

Glossary and Definitions

Business, Financial and Accounting

ADASA

Aguas de Antofagasta S.A.

ADR

American Depositary Receipt.

AIFR

All Injury Frequency Rate.

AMSA

Antofagasta Minerals S.A.

ATI

Antofagasta Terminal Internacional S.A. (Antofagasta port).

Australian Dollars

Australian currency.

Barrick Gold

Barrick Gold Corporation (joint venture partner).

Board

The Directors of Antofagasta plc who collectively have responsibility for the conduct of the Group's business.

Cash Costs

Cash costs are a measure of the cost of operational production expressed in terms of cents per pound of payable copper produced. Cash costs are stated net of by-product credits and include tolling charges for concentrates for Los Pelambres. Cash costs exclude depreciation, financial income and expenses, hedging gains and losses, exchange gains and losses and corporation tax.

CCU

Compañía de Cervecerías Unidas S.A. (an investment of Quiñenco S.A.).

CECOM

Company Ethics Committee.

CERCOR

Corporate Ethics Committee.

CGU

Cash Generating Unit.

Chilean Peso

Chilean currency.

Combined Code

The Combined Code on Corporate Governance published by the Financial Reporting Council in July 2003 and applicable to listed companies for reporting years beginning on or after 1 November 2003.

Companies Act 1985

Principal legislation for United Kingdom company law.

Company

Antofagasta plc.

CVRD

Companhia Vale Do Rio Doce (joint venture partner).

DIA

Environmental Impact Declaration.

Directors

The Directors of the Company.

EBITDA

Earnings Before Interest, Tax, Depreciation and Amortisation.

Equatorial Mining Limited

A company incorporated in Australia.

EIA

Environmental Impact Assessment.

EMS

Environmental Management System.

EPS

Earnings per share.

ESSAN

Empresa de Servicios Sanitarios S.A. (former Chilean Government company that administrated water distribution in Antofagasta Region).

EU

European Union.

FCA

Empresa Ferroviaria Andina S.A.

FCAB

Antofagasta Railway Company plc.

FTSE

Financial Times Stock Exchange.

GAAP

Generally Accepted Accounting Practice or Generally Accepted Accounting Principles.

GDP

Gross Domestic Product.

Government

The Government of the Republic of Chile.

Group

Antofagasta plc and its subsidiary companies.

IAS

International Accounting Standards.

IASB

International Accounting Standards Board.

IFRIC

International Financial Reporting Interpretations Committee.

IFRS

International Financial Reporting Standards.

ISO 9.001

An international quality management system standard published by the International Organisation for Standardisation.

ISO 14.001

An international environmental management system standard published by the International Organisation for Standardisation.

IVA

Chilean Value Added Tax (Chilean VAT).

LIBOR

London Inter Bank Offer Rate.

LME

London Metal Exchange.

LTIFR

Lost Time Injury Frequency Rate.

OHSAS 18.001

Occupational Health and Safety Assessment Series (standards for occupational health and safety management systems).

Realised Prices

Effective sale price achieved comparing revenues (grossed up for tolling charges for concentrates) with sales volumes.

Severity Rate

Number of lost days during the year in relation to the number of hours worked.

Sterling

United Kingdom currency.

Tethyan Copper Company Limited

A company incorporated in Australia.

Turnbull Guidance

The revised guidance on internal control for directors on the Combined Code issued by the Turnbull Review Group in October 2005.

UF

Unidades de Fomentos, an inflation-adjusted unit of account used in Chile.

UK

United Kingdom.

US

United States.

US Dollars

United States currency.

Mining Industry

Grade A Copper Cathode

Highest quality copper cathode (registered and certificated in the LME for Michilla and El Tesoro mines).

By-products

Products obtained as result of copper processing. The Los Pelambres mine produces molybdenum concentrate and also receives credit for the gold and silver content in the copper concentrate sold.

Cathode Copper

Refined copper produced by electrolytic refining of impure copper by electro-winning.

Concentrate

The product of a physical concentration process, such as flotation or gravity concentration, which involves separating ore minerals from unwanted wasted rock. Concentrates require subsequent processing (such as smelting or leaching) to break down or dissolve the ore minerals and obtain the desired elements, usually metals.

Contained Copper (Grade)

The proportion of copper present in the ore, expressed as a percentage.

Cut-off Grade

The lowest grade of mineralised material considered economic to process. Used in the calculation of ore reserves and resources.

Leaching

Process used to separate the copper contained in the ore by means of slowly percolating solutions.

Ore

A rock from which metal(s) or mineral(s) can be extracted.

Ore Resources

Material of intrinsic economic interest occurring in such form and quantity that there are reasonable prospects for eventual economic extraction.

Ore Reserves

Part of Ore Resources for which appropriate assessments have been carried out to demonstrate at a given date extraction could be reasonably justified and which include consideration of

and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and government factors. Resources are stated inclusive of reserves, as defined in JORC (Australasian Joint Ore Reserves Committee).

Oxide and Sulphide

Different kinds of copper contained ore. Oxide ore processing generates cathode copper as the finished product. Sulphide ore processing normally generates concentrate.

Payable Copper

The proportion of contained copper for which payment is received after metallurgical deduction.

SX-EW

Solvent Extraction and Electro Winning. Process for extracting metal from an ore and producing pure metal. First the metal is leached into solution; the resulting solution is then purified in the solvent extraction process; the solution is then treated in an electro chemical process (electro winning) to recover cathode copper.

Tailings Dam

Construction used to deposit the rock waste which remains as a result of the flotation process after the concentrate has been extracted.

TC/RC

Treatment and refining charges being terms used to set the smelting and refining cost.

Tolling Charges

Charges or margins for converting concentrate into finished metal. These include TC/RCs, price participation and price sharing for copper concentrate and roasting charges for molybdenum concentrate.

Currency Abbreviations

US\$ – US Dollar.

US\$'000 – Thousand US Dollars.

US\$m – Million US Dollars.

£ – Sterling.

£'000 – Thousand Sterling.

£m – Million Sterling.

Ch\$ – Chilean Peso.

CH\$'000 – Thousand Chilean Pesos.

Ch\$m – Million Chilean Pesos.

A\$ – Australian Dollars.

A\$'000 – Thousand Australian Dollars.

A\$m – Million Australian Dollars.

Definitions and Conversion of Weights and Measures

g/t – gram per tonne.

lb – pound.

Ounce or oz – a troy ounce.

'000 m³ – thousand cubic metres.

'000 tonnes – thousand tons.

1 kilogramme = 2,204.62 pounds.

1 metric tonne = 1,000 kilogrammes.

1 kilometre = 0.6214 miles.

1 troy ounce = 31.1 grammes.

Chemical Symbols

Cu – Copper.

Mo – Molybdenum.

Au – Gold.

Ag – Silver.



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