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Resolution of Mauro tailings dam litigation

London, 23 October 2008: Antofagasta plc announces that Minera Los Pelambres has reached a binding settlement in respect of the remaining litigation concerning the Mauro tailings dam which will allow its operation to commence in November this year.

As previously announced, in April 2007 a first instance court in Santiago had upheld a claim relating to a purchase agreement entered into in 1992 between two former owners of land in the area of the Mauro tailings dam, in which the validity of that purchase agreement had been challenged by the plaintiff seller. Minera Los Pelambres had participated in this trial to protect its interest and had appealed against this decision on a number of grounds to the Court of Appeals in Santiago.

Under the settlement of this litigation reached today, the plaintiffs have agreed to withdraw all objections to the validity of the purchase and sale agreement and to Minera Los Pelambres' title, while Minera Los Pelambres has agreed to a settlement payment of Ch\$15 billion (approximately US\$23 million).

The Mauro tailings dam, whose total development cost is approximately US\$600 million, will replace the existing Quillayes dam which is expected to reach capacity in early 2009. The Mauro tailings dam will have sufficient tailings capacity to support the existing mine plan of approximately 28 years after taking account of the further upgrade in plant capacity announced in July this year which is expected to increase production of payable copper by an annual average of 90,000 tonnes over the first 15 years from early 2010.

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