

For immediate release

**5 Princes Gate
London
SW7 1QJ
United Kingdom**

**Telephone: + 44 20 7808 0988
Fax + 44 20 7808 0986
info@antofagasta.co.uk**

Antofagasta increases cash takeover offer for Tethyan

London, 23 March 2006

Antofagasta PLC (“Antofagasta”) announces that it has today reached agreement with Tethyan Copper Company Limited (“Tethyan”) to revise the terms of its takeover offer for Tethyan (“the Offer”) such that:

- the offer price is increased to A\$1.40 cash per Tethyan Share; and
- all remaining conditions of the Offer have been waived by Antofagasta, other than conditions relating to Minimum Acceptance, Options, Prescribed Occurrences, Other Regulatory Approvals and Material Acquisitions, Disposals and Commitments.

The Offer represents an increase of 17% over Antofagasta’s original offer price of A\$1.20 per share and is 5 cents per share higher than Skafell Pty Ltd’s hostile offer.

Antofagasta has the full support of its proposed joint venture partner, Barrick Gold, in relation to the Offer.

The Board of Tethyan has unanimously recommended that shareholders should accept the Offer in the absence of a superior offer emerging and has indicated that the Tethyan directors will be accepting the Offer for all of their holdings of Tethyan Shares they own or control on that basis.

Marcelo Awad, CEO of Antofagasta Minerals S.A., stated, *“Antofagasta’s offer is the highest offer for Tethyan in the market and is the only offer unanimously recommended by the Board of Tethyan. It represents a very attractive price for Tethyan shareholders and I would encourage all shareholders to accept the Offer as soon as possible.”*

Antofagasta currently owns 14.85% of Tethyan’s issued share capital. Antofagasta wishes to confirm that, under no circumstances will this shareholding be tendered into Skafell’s offer, whilst it remains subject to a 90% acceptance condition. This means that Skafell’s offer as it currently stands is not capable of succeeding.

Antofagasta also notes that under its agreement with BHP Billiton it may, at its option, purchase the claw-back right over certain Tethyan mineral interests at any time during the currency of its offer (following the satisfaction or waiver of its Other Regulatory Approvals condition). If Antofagasta purchases the claw-back right it would have the right to acquire 70% of Tethyan’s economic interest in the Western Porphyries, which currently hosts the vast majority of the contained copper-gold resource at Reko Diq.

Rothschild is advising Antofagasta in relation to this transaction.

Enquiries – London

Antofagasta PLC

Tel: +44 20 7808 0988

www.antofagasta.co.uk

Desmond O'Conor

Email: doconor@antofagasta.co.uk

Bankside Consultants

Tel: +44 20 7367 8873

Mob: +44 7885 356 639

Keith Irons

Email: keith@bankside.com

Enquiries – Santiago

Antofagasta Minerals S.A.

Alejandro Rivera

Tel: +56 2 377 5145

Email: arivera@aminerals.cl

Enquiries – Australia

N M Rothschild & Sons (Australia) Ltd (financial advisers)

Tel: +61 2 9323 2000

Marshall Baillieu

Chris Forman

Jackson Wells Morris (public relations advisers)

Tel: +61 2 9904 4333

Benjamin Haslem

Jakob Webster