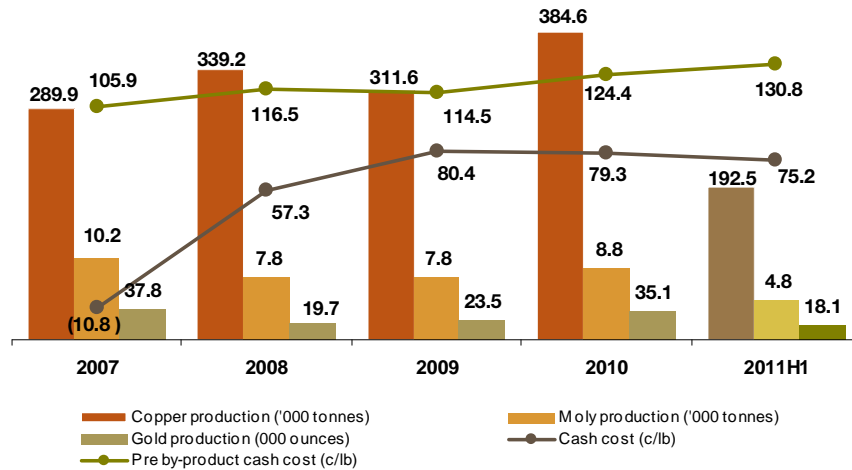
- Water volume of 24.0 million m3
- Revenues US\$57 million (**)
- EBITDA US\$36 million

(*) Represents third party revenues, stated after eliminating sales to Antofagasta's mining division of US\$8.1m

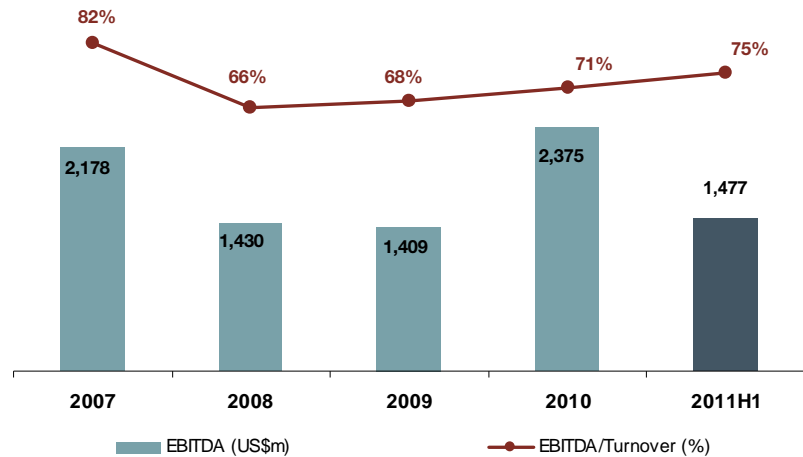
(**) Represents third party revenues, stated after eliminating sales to Antofagasta's mining division of US\$3.4m



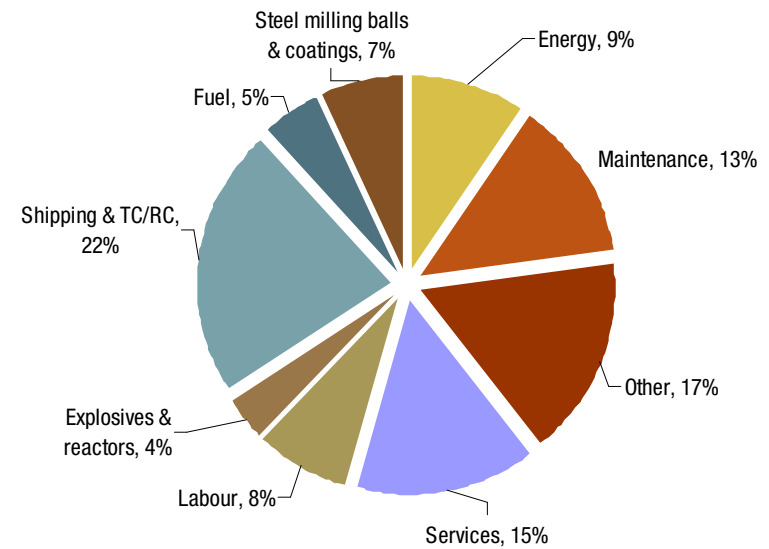
Production and cash cost



EBITDA (US\$m) and EBITDA margin (%)

