

Antofagasta plc

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NEWS RELEASE

Los Pelambres wins early release from Completion Guarantee

For immediate release 12 July 2000

London 12 July 2000- ANTOFAGASTA PLC is pleased to announce that on 10 July 2000, it successfully satisfied all its obligations under the Completion Guarantee of the Los Pelambres Project. The guarantee was issued in favour of various Banks and Financial Institutions which participated in the financing of the Project, and covered the timely construction and start-up of the Project.

The Banks and Financial Institutions involved in the financing of the Project have released Antofagasta from all its obligations under the Completion Guarantee including the release of the escrow account amounting to US\$133 million and their charge over the company's 33.6% interest in the shares of Quiñenco S.A.

The Los Pelambres project has been successfully completed within the original forecast budget of US\$1.36 billion. The construction and start-up of the project was achieved 30 days ahead of schedule and the satisfaction and release of Antofagasta's obligations have taken place 18 months earlier than the projected final completion date.

Production in the first 6 months of this year was 146,000 tonnes of fine copper in concentrates and the plant is now operating at approximately 12% over its planned capacity. Los Pelambres is now expected to produce over 300,000 tonnes of copper in 2000.

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