

Ore Reserves and Mineral Resources Estimates

At 31 December 2010

Introduction

The ore reserves and mineral resources estimates presented in this report comply with the requirements of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2004 edition (the JORC Code) which has been used by the Group as minimum standard for the preparation and disclosure of the information contained herein. The definitions and categories of Ore Reserves and Mineral Resources are set out below.

The information on ore reserves and mineral resources was prepared by or under the supervision of Competent Persons as defined in the JORC Code. The Competent Persons have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking. The Competent Persons consent to the inclusion in this report of the matters based on their information in the form and context in which it appears. The Competent Person for Exploration Results and Mineral Resources is Orlando Rojas (MAusIMM), Assistant Manager of Mineral Resource Evaluation for Antofagasta Minerals S.A. The Competent Person for Ore Reserves is Murray Canfield (P.Eng. Ontario), Technical Manager Operations for Antofagasta Minerals S.A.

The Group's operations and projects are subject to a comprehensive programme of audits aimed at providing assurance in respect of ore reserves and mineral resources estimates. The audits are conducted by suitably qualified Competent Persons from within a particular division, another division of the Company or from independent consultants.

The ore reserves and mineral resources estimates represent full reserves and resources, with the Group's attributable share for each mine shown in the 'Attributable Tonnage' column. The Group's economic interest in each mine is disclosed in the notes following the estimates on pages 138 to 140. The totals in the table may include some small apparent differences as the specific individual figures have not been rounded.

Definitions and Categories of Ore Reserves and Mineral Resources

A 'Mineral Resource' is a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

An 'Inferred Mineral Resource' is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.

An 'Indicated Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

A 'Measured Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity.

An 'Ore Reserve' is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves.

A 'Probable Ore Reserve' is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.

A 'Proved Ore Reserve' is the economically mineable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.

Ore reserves	Tonnage		Copper		Molybdenum		Gold		Attributable Tonnage	
	(millions of tonnes)		(%)		(%)		(g/tonne)		(millions of tonnes)	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Group Subsidiaries										
Los Pelambres (see note (a))										
Proved	548.4	613.6	0.67	0.66	0.021	0.022	0.03	0.03	329.1	368.2
Probable	884.6	889.0	0.63	0.63	0.015	0.016	0.03	0.03	530.8	533.4
Total	1,433.0	1,502.6	0.64	0.64	0.018	0.018	0.03	0.03	859.8	901.6
Esperanza Sulphides (see note (b))										
Proved	207.6	207.2	0.52	0.52	0.010	0.010	0.21	0.21	145.4	145.0
Probable	379.4	376.1	0.56	0.56	0.010	0.010	0.23	0.23	265.6	263.3
Total	587.0	583.3	0.55	0.54	0.010	0.010	0.22	0.22	410.9	408.3
El Tesoro (see note (c))										
<i>Open Pit, Tesoro North-East and Mirador</i>										
Proved	76.4	99.0	0.94	0.76	–	–	–	–	53.5	69.3
Probable	53.8	6.5	0.67	0.94	–	–	–	–	37.7	4.6
Sub-total	130.2	105.5	0.83	0.77	–	–	–	–	91.2	73.9
<i>El Tesoro ROM (Esperanza Oxides)</i>										
Proved	5.1	49.6	0.38	0.37	–	–	–	–	3.6	34.7
Probable	97.3	56.4	0.35	0.36	–	–	–	–	68.1	39.5
Sub-total	102.4	106.0	0.35	0.36	–	–	–	–	71.7	74.2
Total	232.7	211.6	0.62	0.57	–	–	–	–	162.9	148.1
Michilla (see note (d))										
Proved	1.8	3.4	1.56	1.27	–	–	–	–	1.3	2.5
Probable	4.0	6.1	1.52	1.40	–	–	–	–	3.0	4.5
Total	5.8	9.5	1.53	1.35	–	–	–	–	4.3	7.0
Group total	2,258.5	2,307.0	0.62	0.61					1,437.9	1,465.0