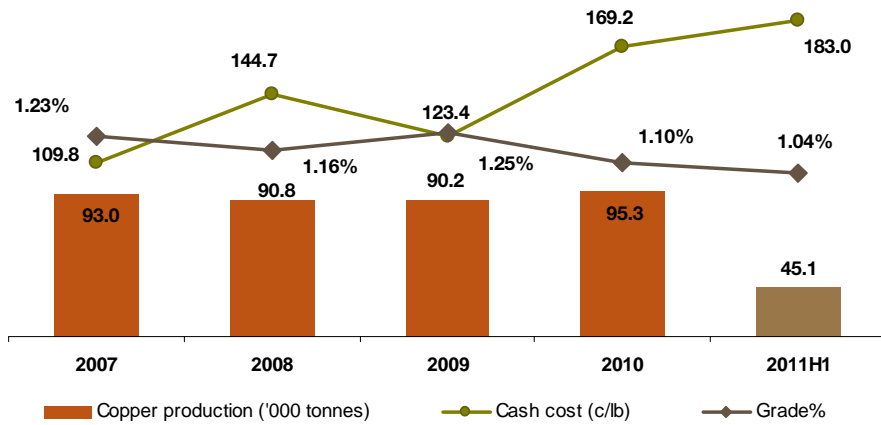


Cash operating cost – 2011 H1 excluding by-products

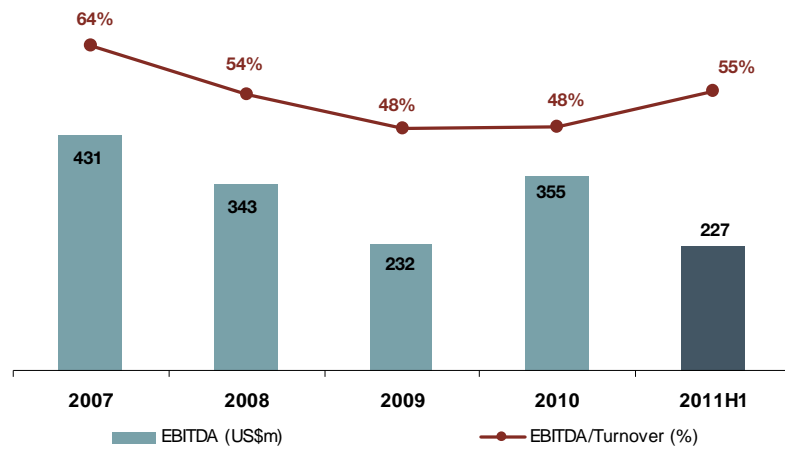




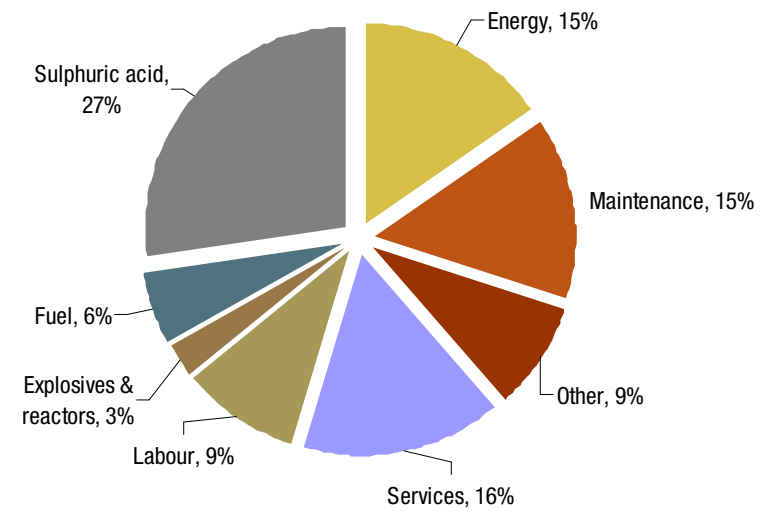
Production and cash cost



EBITDA (US\$m) and EBITDA margin (%)

