

For immediate release

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Minera Los Pelambres - El Mauro tailings dam project

LONDON: November 7, 2006 - Antofagasta plc (“Antofagasta”) reports that last Friday (3 November 2006) the Court of Appeals of Santiago upheld a claim presented by community organisations in the Pupío Valley which forms part of the municipality of Los Vilos against the award of some permits by the Chilean water authority, the Dirección General de Aguas, in November 2005 for certain aspects of the construction of the El Mauro tailings dam by Antofagasta’s 60%-owned subsidiary, Minera Los Pelambres (“Los Pelambres”).

Following the Court of Appeals decision, Los Pelambres has issued the following statement:

- During a lengthy planning process for the El Mauro dam which began in 2003, Los Pelambres gave detailed consideration to the environmental impact of the project and focused especially on issues of safety, the proper use of the natural water resources, and respect for third-party water rights. These issues were fully reviewed by the relevant governmental technical and environmental agencies. The regional environmental authority of Coquimbo (COREMA) approved the necessary Environment Impact Assessment in April 2004 and this decision was fully ratified by the national environmental authority (CONAMA) at the end of 2004. Los Pelambres subsequently applied for and was granted all the necessary sectoral permits from the relevant governmental authorities. Los Pelambres believes that it has received all the technical and legal permits necessary to undertake development of the El Mauro project, which is now 58% complete.
- As one of the parties affected by the decision of the Court of Appeals made against the Dirección General de Aguas on Friday 3 November, Los Pelambres is preparing an appeal to the Chilean Supreme Court to seek a reversal of this decision.
- Pending a definitive decision on this issue, Los Pelambres is continuing with the planned development of the project.

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