Other Information

Ore Reserves and Mineral Resources Estimates continued

At 31 December 2010

Mineral Resources (including ore reserves)	Tonnage (millions of tonnes)		Copper (%)		Molybdenum (%)		Gold (g/tonne)		Attributable Tonnage (millions of tonnes)	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Group Subsidiaries										
Los Pelambres (see note (a))										
Measured	613.4	687.0	0.66	0.65	0.021	0.021	0.03	0.03	368.0	412.2
Indicated	1,247.0	1,225.0	0.61	0.60	0.014	0.015	0.03	0.03	748.2	735.0
Measured + Indicated	1,860.4	1,912.0	0.63	0.62	0.016	0.017	0.03	0.03	1,116.3	1,147.2
Inferred	3,957.9	4,252.9	0.48	0.48	0.006	0.008	0.04	0.04	2,374.8	2,551.7
Total	5,818.4	6,164.9	0.53	0.52	0.010	0.011	0.04	0.04	3,491.0	3,698.9
Esperanza Sulphides (see note (b))										
Measured	256.7	233.8	0.48	0.51	0.010	0.011	0.18	0.20	179.7	163.7
Indicated	634.0	565.8	0.47	0.50	0.011	0.012	0.17	0.18	443.8	396.1
Measured + Indicated	890.7	799.6	0.47	0.50	0.011	0.012	0.17	0.19	623.5	559.7
Inferred	1,031.9	404.8	0.31	0.35	0.008	0.012	0.06	0.07	722.3	283.4
Total	1,922.6	1,204.4	0.39	0.45	0.010	0.012	0.11	0.15	1,345.8	843.1
El Tesoro (see note (c))										
<i>Open Pit, Tesoro North-East and Mirador</i>										
Measured	86.5	110.0	0.91	0.89	–	–	–	–	60.5	78.7
Indicated	62.5	53.1	0.66	0.69	–	–	–	–	43.8	44.7
Measured + Indicated	149.0	163.1	0.81	0.82	–	–	–	–	104.3	123.4
Inferred	6.0	7.0	0.62	0.48	–	–	–	–	4.2	5.3
Sub-total	155.0	170.1	0.80	0.81	–	–	–	–	108.5	128.7
<i>El Tesoro ROM (Esperanza Oxides)</i>										
Measured	5.3	49.6	0.43	0.37	–	–	–	–	3.7	34.7
Indicated	97.9	56.4	0.32	0.36	–	–	–	–	68.5	39.5
Measured + Indicated	103.1	106.0	0.33	0.36	–	–	–	–	72.2	74.2
Inferred	18.1	26.0	0.30	0.30	–	–	–	–	12.7	18.2
Sub-total	121.3	132.0	0.33	0.35	–	–	–	–	84.9	92.4
Total	276.3	302.1	0.59	0.61	–	–	–	–	193.4	221.1
Michilla (see note (d))										
Measured	22.7	11.3	1.86	2.30	–	–	–	–	16.8	8.4
Indicated	20.0	21.4	1.69	2.43	–	–	–	–	14.8	15.9
Measured + Indicated	42.7	32.7	1.78	2.39	–	–	–	–	31.7	24.3
Inferred	13.6	10.1	1.76	1.87	–	–	–	–	10.1	7.5
Total	56.2	42.8	1.78	2.27	–	–	–	–	41.7	31.8
Antucoya (see note (e))										
Measured	497.3	497.3	0.31	0.31	–	–	–	–	497.3	497.3
Indicated	656.0	656.0	0.26	0.26	–	–	–	–	656.0	656.0
Measured + Indicated	1,153.4	1,153.4	0.28	0.28	–	–	–	–	1,153.4	1,153.4
Inferred	355.7	355.7	0.24	0.24	–	–	–	–	355.7	355.7
Total	1,509.1	1,509.1	0.27	0.27	–	–	–	–	1,509.1	1,509.1