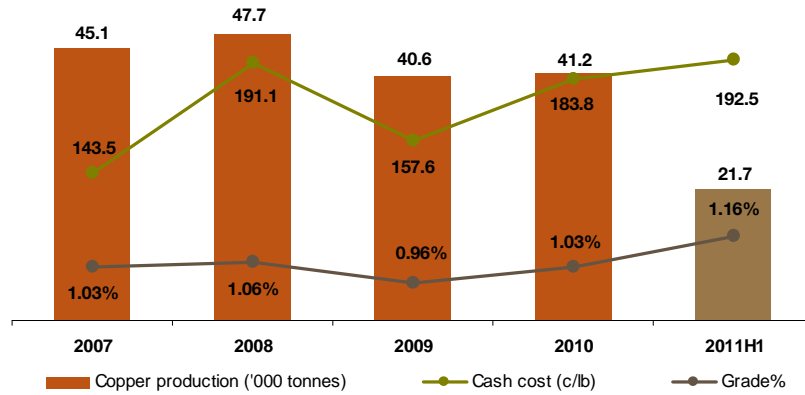


Cash operating cost – 2011 H1

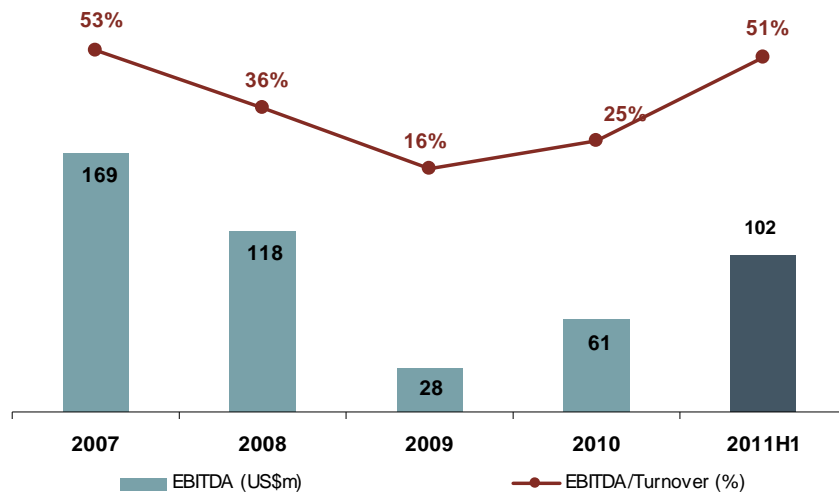




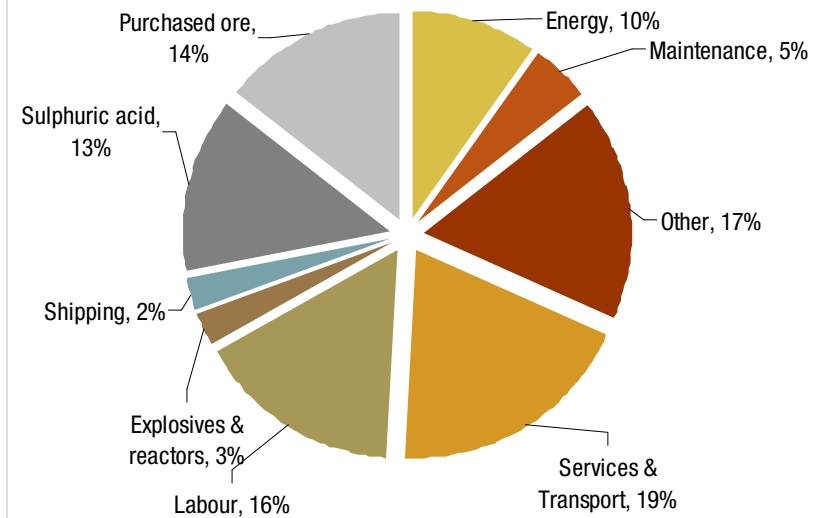
Copper production and cash cost



EBITDA (US\$m) and EBITDA margin (%)

