

Ore Reserve and Mineral Resource Estimates

At 31 December 2007

Introduction

The ore reserve and mineral resource 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. All 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. All 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 names of the Competent Persons are lodged at the registered office of Antofagasta plc in London and are available on request.

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

In previous years, ore reserve estimates included a category of possible reserves. As possible reserves are not a recognised category of reserves under the JORC Code, these have been excluded from the ore reserve estimates presented in this report and prior year estimates have been restated accordingly. The mine plan for each operation or project may include part of the inferred resource estimate and may exceed (but will not be less than) the proven and probable reserve estimates disclosed in this report. The exclusion of possible reserves from this report therefore does not imply any change to the underlying mine plan of any operation or project as compared with the previous year.

The ore reserve and mineral resource estimates represent full reserves and resources, not the Group's attributable share for each mine. The Group's economic interest in each mine is disclosed in the notes following the estimates on page 147. 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 Reserve and Mineral Resource Estimates continued

At 31 December 2007

Ore reserves	Tonnage millions of tonnes		Copper (%)		Molybdenum (%)		Gold (g/tonne)		Silver (g/tonne)	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Los Pelambres (see note (a))										
Proved	1,007.0	1,030.9	0.66	0.67	0.018	0.019	0.034	0.034	1.12	1.16
Probable	660.0	633.9	0.60	0.62	0.015	0.016	0.031	0.032	0.78	0.82
Total	1,667.0	1,664.8	0.64	0.65	0.017	0.018	0.033	0.033	0.99	1.03
El Tesoro (see note (b))										
Proved	121.3	106.8	0.79	0.74	-	-	-	-	-	-
Probable	6.1	9.9	0.92	0.73	-	-	-	-	-	-
Total	127.4	116.7	0.80	0.74	-	-	-	-	-	-
Michilla (see note (c))										
Proved	6.9	8.7	0.72	0.87	-	-	-	-	-	-
Probable	5.1	6.9	1.31	1.37	-	-	-	-	-	-
Total	12.0	15.6	0.97	1.09	-	-	-	-	-	-
Esperanza sulphides (see note (d))										
Proved	349.0	-	0.59	-	0.010	-	0.250	-	-	-
Probable	131.0	-	0.50	-	0.009	-	0.200	-	-	-
Total	480.0	-	0.57	-	0.010	-	0.236	-	-	-
Group total	2,286.4	1,797.1	0.63	0.66	-	-	-	-	-	-