Mineral Resources (including ore reserves) continued	Tonnage (millions of tonnes)		Copper (%)		Molybdenum (%)		Gold (g/tonne)		Attributable Tonnage (millions of tonnes)	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Group Subsidiaries										
Telégrafo (see note (f))										
<i>Oxides</i>										
Measured	–	–	–	–	–	–	–	–	–	–
Indicated	14.3	–	0.19	–	–	–	–	–	10.0	–
Measured + Indicated	14.3	–	0.19	–	–	–	–	–	10.0	–
Inferred	36.6	–	0.22	–	–	–	–	–	25.6	–
Sub-total	50.8	–	0.21	–	–	–	–	–	35.6	–
<i>Sulphides</i>										
Measured	–	–	–	–	–	–	–	–	–	–
Indicated	1,137.7	–	0.40	–	0.015	–	0.13	–	796.4	–
Measured + Indicated	1,137.7	–	0.40	–	0.015	–	0.13	–	796.4	–
Inferred	1,539.3	–	0.32	–	0.007	–	0.08	–	1,077.5	–
Sub-total	2,677.0	–	0.36	–	0.010	–	0.10	–	1,873.9	–
Total	2,727.9	–	0.35	–	–	–	–	–	1,909.5	–
Caracoles (see note (g))										
<i>Oxides</i>										
Measured	–	–	–	–	–	–	–	–	–	–
Indicated	–	–	–	–	–	–	–	–	–	–
Measured + Indicated	–	–	–	–	–	–	–	–	–	–
Inferred	132.4	–	0.50	–	–	–	–	–	132.4	–
Sub-total	132.4	–	0.50	–	–	–	–	–	132.4	–
<i>Sulphides</i>										
Measured	7.8	–	0.68	–	0.017	–	0.35	–	7.8	–
Indicated	676.0	–	0.47	–	0.016	–	0.18	–	676.0	–
Measured + Indicated	683.8	–	0.48	–	0.016	–	0.18	–	683.8	–
Inferred	312.7	–	0.38	–	0.014	–	0.18	–	312.7	–
Sub-total	996.5	–	0.45	–	0.015	–	0.18	–	996.5	–
Total	1,128.9	–	0.45	–	–	–	–	–	1,128.9	–
Measured + Indicated	6,035.1	4,166.8	0.48	0.52	–	–	–	–	4,591.4	3,082.1
Inferred	7,404.2	5,056.5	0.41	0.45	–	–	–	–	5,028.0	3,221.8
Group Subsidiaries total	13,439.3	9,223.3	0.44	0.48	–	–	–	–	9,619.4	6,304.0
Group Joint Ventures										
Reko Diq (see note (h))										
Measured	1,738.2	1,738.2	0.54	0.54	–	–	0.31	0.31	651.8	651.8
Indicated	1,244.6	1,244.6	0.39	0.39	–	–	0.20	0.20	466.7	466.7
Measured + Indicated	2,982.8	2,982.8	0.48	0.48	–	–	0.26	0.26	1,118.6	1,118.6
Inferred	2,885.0	2,885.0	0.35	0.35	–	–	0.18	0.18	1,081.9	1,081.9
Group Joint Ventures total	5,867.8	5,867.8	0.41	0.41	–	–	0.22	0.22	2,200.4	2,200.4
Group total										
Measured + Indicated	9,017.9	7,149.7	0.48	0.50	–	–	–	–	5,710.0	4,200.7
Inferred	10,289.2	7,941.6	0.39	0.42	–	–	–	–	6,109.8	4,303.7
Total	19,307.1	15,091.3	0.43	0.46	–	–	–	–	11,819.8	8,504.4

Other Information

Ore Reserves and Mineral Resources Estimates continued

At 31 December 2010

Notes to Ore Reserves and Mineral Resources Estimates

The ore reserves mentioned in this report were determined considering specific cut-off grades for each mine and using a long-term copper price of 220 cents per pound (170 cents per pound in 2009), US\$12.00 per pound molybdenum (US\$8.00 per pound in 2009) and US\$850 per gold ounce (US\$650 per gold ounce in 2009), unless otherwise noted. These same values have been used for copper equivalent (CuEq) estimates, where appropriate.

