

31 October, 2007

Highlights

- Group copper production in Q3 was 100,600 tonnes compared to 106,100 tonnes in Q2, mainly due to lower ore grades and plant throughput at Los Pelambres.
- Molybdenum production at Los Pelambres in the first nine months of 2007 was 7,400 tonnes compared with 7,000 tonnes in the first nine months of 2006. Production in Q3 was 2,500 tonnes compared with 2,800 tonnes in Q2 due to the lower throughput and marginally lower molybdenum ore grades.
- Group cash costs in Q3 were 30.1 cents per pound compared with 24.8 cents per pound in Q2, reflecting the continued strong by-product credits.

Group Total	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Acc 2007	Acc 2006	Full Year 2006
Total production of payable copper ('000 tonnes)	105.9	106.1	100.6		312.6	334.3	465.5
Total production of payable moly ('000 tonnes)	2.1	2.8	2.5		7.4	7.0	9.8
Weighted average cash costs (cents per pound)	35.8	24.8	30.1		30.2	41.0	40.2

Los Pelambres

Los Pelambres produced 66,600 tonnes of payable copper in Q3, 6.4% below Q2 production. This was mainly due to lower ore grades, and reduced plant throughput as a result of the higher proportion of the harder primary ore treated in the period. The forecast for full year production is now expected to be approximately 285,000 tonnes, as the primary ore is continuing to affect the plant throughput.

Molybdenum production was 2,500 tonnes in Q3 and 7,400 tonnes in the first nine months of 2007, 5.7% above the first nine months of 2006. The increase was mainly due to the higher molybdenum grade, partly offset by the lower recoveries. Molybdenum production for the full year is expected to be around 11,000 tonnes.

Cash costs in Q3 were negative 19.6 cents per pound compared to negative 21.3 cents per pound in Q2, an increase of 1.7 cents per pound. This was mainly due to lower by-product credits as well as higher tolling charges, partly offset by reduced on-site and shipping costs.

Cash costs during the first nine months of 2007 were negative 12.1 cents per pound compared with 17.2 cents per pound for the same period last year, a decrease of 29.3 cents per pound. This was mainly due to higher by-product credits (reflecting the increase in molybdenum production and the average molybdenum price compared with the same period last year) and lower tolling charges (mainly due to decreased price participation as a result of the 2007 calendar year negotiations). This was partly offset by higher on-site costs, as a result of increased machinery hire, maintenance, energy, fuel and oil costs.

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El Tesoro

Cathode production at El Tesoro in Q3 was 22,500 tonnes, slightly below Q2 but above budget. Year-to-date production was also slightly ahead of budget due to better ore grades and higher metallurgical recoveries, partly offset by a lower level of ore treated. Full year cathode production is expected to be 92,000 tonnes.

Cash costs in Q3 were 116.9 cents per pound, an increase of 10.4 cents per pound from the previous quarter, mainly due to higher variable energy costs (following the re-negotiation of the power supply contract) as well as higher acid and fuel prices. Cash costs for the first nine months of the year were 103.4 cents per pound, in line with budget.

Michilla

Michilla produced 11,400 tonnes of copper cathodes in Q3, and 34,900 tonnes during the first nine months of the year, 5% above the year-to-date budget. This was the result of the higher than expected levels of ore treated and metallurgical recoveries, partly offset by the lower than expected grades. Full year cathode production is expected to be 46,000 tonnes.

Cash costs in Q3 were 148.8 cents per pound, 7.4 cents per pound above the prior quarter, mainly due to higher costs of energy as well as other input costs. Year to date cash costs of 137.7 cents are in line with budget.

Transport

The transport business continued its strong operational performance. Combined rail and road volumes transported during the first nine months of the year were 9.3% higher than the same period in 2006. The increase is mainly attributable to the impact of the Spence mine, where the combined volumes of sulphuric acid and copper cathodes accounted for more than 270,000 tonnes of the increase.

Water

The water division continued to perform well. Volumes sold during the year are 5.8% above the same period of 2006, mainly explained by water volumes sold to the Spence project.

Los Pelambres	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Acc 2007	Acc 2006	Full Year 2006
Production statistics							
Daily average ore treated ('000 tonnes)	125.0	126.0	120.9		123.9	123.5	127.4
Average ore grade (%)	0.71	0.70	0.68		0.70	0.81	0.81
Average recovery (%)	92.5	91.9	91.1		91.8	88.6	88.7
Concentrate produced ('000 tonnes)	186.5	202.6	208.8		597.9	602.4	842.6
Average concentrate grade (%)	39.6	36.5	32.9		36.2	40.0	39.9
Fine copper in concentrate ('000 tonnes)	73.1	73.6	68.9		215.6	238.2	335.2
Payable copper in concentrate ('000 tonnes)	70.7	71.1	66.6		208.4	230.4	324.2
Average moly ore grade (%)	0.033	0.030	0.027		0.030	0.027	0.028
Average moly recovery (%)	66.7	75.6	78.7		73.3	76.2	76.1
Payable moly ('000 tonnes)	2.1	2.8	2.5		7.4	7.0	9.8
Cash costs statistics							
On-site and shipping costs (cents per pound)	64.7	82.0	77.3		74.7	55.9	56.4
Tolling charges for concentrates (cents per pound)	25.7	31.9	33.8		30.4	40.6	39.7
By - product credits (cents per pound) *	(86.3)	(135.2)	(130.8)		(117.2)	(79.4)	(79.7)
Cash costs (cents per pound)	4.2	(21.3)	(19.6)		(12.1)	17.2	16.4

(*) Note: By-products credits do not include any costs attributable to the production of molybdenum concentrate. By-product calculations also do not take into account unrealised mark-to-market gains at the beginning or end of each period.

El Tesoro	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Acc 2007	Acc 2006	Full Year 2006
Daily average ore treated ('000 tonnes)	27.8	26.3	24.7		26.3	28.7	28.7
Average ore grade (%)	1.21	1.25	1.27		1.24	1.14	1.16
Average recovery (%)	77.4	77.3	79.4		78.0	77.4	78.1
Copper cathodes ('000 tonnes)	23.6	23.2	22.5		69.4	68.4	94.0
Cash costs (cents per pound)	87.4	106.5	116.9		103.4	78.3	78.6

Michilla	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Acc 2007	Acc 2006	Full Year 2006
Daily average ore treated ('000 tonnes)	15.2	15.4	15.1		15.2	15.0	15.2
Average ore grade (%)	1.04	1.04	1.04		1.04	1.07	1.05
Average recovery (%)	81.2	78.3	78.3		79.2	77.8	78.2
Copper cathodes ('000 tonnes)	11.6	11.8	11.4		34.9	35.4	47.3
Cash costs (cents per pound)	123.1	141.4	148.8		137.7	123.9	126.4

Transport	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Acc 2007	Acc 2006	Full Year 2006
Rail tonnage transported ('000 tons)	1,253	1,301	1,195		3,749	3,237	4,486
Road tonnage transported ('000 tons)	321	342	340		1,003	1,111	1,456

Water	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Acc 2007	Acc 2006	Full Year 2006
Water volume sold – potable and untreated ('000 m ³) **	10,069	9,740	9,679		29,488	27,864	37,798

(**) Note: Water volumes include water transportation of 300,000 m³ in Q1, 266,000 m³ in Q2 and 348,000 m³ in Q3 (270,000 m³ in Q1 2006, 740,000 m³ in Q2 2006 and 254,000 m³ in Q3).