



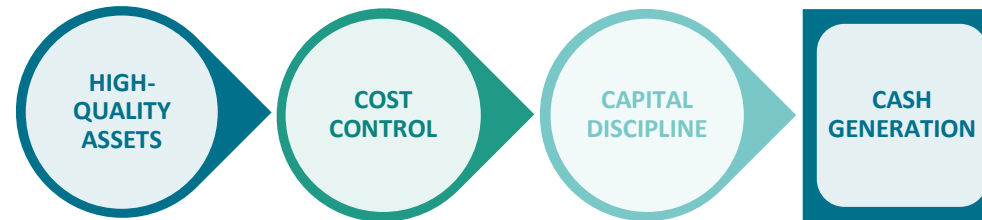
ANTOFAGASTA PLC

THE BUSINESS

Mining is the Group's core business, representing 96% of Group revenue and EBITDA. The Group operates four copper mines in Chile, and produces significant volumes of gold and molybdenum as by-products. The Group also has a portfolio of growth opportunities located predominantly in Chile.

In addition to mining the Group's transport division provides rail and road cargo services in northern Chile predominantly to mining customers, including to some of the Group's own operations.

OUR INVESTMENT CASE



- HIGH-QUALITY ASSETS**
 - Large resource base
 - Low cost, long-life operations
 - Strong, growing production
- COST CONTROL**
 - Cost & Competitiveness Programme
 - Technical innovation
 - Improving productivity
- CAPITAL DISCIPLINE**
 - Disciplined capital allocation
 - Strong, flexible balance sheet
 - Consistent dividend policy
 - Shareholder returns

KEY FACTS

- Listed on the London Stock Exchange in 1888
- 985.9M ordinary shares in issue.
- Constituent of FTSE 100.
- 65% of ordinary share capital owned by Luksic Group of Chile.
- Stock symbol ANTO.

COPPER PRODUCTION AND NET CASH COSTS

2017 REVENUE 2017 EBITDA 2017 FORECAST

STRATEGIC FOCUS

MINING OPERATIONS	2017 REVENUE	2017 EBITDA	COPPER PRODUCTION AND NET CASH COSTS		STRATEGIC FOCUS	KEY
			2017	FORECAST		
ANTUCOYA – 70% owned – 22-year mine life – Produces copper cathodes	11%	8%	80,500t \$1.68/LB	75-80,000t \$1.75/LB	– 2017 first year of full output – New mine to exploit long life deposit – Uses existing power & water infrastructure	
CENTINELA – 70% owned – 50-year mine life – Produces copper concentrates containing gold and silver, and copper cathodes	35%	33%	228,300t \$1.36/LB	230-245,000t \$1.50/LB	Three growth projects: – Encuentro Oxide project completed in 2H17 and produce 50kt – Molybdenum plant completed in 2018 with production of 2.6kt per year – Growth alternatives under evaluation. Either build a second concentrator or expand the current concentration plant	
ZALDÍVAR – 50% owned (and operator) – 13-year mine life – Produces copper cathodes		5%	51,700t \$1.62/LB	55-60,000t \$1.70/LB	– Achieving operating and financial synergies following acquisition in Dec 2015 – Blue sky potential of primary ore body	
LOS PELAMBRES – 60% owned – 21-year mine life – Produces copper concentrates containing gold and silver, and a separate molybdenum concentrate	51%	55%	343,800t \$1.02/LB	345-355,000t \$1.10/LB	Los Pelambres Incremental Expansion: – Phase 1 will increase throughput capacity to 190ktpd and 55ktpa of Cu production from 2021 – Phase 2 will further increase throughput capacity and production by 35ktpa and increase the mine life	
TRANSPORT The transport division operates the main cargo transport system in the Antofagasta Region of Chile, moving goods and materials, such as sulphuric acid and copper cathodes, to and from mines by road and on its 900 km rail network.	4%	4%			– Strengthening sustainability, productivity & cost management – Acquiring new locomotives	
GROUP	\$4,749M	\$2,587M	704,300t \$1.25/LB	705-740,000t \$1.35/LB	– Emphasis on disciplined production – Focus on cost and operating reliability – Creating long term value through sustainability & innovation	

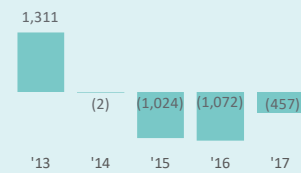
FOOTNOTES:
1. EBITDA includes exploration, evaluation and corporate activities.



