

Antofagasta plc
Remuneration Committee
Terms of Reference
(revised 18 December 2003)

1. The Remuneration Committee comprises Independent Non-Executive Directors of the Company, to be selected by the Board, and shall consist of no less than three members. The Board must from time to time review the composition of the Remuneration Committee.
2. The chairman of the Remuneration Committee must be appointed by the Board and shall not be the Chairman of the Company.
3. Meetings of the Remuneration Committee shall be held at least once a year.
4. The quorum for meetings of the Remuneration Committee is any two of its members.
5. No committee member shall participate in any discussion or decision on their own remuneration.
6. The Remuneration Committee is authorised by the Board to investigate remuneration paid to directors of other companies of a similar size in a comparable industry sector.
7. The duties of the Remuneration Committee are
 - 7.1 to determine the remuneration of Executive Directors;
 - 7.2 to monitor the level and structure of remuneration for senior management;
 - 7.3 to comply with the principles and provisions of the Combined Code on directors' remuneration;
 - 7.4 to consider other matters as referred to the Remuneration Committee by the Board.
8. The Remuneration Committee is authorised by the Board to consult the Chairman and/or external consultants or advisers about proposals relating to the remuneration of Executive Directors.
9. The Remuneration Committee's chairman should attend the Company's annual general meeting to be available to answer shareholders' questions.
10. The minutes of any meetings of the Remuneration Committee should be circulated to all members of the Board.