In order to ensure that the stated resources represent mineralisation that has "reasonable prospects for eventual economic extraction" (JORC code) the resources are enclosed within pit shells that were optimised based on measured, indicated and inferred resources and considering a copper price of 250 cents per pound. Mineralisation estimated outside these pit shells is not included in the resource figures unless they can expect to be exploited by underground methods.

a) Los Pelambres

Los Pelambres is 60% owned by the Group. The cut-off grade applied to the determination of ore reserves and mineral resources is 0.35% copper. For 2010 the mineral resource model has been updated with 79 in-fill drill holes for a total of 14,439 metres. In this model, more restrictive criteria for estimation have been used, incorporating recommendations included in a pre-audit report conducted by AMEC (October 2009). Density and metallurgical models have also been updated.

The decrease in ore reserves is mainly related to depletion corresponding to mine production in 2010. Other factors are related to the updated resource model that considered more restrictive estimation criteria. The final pit design has not been modified for the 2010 ore reserve estimate.

The decrease in mineral resources is related to ore depletion, refinement of the resource block model, with more restrictive estimation criteria, and the methodology applied in 2010 to limit the resource estimation to those resources contained within an unsmoothed, optimised pit shell (using all resource categories and a copper price of 250 cents per pound). Additionally, there is a decrease resulting from the elimination of the resources falling within the Las Tigresas concessions (which are 100% owned by the Group, not directly by Los Pelambres), which are adjacent to the concessions owned by Los Pelambres.

b) Esperanza Sulphides

Esperanza is 70% owned by the Group. The cut-off grade applied to the determination of ore reserves is 0.20% equivalent copper, with 0.15% copper used as a cut-off grade for mineral resources (which is a change from 0.20% copper used in 2009).

During 2010 a small part of ore reserves were depleted to feed the concentrator plant. The small increase in ore reserves is related to mixed (oxide and sulphide) material that was considered as a ROM oxide resource in the original block model but has now been redefined as mill feed for the Esperanza concentrator plant. The final pit design has not been modified for the 2010 ore reserve estimate.

During 2010 the Esperanza block model was updated with the incorporation of 15 in-fill drill holes for a total of 2,914 metres. The focus of this programme was to better identify the oxide/sulphide interface. Included in the updated block model is a reinterpretation of the estimation parameters to define inferred resources. This resulted in a significant increase in this category of resources in the estimate.

Mineral resources have been limited to those contained within an unsmoothed, optimised pit shell using a copper price of 250 cents per pound. The optimised pit shell used to limit mineral resources is based on an integrated block model that joins the Esperanza and Telégrafo orebodies into one model.

c) El Tesoro

El Tesoro is 70% owned by the Group. The ore reserves and mineral resources are made up of the El Tesoro, Tesoro North-East and Mirador deposits, which are processed by heap leaching, and the Run-of-Mine (ROM) Oxide ore reserves and mineral resources from the Esperanza Mine, located five kilometres south-east of El Tesoro. An agreement was entered into in 2008 whereby the Esperanza Oxide mineral resources were purchased by El Tesoro for a one-time payment.

Esperanza delivers the ROM ore released during the pre-stripping and operating phases of the Esperanza operation to a permanent leach pad constructed and operated by the El Tesoro mine. At the request of El Tesoro, some of the higher grade Esperanza oxide ore is sent directly to the El Tesoro heap leach pads.

The cut-off grade used for estimation of ore reserves and mineral resources for the El Tesoro and Tesoro North-East deposits is 0.41% copper. The cut-off grade used for estimation of ore reserves and mineral resources for the Mirador deposit is 0.30% copper, reflecting higher projected recoveries and lower acid consumption for the Mirador deposit (in the 2010 Mid-year Update, the cut-off grade used for the Mirador deposit was 0.35% copper). Ore reserves for Mirador increased from 22.2 million tonnes, as reported in the 2010 Mid-year Update, to 25.1 million tonnes in this report.

Proved and probable ore reserves for the El Tesoro open pits were depleted by 5.6 million tonnes as plant feed (the remainder of plant feed came from higher grade Esperanza oxides). For 2010, the significant increase in ore reserves is related to the incorporation of the Mirador deposit into ore reserve figures.