ANTOFAGASTA BY NUMBERS

FINANCIAL KPIs

NET CASH/(DEBT)



\$(457)M

WHY IS IT IMPORTANT

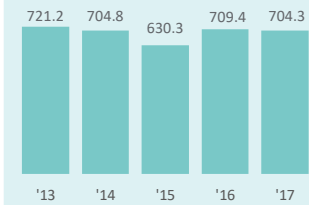
Net Cash/Debt is a measure of the financial position of the Group.

PERFORMANCE IN 2017

Net Debt fell by \$616m in 2017 as a result of higher cash generation.

OPERATING KPIs

COPPER PRODUCTION



704,300 TONNES

WHY IS IT IMPORTANT

Copper is the Group's main product and its production is a key operating parameter. Includes all production from Los Pelambres, Centinela and Antucoya, and 50% from Zaldívar.

PERFORMANCE IN 2017

Copper production decreased by 0.7% in 2017, primarily on lower grades at Los Pelambres offset by Encuentro Oxides and full year production at Antucoya.

SUSTAINABILITY KPIs

LOST TIME INJURY FREQUENCY RATE²



1.4

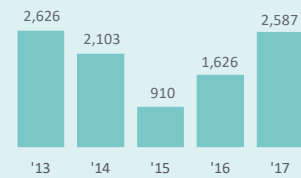
WHY IS IT IMPORTANT

Safety is a key priority for the Group with the LTIFR being one of the principal measures of performance.

PERFORMANCE IN 2017

Zero fatalities and the Lost Time Injury Frequency Rate of the Group reduced to 1.4 accidents with lost time per million hours worked.

EBITDA*



\$2,587M

* Restated for discontinued operations

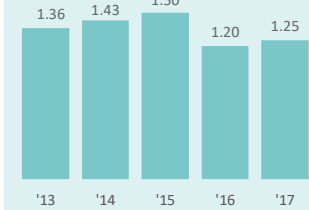
WHY IS IT IMPORTANT

This is a measure of the Group's underlying profitability.

PERFORMANCE IN 2017

EBITDA rose in 2017, mainly as a result of higher prices.

NET CASH COSTS¹



\$1.25/LB

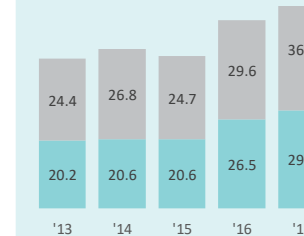
WHY IS IT IMPORTANT

This is a key indicator of operating efficiency and profitability.

PERFORMANCE IN 2017

Net cash costs increased 4.2% compared to 2016, reflecting higher input prices, stronger local currency and lower grades.

WATER CONSUMPTION³



65.7M M³

WHY IS IT IMPORTANT

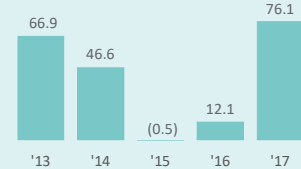
The Group is focused on using the most sustainable sources and maximising its efficient use.

PERFORMANCE IN 2017

Consumption of water increased during 2017, mainly after the commissioning of the Encuentro Oxides project and the adoption of ICMC's new water reporting standards.

CONTINENTAL SEA

EARNINGS PER SHARE*



76.1 CENTS

* Restated for discontinued operations

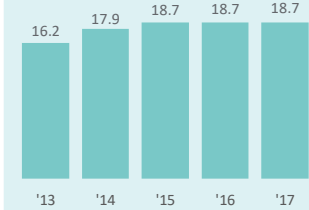
WHY IS IT IMPORTANT

This is a measure of the profit attributable to shareholders.