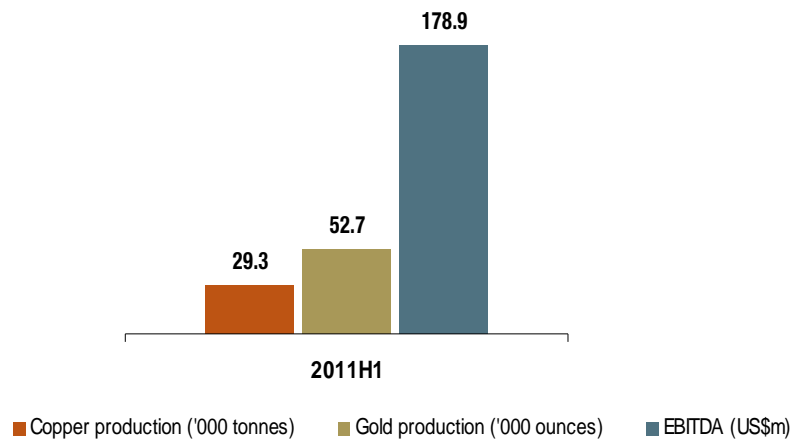


Cash operating cost – 2011 H1





Production and EBITDA

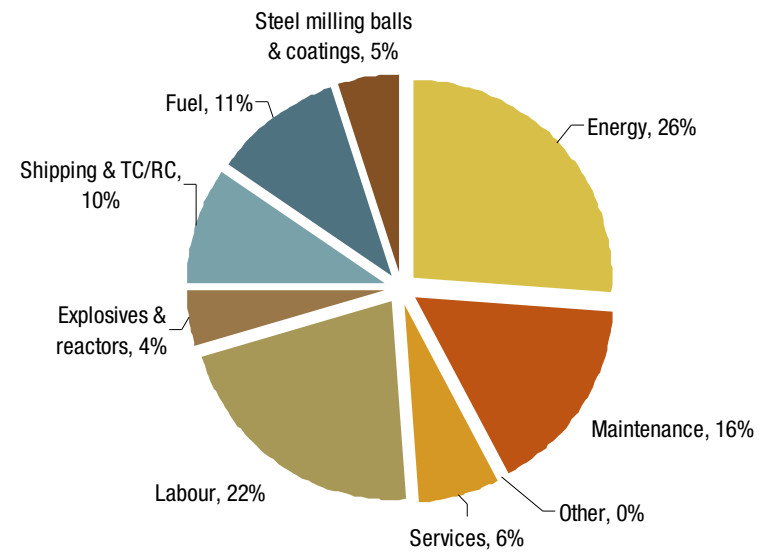


Cash Cost - 121.9 c/lb

Cash Cost before by-product - 270.8 c/lb and

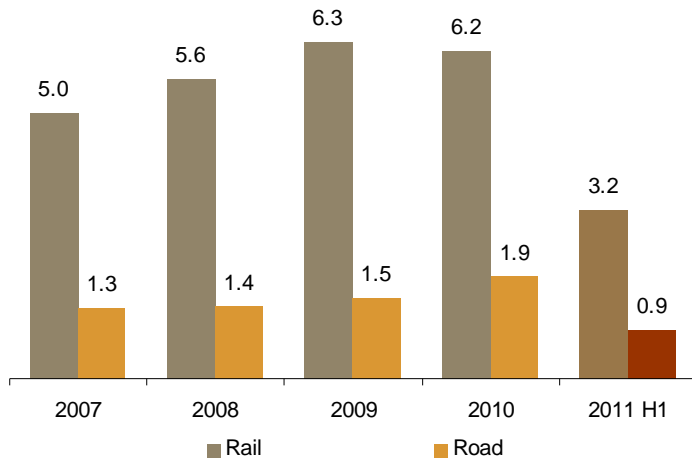
EBITDA margin was 55%

Cash operating cost – 2011 H1 excluding by-products

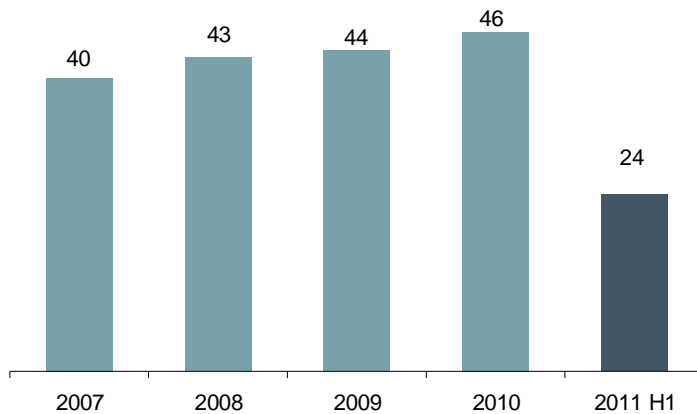




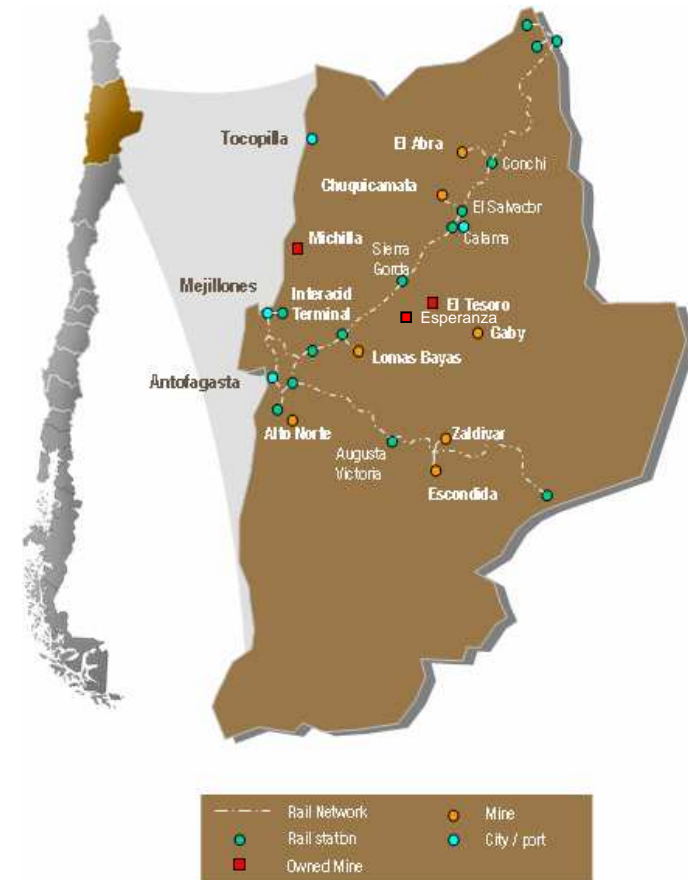
Rail and road volumes (million tonnes)



Water volumes sold (million m³)



Chile's Antofagasta Region



Reserves and resources (at 31 December 2010)