Two principal factors are responsible for the decrease in mineral resources compared to 2009 (the 2009 figures have been modified to incorporate the Mirador deposit mineral resources into the El Tesoro portion of the table, with the Attributable Tonnage values for 2009 reflecting the 100% ownership interest in Mirador at that time). An increase in mineral resources, related to the inclusion of stockpiled ore which was omitted from the 2009 report, has been more than offset by a reduction in mineral resources as a result of the methodology applied in 2010 to limit the resource estimation to those resources contained within an unsmoothed, optimised pit shell (using all resource categories and a copper price of 250 cents per pound).

The cut-off grade used for estimation of both ore reserves and mineral resources for the El Tesoro ROM (Esperanza Oxides) is 0.20% copper. During the year, 28.4 million tonnes of oxide ore reserves were extracted from the Esperanza pit, of which 4.1 million tonnes of higher grade oxide ore were delivered directly to the El Tesoro heap leach pads and subsequently depleted. A total of 37.1 million tonnes are in the ROM leach pads and have been partially leached, and another 25.4 million tonnes have been delivered to the ROM leach pads or stockpiles and have not yet been put under leach.

This year the Esperanza resource model has been updated (see note "b") which results in a small portion of the original ROM oxide resource (higher grade mixed oxides and sulphides) being redefined as mill feed for the Esperanza concentrator plant.

d) Michilla

Michilla is 74.2% owned by the Group and its operations comprise an open pit mine, an underground mine and other workings. The cut-off grade applied to the determination of ore reserves and mineral resources is 0.40% copper for open pits, 1.2% copper for the Estefanía underground mine and 1.0% copper for other workings.

During 2010 ore reserves were depleted by a net 3.7 million tonnes. Plant feed was 5.2 million tonnes, with the difference coming from additional ore not considered in the mine plan. The ore reserve estimate for 2010 is still based on a mine plan developed in 2009 that extends to 2012. Mine staff have been working on in-fill drilling and evaluation studies to extend the mine plan to 2015 and potentially beyond. During 2010 in-fill and exploration drilling was carried out on the Estefanía/Lince deposits and on several other satellite deposits for a total of 86,650 metres in 493 drill holes.

The 2010 mineral resources estimate includes several changes from 2009. The most substantive change is the incorporation of the Aurora deposit into the Michilla mineral resources. The Aurora deposit was previously accounted for in the 'Other Mineral Inventory' section of the notes. Another relevant change is a reversion of the 2009 decision to include the Lince mineral resources, not included in the existing open pit mine plan, as underground resources with a cut-off grade of 1.0% copper. Upon further review, there is a potential for one or two more push-backs in the Lince open pit.

As a result, as in other projects, the open pit mineral resource estimate includes those resources contained within an unsmoothed, optimised pit shell (using all resource categories and a copper price of 250 cents per pound) and applying a cut-off grade of 0.40% copper within the pit shell. This same methodology was applied to two other areas that have potential for open pit exploitation: the Aurora and Nucleo deposits. The mineral resources estimate for Michilla includes several resource block models, incorporating the multiple deposits on the property. A portion of the extensive drilling programme carried out in 2009 and continuing in 2010 has been included in resource block model updates for the 2010 mineral resources estimates. The ore reserve estimate has not yet fully incorporated these changes in the resource block models.

Not included in the mineral resources estimate is the spent ore deposited on site. This is material that is removed from the dynamic heap leach pads after the primary leach cycle is completed. Since the beginning of the Lince project in 1994 between 65 and 70 million tonnes of spent ore has been deposited in a spent ore dump, adjacent to the dynamic leach pads. The grade of this material is expected to be in the range of 0.20 to 0.30% copper. During 2010 testwork was done on an industrial scale to determine the potential viability of re-leaching this material by removing it from the spent ore dump and placing it under leach on the dynamic pads. Testwork will continue in 2011 and it is expected that spent ore will contribute an increasing amount to copper production through this re-leaching process.

e) Antucoya

Antucoya is 100% owned by the Group. A feasibility study on the project, which started in 2009, will be complete in 2011. The concept for processing is a combination of heap leaching on dynamic pads and Run-of-Mine (ROM) leaching on permanent pads.