Mineral resources (including ore reserves)	Tonnage millions of tonnes		Copper (%)		Molybdenum (%)		Gold (g/tonne)		Silver (g/tonne)	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Los Pelambres (see note (a))										
Measured	1,099.0	1,150.2	0.66	0.66	0.018	0.018	0.034	0.030	1.12	1.12
Indicated	810.0	815.4	0.60	0.60	0.015	0.015	0.031	0.030	0.78	0.78
Measured + Indicated	1,909.0	1,965.6	0.63	0.64	0.017	0.017	0.033	0.030	0.98	0.98
Inferred	1,019.0	973.2	0.57	0.57	0.013	0.014	0.032	0.030	0.47	0.46
Total	2,928.0	2,938.8	0.61	0.61	0.015	0.017	0.032	0.030	0.80	0.80
El Tesoro (see note (b))										
Measured	129.7	135.3	0.79	0.72	-	-	-	-	-	-
Indicated	24.7	28.7	0.70	0.69	-	-	-	-	-	-
Measured + Indicated	154.4	164.0	0.78	0.71	-	-	-	-	-	-
Inferred	13.2	1.5	0.55	0.52	-	-	-	-	-	-
Total	167.6	165.5	0.76	0.72	-	-	-	-	-	-
Michilla (see note (c))										
Measured	14.4	15.4	1.68	1.45	-	-	-	-	-	-
Indicated	31.7	32.3	1.54	1.37	-	-	-	-	-	-
Measured + Indicated	46.1	47.7	1.58	1.40	-	-	-	-	-	-
Inferred	16.6	17.9	1.28	1.22	-	-	-	-	-	-
Total	62.7	65.6	1.50	1.35	-	-	-	-	-	-
Esperanza sulphides (see note (d))										
Measured	421.5	359.3	0.56	0.61	0.011	0.011	0.220	0.250	-	-
Indicated	236.1	160.3	0.45	0.53	0.011	0.011	0.160	0.200	-	-
Measured + Indicated	657.6	519.6	0.52	0.59	0.011	0.011	0.200	0.240	-	-
Inferred	472.9	256.1	0.34	0.44	0.012	0.014	0.110	0.130	-	-
Total	1,130.5	775.7	0.45	0.54	0.011	0.012	0.162	0.204	-	-
Esperanza oxides (see note (d))										
Measured	105.1	65.4	0.36	0.43	0.007	0.007	0.155	0.190	-	-
Indicated	10.4	5.0	0.32	0.40	0.008	0.007	0.121	0.130	-	-
Measured + Indicated	115.4	70.4	0.36	0.43	0.007	0.007	0.150	0.190	-	-
Inferred	4.1	2.0	0.31	0.40	0.005	0.004	0.110	0.120	-	-
Total	119.6	72.4	0.35	0.43	0.007	0.007	0.149	0.188	-	-
Reko Diq – Western Porphyries (see note (e))										
Measured	167.0	-	0.53	-	-	-	0.336	-	-	-
Indicated	715.0	943.0	0.51	0.54	-	-	0.305	0.280	-	-
Measured + Indicated	882.0	943.0	0.51	0.54	-	-	0.311	0.280	-	-
Inferred	3,267.0	666.0	0.49	0.54	-	-	0.286	0.310	-	-
Total	4,149.0	1,609.0	0.50	0.54	-	-	0.291	0.292	-	-
Group total	8,557.4	5,627.0	0.54	0.59	-	-	-	-	-	-

Notes to Ore Reserve and Mineral Resource 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 130 cents per pound.

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 was 0.4%.

The increase in the ore reserve estimate of 2 million tonnes is due to the updating of the geological model based on infill drilling (48 million tonnes) less extraction of ore during 2007 (46 million tonnes).

The decrease in the mineral resource estimate of 11 million tonnes is due to extraction of ore during 2007 (46 million tonnes) partly offset by updating of the geological model for resources (35 million tonnes).

During 2006 and 2007, Los Pelambres carried out a primary exploration programme in the areas surrounding its open pit. The results of this programme are currently under review and have not been included in the mineral resource above.

b) El Tesoro

El Tesoro is 100% owned by the Group. During 2007, the mine plan for El Tesoro was updated to include Tesoro North-East, a deposit located near the El Tesoro open pit, and the ore reserve and mineral resource estimates for El Tesoro above are presented on a combined basis to include Tesoro North-East. Tesoro North-East is owned by Antomin Limited (see note (g) below), and comprises an ore reserve estimate of 28.5 million tonnes with an average copper grade of 1.03% and an ore resource estimate of 54.9 million tonnes with an average copper grade of 0.82%. The cut-off grade applied to the determination of ore reserves and mineral resources for both El Tesoro and Tesoro North-East was 0.41%.

The increase in the ore reserve estimate of 11 million tonnes is due to the inclusion of Tesoro North-East (28.5 million tonnes) less a reduction due to changes in the mine plan of the open pit since the end of 2006 (8 million tonnes) and extraction of ore during 2007 (10 million tonnes).

c) 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 was 0.4% at the open pit (2006 – 0.4%), 1.2% at the underground mine (2006 – 1.2%) and 1.0% at other workings (2006 – 1.5%).

The decrease in the ore reserve estimate of 4 million tonnes is due to extraction of ore during 2007 (5 million tonnes) partly offset by updating of the geological model based on drilling during the year in respect of the underground mine and other workings (1 million tonnes).