Ore Reserves and Mineral Resources Estimates

At 31 December 2010

	Tonnage (millions of tonnes)		Copper (%)		Molybdenum (%)		Gold (g/tonne)		Attributable Tonnage (millions of tonnes)	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Ore reserves										
<i>Group subsidiaries</i>										
Los Pelambres	1,433	1,503	0.64	0.64	0.018	0.018	0.03	0.03	860	902
El Tesoro	233	212	0.62	0.57	-	-	-	-	163	148
<i>Open Pit, Tesoro North-East and Mirador</i>	130	106	0.83	0.77	-	-	-	-	91	74
<i>El Tesoro ROM (Esperanza Oxides)</i>	102	106	0.35	0.36	-	-	-	-	72	74
Esperanza Sulphides	587	583	0.55	0.54	0.010	0.010	0.22	0.22	411	408
Michilla	6	10	1.53	1.35	-	-	-	-	4	7
Group Total	2,259	2,307	0.62	0.61					1,438	1,465
Mineral Resources (including ore reserves)										
<i>Group subsidiaries</i>										
Los Pelambres	5,818	6,165	0.53	0.52	0.010	0.011	0.04	0.04	3,491	3,699
El Tesoro	276	302	0.59	0.61	-	-	-	-	193	221
<i>Open Pit, Tesoro North-East and Mirador</i>	155	170	0.80	0.81	-	-	-	-	109	129
<i>El Tesoro ROM (Esperanza Oxides)</i>	121	132	0.33	0.35	-	-	-	-	85	92
Esperanza Sulphides	1,923	1,204	0.39	0.45	0.010	0.012	0.11	0.15	1,346	843
Michilla	56	43	1.78	2.27	-	-	-	-	42	32
Antucoya	1,509	1,509	0.27	0.27	-	-	-	-	1,509	1,509
Telégrafo	2,728	-	0.35	-	-	-	-	-	1,910	-
<i>Oxides</i>	51	-	0.21	-	-	-	-	-	36	-
<i>Sulphides</i>	2,677	-	0.36	-	0.010	-	0.10	-	1,874	-
Caracoles	1,129	-	0.45	-	-	-	-	-	1,129	-
<i>Oxides</i>	132	-	0.50	-	-	-	-	-	132	-
<i>Sulphides</i>	996	-	0.45	-	0.015	-	0.18	-	996	-
Group Subsidiaries Total	13,439	9,223	0.44	0.48					9,619	6,304
<i>Group Joint Ventures</i>										
Reko Diq	5,868	5,868	0.41	0.41	-	-	0.22	0.22	2,200	2,200
Group Total	19,307	15,091	0.43	0.46					11,820	8,504

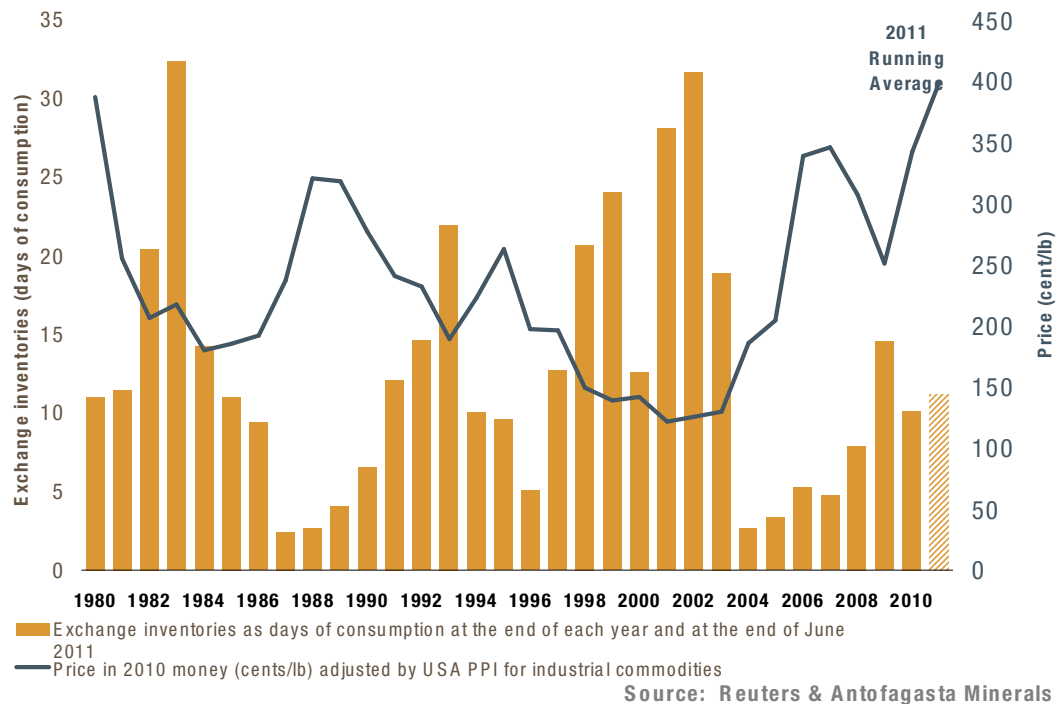
Mineral Inventory:

