

ADR Announcement

ADR INFORMATION

Ratio:	1 ADR= 2 Ordinary Shares
Exchange:	OTC
Symbol:	ANFGY
CUSIP:	037189107
Country:	United Kingdom
Industry:	Mining
Effective Date:	Dec. 9, 1999

The Bank of New York is pleased to announce the establishment of a sponsored American Depositary Receipt (ADR) Program for

Antofagasta plc

Antofagasta is
a leading
mining and
transportation
group in Chile.

Company Overview

Antofagasta plc is primarily a mining group listed on the London Stock Exchange, with operations based mainly in Chile. It has three principal mining interests—Los Pelambres (60%), El Tesoro (61%) and Michilla (74%), all managed through its wholly owned subsidiary, *Anaconda Chile S.A.* In addition to these projects, Antofagasta has on-going exploration programmes in Chile, Peru and Argentina. It also has substantial railway operations in northern Chile, and an investment holding of 33.6% in Quiñenco S.A. Quiñenco is a Chilean financial and industrial group with an ADR listing on the New York Stock Exchange.

LOS PELAMBRES is a world-class copper mine located 200km north of Santiago near the Argentine border, at an altitude of 3,100 feet above sea level. It has a geological resource estimated at 3.1 billion tonnes and an estimated grade of 0.65% copper. Only 31% of the total geological resource is included in the 30-year mine plan that is expected to produce an annual average of 246,000 tonnes of copper in concentrates at average cash costs of 43 cents per pound. Development of the US\$1.36 billion project began in November 1997, and commissioning of the mine began at the end of October 1999. First shipments are expected in December 1999 and production is expected to average 271,000 tonnes in the first five years. Antofagasta's partners in Los Pelambres are two Japanese consortia, comprising Nippon Mining and Metals Co. Ltd, Marubeni Corporation and Mitsui and Co. Ltd. (25%) and Mitsubishi Materials Corporation and Mitsubishi Corporation (15%). These consortia also have 12-year long-term off-take contracts to purchase a substantial portion of Los Pelambres' production.

EL TESORO is a low-cost copper cathode project located approximately 200km northeast of Antofagasta in northern Chile, with total reserves of 153 million tonnes and an estimated grade of 0.96% copper. The project has a planned annual capacity of 75,000 tonnes of high grade copper cathodes over an 18-year mine life, with average cash costs of 45 cents per pound in the first ten years. Total development costs are estimated at US\$296 million, and financing arrangements were completed in November 1999 when construction on the project began. First production is expected in the first half of 2001. Antofagasta's partner in the El Tesoro project is Equatorial Mining Limited, a company controlled by the AMP Group, the largest institutional investor in Australia.

MICHILLA, located approximately 105km north of Antofagasta, currently produces both cathodes and concentrates. In 1998, it produced 51,000 tonnes of LME Grade A copper cathodes and 11,000 tonnes of copper in concentrates. Michilla's average cash costs were reduced to 56 cents per pound in the first half of 1999 following a successful cost-cutting programme. In 1998, an exploration programme identified further reserves and Michilla now has a mine plan to 2008, supported by proven and probable reserves of 28.5 million tonnes grading 2.04% copper. Operations at the concentrator may be curtailed in 2000 to maximise cathode production.

RAIL TRANSPORT AND OTHER ACTIVITIES. Rail transport and other activities, including water distribution, are managed by the *Antofagasta Railway Company plc*, a wholly owned subsidiary. Transport activities mainly comprise a railway network covering the important Atacama mining region with connections to Bolivia and Argentina. The Railway now services several copper mines including El Abra (Phelps Dodge-Codelco), Escondida (BHP-Rio Tinto), Chuquicamata (Codelco), Lomas Bayas (Boliden), Zaldivar (Placer Dome), and Mantos Blancos (Anglo-American). Total freight in 1998 amounted to 2.7 million tons. Antofagasta also owns minority stakes in two railway networks in Bolivia, the FC Andina (36.5%) and the FC Oriental (12%).