There have been no changes to mineral resources estimated for Antucoya. The cut-off grade applied to the mineral resources estimate is 0.10% copper and include those mineral resources contained within an unsmoothed, optimised pit shell using a copper price of 250 cents per pound.

f) Telégrafo

Telégrafo is owned 70% by the Group and is adjacent to the Esperanza deposit. This is a project which was reported in 'Other Mineral Inventory' in 2009 and was included into resource figures in the "2010 Mid-year Update to Ore Reserves and Mineral Resources Estimates".

During the second half of 2010 an upgrade of the resource block model was carried out incorporating the results from 98 in-fill drill holes for a total of 44,389 metres, and also an update to the geological and grade models. The cut-off grade applied to the mineral resources estimate is 0.15% copper for both oxides and sulphides and include those mineral resources contained within an unsmoothed, optimised pit shell using a copper price of 250 cents per pound. This is a change from the cut-off grade used in the Mid-year Update, which was 0.20% copper. The optimised pit shell used to limit mineral resources is based on an integrated block model that joins the Esperanza and Telégrafo orebodies into one model.

g) Caracoles

Caracoles is owned 100% by the Group. This is a project which was reported in "Other Mineral Inventory" in 2009 and was included into resource figures in the "2010 Mid-year Update to Ore Reserves and Mineral Resources Estimates". There have been no changes to the mineral resources estimate during the second half of 2010. The cut-off grade is 0.20% copper for both oxides and sulphides and include those mineral resources contained within an unsmoothed, optimised pit shell using a copper price of 250 cents per pound.

h) Reko Diq

The Group holds a 50% interest in Tethyan Copper Company Limited ("Tethyan"), its joint venture with Barrick Gold Corporation established in 2006. Tethyan's principal assets are a 75% interest in the exploration licence encompassing the Reko Diq prospects in the Chagai Hills region of south-west Pakistan (in which the Government of Balochistan holds the remaining 25%) including the western Porphyries, and a 100% interest in certain other licences in the region.

There have been no changes to the mineral resources estimate for Reko Diq. The cut-off grade applied to the determination of mineral resources is 0.20% copper equivalent. For Reko Diq, copper equivalent values are calculated based on a copper price of 190 cents per pound and a gold price of 725 dollars per ounce. The mineral resources are those contained within unsmoothed optimised pit shell using the same prices.

i) Other Mineral Inventory

In addition to the Mineral Resources noted above, the Group has interests in other deposits located in the Antofagasta Region of Chile, some of them containing gold and/or molybdenum. At the moment they are in exploration or in the process of resource estimation. The potential quantity and grade of each of the deposits is conceptual in nature, there has been insufficient exploration to define these deposits as mineral resources, and it is uncertain if further exploration will result in the determination of a mineral resource. These include:

(i) In the Sierra Gorda District

In the Sierra Gorda District the Group has two operations (El Tesoro and Esperanza) and others in exploration or under study, such as: Llano-Paleocanal (70% owned by the Group); Centinela (51% owned by the Group); and Polo Sur (100% owned by the Group). The Mineral Inventory of these deposits (incorporating both oxide and sulphide mineralisation) is estimated to be in the range of 450 to 690 million tonnes with grades in the range of 0.54% to 0.44% copper. The table below lists each of the mineral deposits with its associated tonnage and grade ranges, the number of drill holes and associated metres drilled, as well as the Group's ownership interest:

Mineral deposit	Tonnes range (million tonnes)		Grade range (% Cu)		Number drill holes	Total metres	Ownership interest (%)
Llano – Paleocanal	90	140	0.51	0.41	79	17,100	70.0
Centinela	60	100	0.76	0.63	36	9,900	51.0
Polo Sur	300	450	0.50	0.41	200	50,500	100.0
Total	450	690	0.54	0.44	315	77,500	

Other Information

Ore Reserves and Mineral Resources Estimates continued

At 31 December 2010

Notes to Ore Reserves and Mineral Resources Estimates continued

(ii) In the Michilla District

In the Michilla district there are several satellite deposits to the main Michilla orebody that have been included in the Mineral Resources Table. However, there is at least one other deposit within a potentially economic radius of the Michilla mine: Rencoret, owned 100% by the Group.