- Sierra Gorda district: Ranging from 450 to 690 million tonnes with grades between 0.54% and 0.44% copper
- Michilla district: Ranging from 15 to 25 million tonnes with grades between 1.2% and 1.0% copper
- El Abra district: Ranging from 490 to 740 million tonnes with grades between 0.7% and 0.6% copper

Duluth Metals, the Groups partner, published an NI 43-101 compliant resource estimate consisting of 550 and 274 million tonnes of indicated and inferred resource, respectively, with a combined copper grade of approximately 0.6% and a combined copper equivalent grade of approximately 1.5%. The reserves and resources figures represent full reserves and resources, not the Group's attributable share for each mine/project



Copper price and exchange inventories

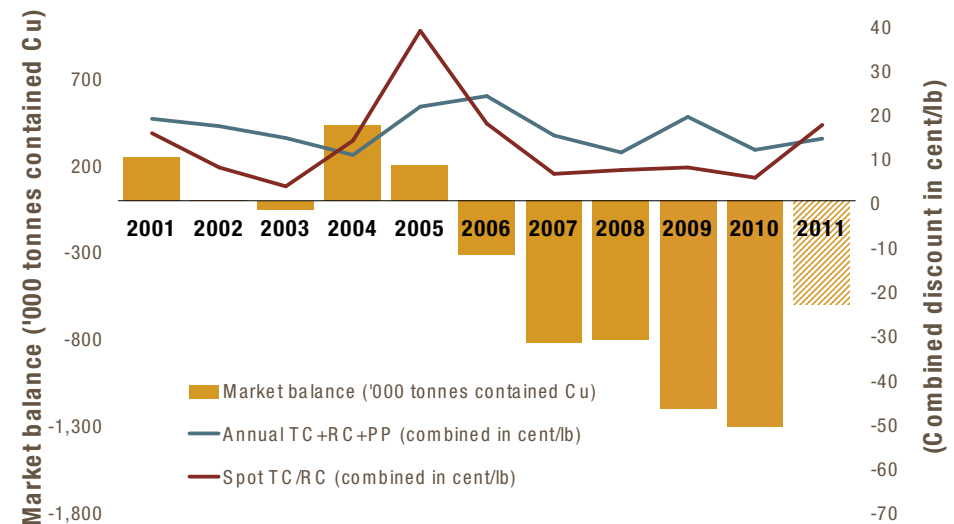


- Favourable market scenario supported by solid fundamentals and the appetite from the investment community
- LME copper price very strong during 1H-11 with an all time high of 460.3 cents/lb in February
- Although visible stocks have increased, there has been a significant reduction in the working inventories downstream and in bonded warehouses in China
- Recent financial events in the USA and Europe have negatively impacted the market with the copper price falling below 400 cents/lb
- Market analysts expect that the copper price should recover as the uncertainty in the world economy diminishes. Market consensus for 2011 is for an average price over 420 cents/lb



- Relatively balanced market during 2011 H1 due to low smelter capacity utilisation, good scrap availability and reduction of stocks
- Spot market getting tighter again after temporary easing due to Onahama smelter shut-down (operation resumed in early July)
- Continuous mine disruptions have tightened the market and spot TC/RCs have fallen from 110/11 after the earthquake in Japan to a low of 40's/4's recently.
- Long-term fundamentals remain unchanged with the concentrates market expected to be in deficit during the next years
- Mid-year contracts reported to be settled at 85/8.5 with year-end TC/RCs expected to be much lower