QUIÑENCO S.A. Antofagasta also has a 33.6% interest in Quiñenco S.A. Quiñenco controls a number of companies involved in financial services, copper and aluminium products, brewing and wine-making, telecommunications, food manufacturing, hotels and residential real estate. Quiñenco is based in Chile and its businesses operate in the Southern Cone of Latin America and Brazil. Quiñenco is listed in ADR form on the New York Stock Exchange.

Financial Performance

Antofagasta's group turnover amounted to US\$184.9 million in 1998, and US\$70.7 million in the first six months of 1999. Profit before tax was US\$60.5 million in 1998 and US\$18.2 million in the first six months of 1999. Antofagasta's results were affected by lower copper prices, which averaged 75 cents per pound in 1998 and 65 cents per pound in the first half of 1999. Copper prices have since recovered from these low levels and averaged 78 cents per pound in November 1999. The average copper price in the ten years from 1989 to 1998 was 107 cents per pound. Antofagasta's results also do not include any contribution from the Los Pelambres (first revenues expected in 2000) or El Tesoro projects (first revenues expected in 2001).

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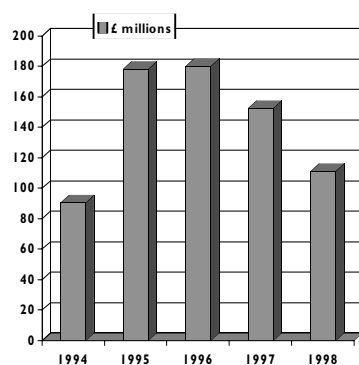
For more information on Antofagasta plc and on ADRs, visit The Bank of New York's website at www.adrbny.com.

Selected Financial Information

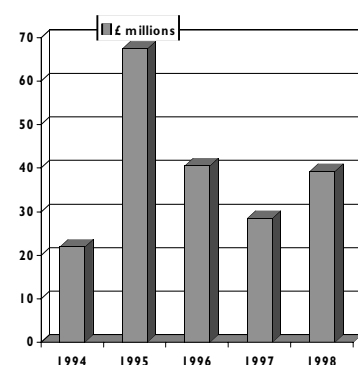
Antofagasta plc

	1998	1997	1996	1995	1994
Turnover (£ millions)	111.4	152.8	180.4	178.3	90.6
Profit on Ordinary Activities Before Tax Excluding Exceptional Items (£ millions)	39.3	28.5	40.5	67.4	21.9
Profit on Ordinary Activities After Exceptional Items, Tax and Minority Interests (£ millions)	34.2	140.9	29.3	56.9	33.6
Balance Sheet Total (£ millions)	621.5	569.9	285.3	280.1	244.2

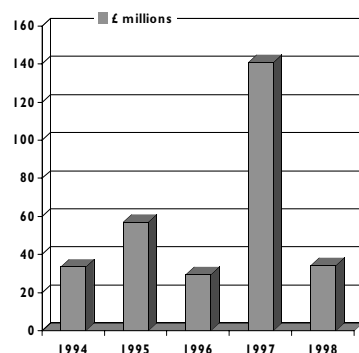
Source: Company 1998 Annual Report, Five Year Summary



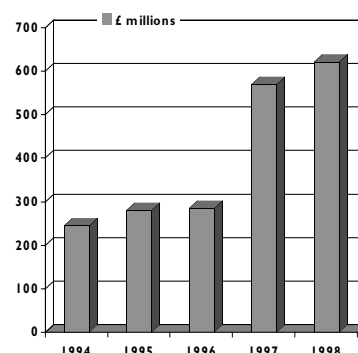
Turnover



Profit on Ordinary Activities Before
Tax, Excluding Exceptional Items



Profit on Ordinary Activities After
Tax and Minority Interests



Balance Sheet Total

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