Mineral deposit	Tonnes range (million tonnes)		Grade range (% Cu)		Number drill holes	Total metres	Ownership interest (%)
Rencoret	15	25	1.22	1.00	31	8,300	100.0
Total	15	25	1.22	1.00	31	8,300	

(iii) In the El Abra District

The Group has two mineral deposits within a few kilometres of the El Abra orebody, located near Calama in the Antofagasta Region of Chile. Conchi is a porphyry copper mineral deposit (with oxide and sulphide mineralisation), while Brujulina is an exotic-style mineral deposit (oxide mineralisation only). The Mineral Inventory of these deposits is estimated to be in the range of 0.5 to 0.7 billion tonnes with grades in the range of 0.7% to 0.5% copper.

The table below lists each of the mineral deposits with its associated tonnage and grade ranges, as well as the Group's ownership interest:

Mineral deposit	Tonnes range (million tonnes)		Grade range (% Cu)		Number drill holes	Total metres	Ownership interest (%)
Conchi	440	660	0.67	0.55	123	30,950	51.0
Brujulina	50	80	0.65	0.53	159	15,300	51.0
Total	490	740	0.67	0.55	282	46,250	

j) Antomin 2 and Antomin Investors

The Group has an approximately 51% interest in two indirect subsidiaries, Antomin 2 Limited ("Antomin 2") and Antomin Investors Limited ("Antomin Investors Limited"), which own a number of copper exploration properties in Chile's Antofagasta Region and Coquimbo Region. These include (but are not limited to) Centinela (see Note i(i) above) and Conchi and Brujulina (see Note i(iii) above). The remaining approximately 49% of Antomin 2 and Antomin Investors is owned by Mineralinvest Establishment ("Mineralinvest"), a company controlled by the Luksic family.

The Group has the exclusive right to acquire, at fair value under certain conditions, the shareholding of Mineralinvest in Antomin 2 Limited and Antomin Investors, or the underlying properties, for a period of five years from August 2008. The Group also has committed to meet in full any exploration costs relating to the properties held by these two entities.

Further details are set out in Note 37(d) to the financial statements.

k) Twin Metals Minnesota LLC (Nokomis project) and Franconia Minerals Corporation (Birch Lake project)

In January 2010 the Group announced an agreement to acquire 40% of the Nokomis project, owned 100% by Duluth Metals Limited ("Duluth"). The deal closed in July 2010 and the joint venture Twin Metals Minnesota LLC ("Twin Metals") was created as the operating company for the Nokomis project, a copper-nickel-platinum group metal ("PGM") deposit located in north-east Minnesota, USA. See press releases of 14 January and 21 July, 2010 for more information.

In December 2010 the Group announced an agreement to indirectly acquire the Franconia Minerals Corporation ("Franconia") 70% participation in the Birch Lake project, located adjacent to the Nokomis project in Minnesota, through the Twin Metals joint venture (owned 40% by the Group). Franconia announced in November 2010 its intention to increase its participation in the Birch Lake project to 82%. See press release of 20 December, 2010 for more information. As explained in Note 39, following approval of the acquisition by Franconia's shareholders and by the Court of Queen's Bench of Alberta, Duluth completed the acquisition on 7 March, 2011.

Nokomis project

Duluth, the Group's 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% taking into account the nickel, platinum, palladium and gold content. At the time of reporting, the Group is in the process of reviewing the existing mineral resource estimate with a view to incorporating information from the significant drilling campaign and testwork that was undertaken during 2010 into an updated resource model to support further studies.

Birch Lake project

Franconia has published NI 43-101 compliant resource estimates for the Birch Lake deposit, the Maturi deposit and the Spruce Road deposit. The Birch Lake deposit is reported to consist of 177 and 40 million tonnes of indicated and inferred resource respectively, with a combined copper grade of approximately 0.5% and a combined copper equivalent grade of approximately 1.2%. The Maturi deposit is reported to consist of 120 million tonnes of inferred resource with a copper grade of 0.67% and with additional values for nickel, cobalt and PGMs. The Spruce Road deposit is reported to consist of inferred resources of 124 million tonnes with a copper grade of 0.59%, and a nickel grade of 0.21%.