PERFORMANCE IN 2017

EPS rose due to higher profitability and realised prices.

MINERAL RESOURCES¹



18.7BN TONNES

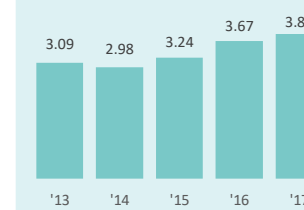
WHY IS IT IMPORTANT

Expansion of the Group's mineral resources base supports its strong organic growth pipeline.

PERFORMANCE IN 2017

Mineral resources decreased by 0.4%. Although new mineral resources added during the year offset tonnes mined, changed economic parameters reduced mineral resources overall.

EMISSIONS⁴



3.87 TONNES

WHY IS IT IMPORTANT

The Group recognises the risks and opportunities of climate change and the need to measure and mitigate its greenhouse gas ("GHG") emissions.

PERFORMANCE IN 2017

Carbon emission intensity increased from 2016 primarily due to Antucoya operating at full production for the full year, the commissioning of Encuentro Oxides and the slight decrease in total production.

FOOTNOTES:

1. Mineral resources relating to the Group's subsidiaries on a 100% basis and Zaldívar's on a 50% basis.
2. The Lost Time Injury Frequency Rate is the number of accidents with lost time during the year per million hours worked.
3. Water consumption relates to the mining division only.
4. CO₂ emissions per tonne of copper produced. Data relate to the mining division only.



ANTOFAGASTA PLC

APPROACH TO SUSTAINABILITY



PEOPLE

The safety and health of our workers is our primary obligation.

Committed to the well-being, motivation and professional development of our workers.

- **No fatal accidents since July 2016.** 2017: Mining Group LTIFR 1.0; Antofagasta LTIFR 1.4
- Implemented a new **Occupational Health Model**
- **Successful collective negotiations** with unions at all operations
- **New Diversity and Inclusion strategy**



ECONOMIC PERFORMANCE

Constantly looking for sustainable ways to improve our operating efficiency to ensure the creation of value for our shareholders and others stakeholders.

- HY 2018: **EBITDA Margin 42.6%**
- **Copper production 317,000t** 8.5% lower than HY 2017
- **Cash costs of \$1.52/lb**, in HY 2018, due to expected lower production volumes
- Cumulative savings since 2014 of **\$579 million** from Cost and Competitiveness Programme
- Sustained focus on **productivity, innovation** to gain a competitive advantage and efficient **capital allocation**



SOCIAL DEVELOPMENT

Significant contribution to the development and well-being of the communities that welcome us.

Transparent, participative and effective dialogue processes.

- **Caimanes Agreement**: social projects defined through a participative process with the community
- **Somos Choapa** programme to contribute to the sustainable development of the Choapa Province
- **Dialogues for Development** in the Antofagasta Region
- Establishing indicators to measure **contribution to local communities' wellbeing**



ENVIRONMENTAL MANAGEMENT

Working to prevent, control and mitigate our impact on the environment.

Constantly seeking ways to make efficient use of natural resources.

- **45%** of water used by the Group in 2017 came from the sea
- **300kt CO₂ emissions reduction target**: will use more electricity from renewable sources, improving energy efficiency and offset with new green areas
- Zaldivar signed a Power Supply Agreement which will provide **100% renewable energy from 2020**
- Began implementing new **Environmental Management Model** and critical controls for key environmental risks



CORPORATE GOVERNANCE

Conducting business in an honest and transparent manner, and respecting human rights and the law.

- Board assisted by **five Committees** to ensure appropriate deliberation on most important issues
- **Audit and Risk Committee** reviews whistleblowing procedures for employees and contractors and reviews compliance with the Code of Ethics
- All contracts with contractors include **clauses relating to ethics, modern slavery and crime prevention**