The decrease in the mineral resource estimate of 3 million tonnes is due to extraction of ore during 2007 (5 million tonnes) partly offset by updating of the geological model based on drilling during the year in respect of the underground mine and other workings (2 million tonnes).

d) Esperanza

The Esperanza project is wholly owned by the Group. However, a small portion of the Esperanza deposit included within this project is owned by Antomin (see note (g) below) and the ore reserve and mineral resource estimates above are shown inclusive of the portion held by Antomin. Esperanza completed a feasibility study and received board approval for its development during 2007 and an ore reserve estimate was accordingly established during the year. The cut-off grade applied to the determination of ore reserves and mineral resources in 2007 was 0.2% equivalent copper (2006 – mineral resources only – 0.3%).

The increase in the mineral resource estimate compared with 2006 was principally due to the reduction in the cut-off grade to 0.2% equivalent copper as part of the economic evaluation in the course of the feasibility study.

e) Reko Diq

The Group holds a 50% interest in Tethyan Copper Company Limited ("Tethyan"), a joint venture with Barrick Gold Corporation. Tethyan owns a 75% interest in an exploration licence ("EL-5") encompassing the Reko Diq prospects, in which the Government of Balochistan holds the remaining 25%, giving the Group an effective 37.5% interest in these properties. Tethyan also owns a 100% interest in certain other licences ("EL-6 and EL-8").

In 2007, Tethyan completed a detailed drilling programme at the Western Porphyries deposit (the H14 and H15 zones) within EL-5, resulting in the updated mineral resource estimate above of 4.1 billion tonnes (2006 – 1.6 billion tonnes). The cut-off grade applied to the determination of mineral resources in both years was 0.3% equivalent copper.

In addition, the resource estimates at other deposits within EL-5 of 0.8 billion tonnes with an average copper grade of 0.45% and 0.22 g/t of gold have not been updated, giving the previous resource estimate reported in 2006 of 2.4 billion tonnes.

f) Other resources

The ore reserves and mineral resources disclosed in the table above relate only to the Group's current operations and its principal projects. The Group also owns or is interested in a number of other properties which have been the subject of exploration programmes, some of them not made under JORC standards but currently under review. These include:

- (i) In the Sierra Gorda district:
 - various oxide deposits in the Sierra Gorda region with a combined mineral resource estimate of 241 million tonnes with an average copper grade of 0.48%. Some of these properties are owned by Antomin Limited (see note (g) below).
 - the Telegrafo deposit which is wholly owned by the Group. Preliminary estimated resources are 404 million tonnes of 0.41% copper, 0.1 g/t of gold and 0.013% of molybdenum at Telegrafo Norte and 898 million tonnes of 0.45% copper, 0.17 g/t of gold and 0.013% of molybdenum at Telegrafo Sur, both based on a 0.3% cut-off grade for copper.
 - Caracoles, a porphyry copper-gold system in which the Group has an 81.5% interest.
- (ii) the Antucoya deposit, for which the mineral resource estimate is 531.4 million tonnes with an average copper grade of 0.39% (2006 – 460 million tonnes with an average copper grade of 0.41%). The increase resulted from the completion of a drilling programme during 2007. The Antucoya deposit includes Buey Muerto, which is owned by Antomin Limited (see note (g) below), and which comprises a mineral resource of 205 million tonnes with an average copper grade of 0.39% included in the estimate for Antucoya.
- (iii) other properties principally in Chile's II and IV Regions, with an estimated mineral resource around 1.4 billion tonnes with a copper grade between 0.44% and 0.55%.

g) Antomin Limited

The Group holds a 51% interest in Antomin Limited ("Antomin"), which owns a number of copper exploration properties in Chile's II and IV Regions. The Group acquired its interest in Antomin pursuant to an agreement in 2001 for a nominal consideration from Mineralinvest Establishment, a company controlled by the Luksic family, which continues to hold the remaining 49% of Antomin. Under the terms of the acquisition agreement, the Group committed to meet in full the exploration costs (including costs incurred during the pre-feasibility stage) in respect of these properties. Antomin's properties include (but are not limited to) Buey Muerto (which forms part of Antucoya), Tesoro North-East and a small proportion of the Esperanza project. Further details are set out in Note 37(d) to the financial statements.