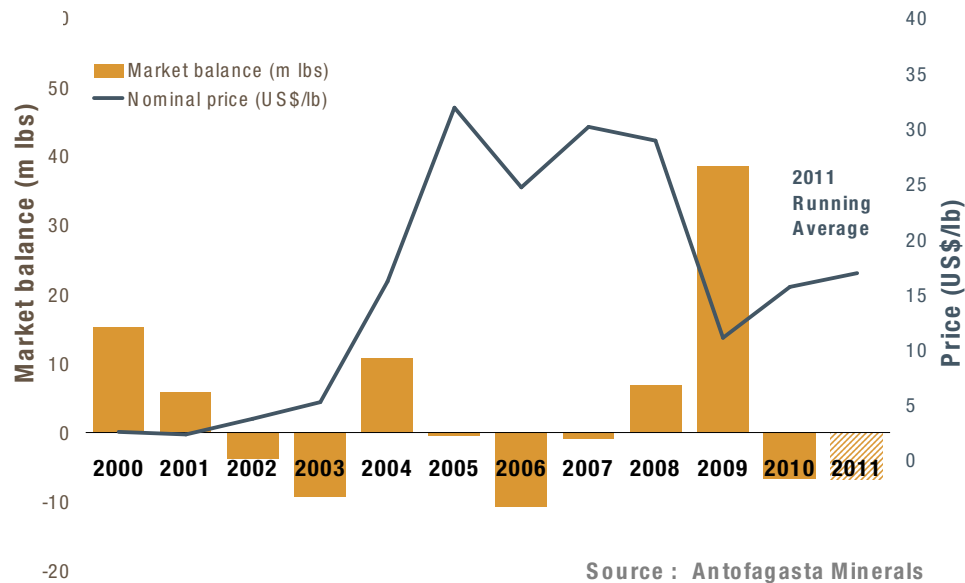
Market balance and terms



Source : Antofagasta Minerals



Molybdenum price and market balance



- Stable and balanced supply & demand market during 2011 H1
- Molybdenum price trading in a narrow range and averaging US\$ 17 per pound, though trending down
- China negatively impacted the price by becoming a net exporter of about 8 million pounds in first six months after being a net importer in 2009 and 2010
- During 2011 H2 demand is expected to remain reasonably robust with increased downside risk due to the more negative economic environment. Producers are performing well but with limited additional supply the market is expected to remain stable
- Market consensus is for a price of approximately US\$16 per pound in 2011



- Combination of low interest rates, excess liquidity provided by central banks, and renewed concerns over recovery of the global economy has taken the price of gold to new records (over US\$1,800 per ounce in August)
- Recent events in the U.S. around debt ceiling debate and especially S&P's downgrade of its debt have also contributed to increase the demand for gold as an alternative shelter to US Treasury securities
- Volatility of US Dollar in recent months has also supported gold as hard currency, especially as sovereign crisis of peripheral European countries has hit the Euro and as inflation concerns grow in most markets
- Strong investor demand in recent months, with ETFs displaying net inflows. Futures and OTC markets also very robust
- Demand for bars and coins remains robust, especially in Asia
- Jewellery demand strong, especially in India and China
- Official sector continues adding gold as reserve asset, with emerging countries leading the trend. No further sales of gold by European central banks under their gold agreement
- Industrial demand strong for electronics

Gold price and 5-year real rates

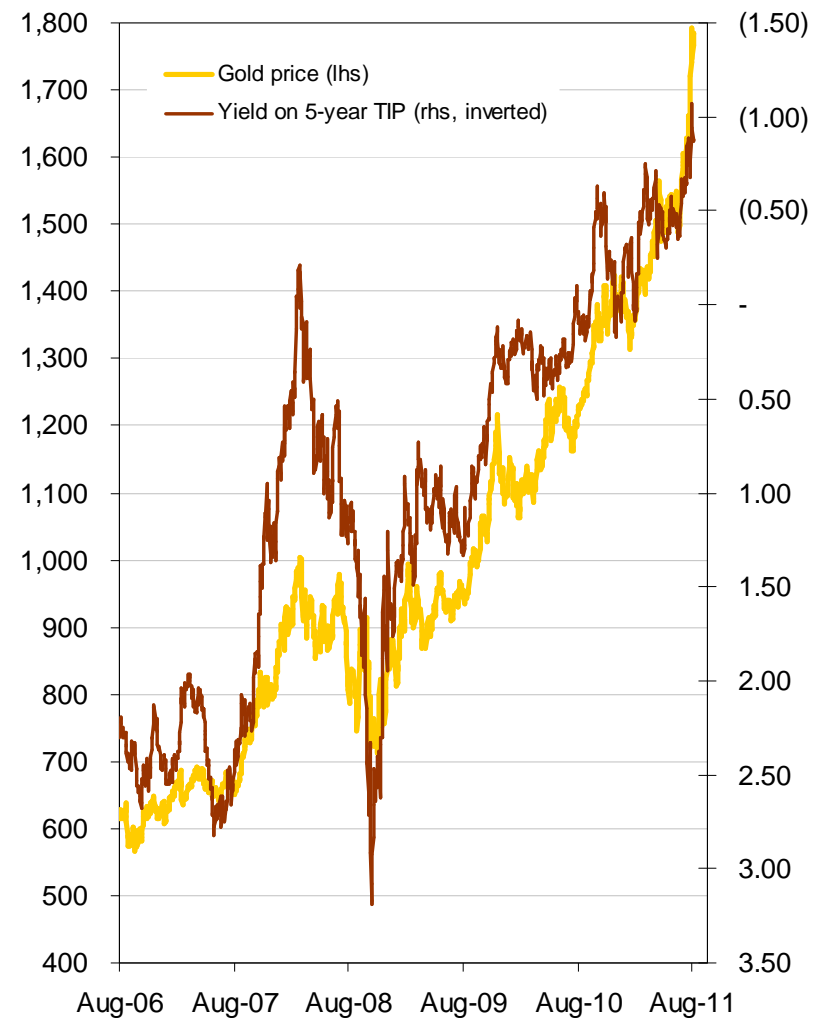




Table 4% to 9%

Specific Progressive Tax Table (31/08/2010)										
Section N°	Margin Section (%)		Mg Rate %	Reduction %	effective tax (% IEM as Margin)					
	From	To			Minimum	Efect. Rate	Medium	Efect. Rate	Maximum	Efect. Rate
1	0.01%	35%	4.0%	0.00%	0.0%	4.0%	0.7%	4.0%	1.4%	4.0%
2	35.01%	40%	4.0%	0.00%	1.4%	4.0%	1.5%	4.0%	1.6%	4.0%
3	40.01%	45%	8.5%	1.80%	1.6%	4.0%	1.8%	4.3%	2.0%	4.5%
4	45.01%	50%	12.0%	3.37%	2.0%	4.5%	2.3%	4.9%	2.6%	5.3%
5	50.01%	55%	13.5%	4.13%	2.6%	5.2%	3.0%	5.6%	3.3%	6.0%
6	55.01%	60%	15.0%	4.95%	3.3%	6.0%	3.7%	6.4%	4.1%	6.8%
7	60.01%	65%	16.5%	5.86%	4.0%	6.7%	4.5%	7.1%	4.9%	7.5%
8	65.01%	70%	18.0%	6.83%	4.9%	7.5%	5.3%	7.9%	5.8%	8.2%
9	70.01%	75%	19.5%	7.89%	5.8%	8.2%	6.2%	8.6%	6.7%	9.0%
10	75.01%	100.0%	9.0%	0.01%	6.7%	9.0%	7.9%	9.0%	9.0%	9.0%
Max						9.0%		9.0%		9.0%

Table 5% to 14%

Specific Progressive Tax Table (13/10/2010)										
Section N°	Margin Section (%)		Mg Rate %	Reduction %	effective tax (% IEM as Margin)					
	From	To			Minimum	Efect. Rate	Medium	Efect. Rate	Maximum	Efect. Rate
1	0.01%	35%	5.0%	0.00%	0.0%	5.0%	0.9%	5.0%	1.8%	5.0%
2	35.01%	40%	8.0%	1.05%	1.8%	5.0%	1.9%	5.2%	2.1%	5.4%
3	40.01%	45%	10.5%	2.05%	2.1%	5.4%	2.4%	5.7%	2.7%	5.9%
4	45.01%	50%	13.0%	3.18%	2.7%	5.9%	3.0%	6.3%	3.3%	6.6%
5	50.01%	55%	15.5%	4.43%	3.3%	6.6%	3.7%	7.1%	4.1%	7.4%
6	55.01%	60%	18.0%	5.81%	4.1%	7.4%	4.5%	7.9%	5.0%	8.3%
7	60.01%	65%	21.0%	7.61%	5.0%	8.3%	5.5%	8.8%	6.0%	9.3%
8	65.01%	70%	24.0%	9.56%	6.0%	9.3%	6.6%	9.8%	7.2%	10.3%
9	70.01%	75%	27.5%	12.01%	7.2%	10.3%	7.9%	10.9%	8.6%	11.5%
10	75.01%	80%	31.0%	14.64%	8.6%	11.5%	9.4%	12.1%	10.2%	12.7%
11	80.01%	85%	34.5%	17.45%	10.2%	12.7%	11.0%	13.4%	11.9%	14.0%
Max	85.01%	100%	14.0%	0.02%	11.9%	14.0%	12.9%	14.0%	14.0%	14.0%

Safety statistics



	Lost Time Injury Frequency Rate (LTIFR)					All Injury Frequency Rate (AIFR)					Number of Fatalities				
	2010	2009	2008	2007	2006	2010	2009	2008	2007	2006	2010	2009	2008	2007	2006
Chilean mining industry	3.6	4.0	5.8	5.9	5.8	n/a	n/a	n/a	n/a	n/a	45	35	43	40	31
Los Pelambres	0.9	1.3	1.3	1.7	2.3	2.6	3.6	6.6	5.3	7.5	2	4	-	-	-
El Tesoro	0.5	1.7	2.0	1.2	2.2	4.6	6.0	6.6	13.1	19.4	-	1	-	-	-
Michilla	4.2	3.2	4.4	2.6	1.3	8.8	9.9	12.1	12.8	12.7	-	-	-	1	1
Esperanza	1.6	1.5	1.6	n/a	n/a	14.7	15.0	8.2	n/a	n/a	-	-	-	n/a	n/a
AMSA including exploration	3.2	6.0	5.4	n/a	n/a	13.6	23.0	13.1	-	-	-	-	1	n/a	n/a
Mining	1.6	1.7	2.2	1.8	2.0	10.1	8.5	8.2	9.0	11.6	2	5	1	1	1
FCAB	7.4	12.0	13.9	19.2	15.3	26.4	33.9	35.7	44.3	37.5	-	-	-	-	3
ADASA	5.6	7.0	11.5	8.6	9.1	22.4	16.8	21.6	28.7	29.9	-	-	-	-	-
Group	1.9	2.8	4.4	5.6	4.9	11.0	11.0	12.9	17.1	17.5	2	5	1	1	4

Definitions:

LTIFR – Number of accidents with lost time during the year per million hours worked.

AIFR – Number of accidents with and without lost time during the year per million hours worked.

Chilean mining industry source – Servicio Nacional de Geología y Minería. Comparative figures for 2010 have been updated to reflect the full year.



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