

MINERA EL TESORO
UNAUDITED FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2008 AND 2007

(TRANSLATION FROM SPANISH VERSION TO BE
FILED WITH SUPERINTENDENCIA DE VALORES Y SEGUROS
DE CHILE 29TH MAY 2008)

MINERA EL TESORO

BALANCE SHEETS AT MARCH 31, 2008 AND 2007
(In thousands of US Dollars - ThUS\$)

ASSETS	2008 ThUS\$	2007 ThUS\$
CURRENT ASSETS:		
Cash at banks and in hand	154	37
Time deposits	34,095	284,980
Marketable securities	526,098	
Trade debtors	94,573	49,668
Sundry debtors	2,117	3,231
Account receivable from related companies	769	527
Inventories	49,733	61,896
Recoverable taxes	7,312	3,207
Prepaid expenses	886	695
Other current assets	39	29
	<hr/>	<hr/>
Total current assets	715,776	404,270
	<hr/>	<hr/>
FIXED ASSETS:		
Land	301	301
Mining properties	46,529	46,529
Construction and infrastructure	150,797	147,075
Machinery and equipment	143,478	124,039
Other fixed assets	53,195	27,104
	<hr/>	<hr/>
Subtotal	394,300	345,048
Less: Accumulated depreciation	(114,989)	(91,799)
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Total fixed assets	279,311	253,249
	<hr/>	<hr/>
OTHER ASSETS:		
Mine development costs - net	29,334	41,717
Others	7,879	6,624
	<hr/>	<hr/>
Total other assets	37,213	48,341
	<hr/>	<hr/>
TOTAL ASSETS	1,032,300	705,860

The accompanying notes are an integral part of these financial statements

LIABILITIES AND SHAREHOLDERS' EQUITY	2008 ThUS\$	2007 ThUS\$
CURRENT LIABILITIES:		
Bank loans - senior debt, current portion		14,471
Accounts payable	20,450	10,069
Leasing obligations - current portion		121
Accounts payable to related companies	4,082	1,315
Accruals and withholdings	27,193	24,524
Income tax payable	6,296	42,332
Deferred taxes	1,516	1,011
Total current liabilities	<u>59,537</u>	<u>93,843</u>
LONG-TERM LIABILITIES:		
Bank loans-senior debt		14,000
Accruals	8,874	6,443
Deferred taxes	34,319	31,806
Total long-term liabilities	<u>43,193</u>	<u>52,249</u>
SHAREHOLDERS' EQUITY:		
Paid-in capital	90,995	90,995
Retained earnings	740,650	401,139
Net income for the period	97,925	67,634
Total shareholders' equity	<u>929,570</u>	<u>559,768</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>1,032,300</u></u>	<u><u>705,860</u></u>

MINERA EL TESORO

STATEMENTS OF INCOME
FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2008 AND 2007
(In thousands of US Dollars - ThUS\$)

	2008 ThUS\$	2007 ThUS\$
REVENUES	196,448	132,946
COST OF SALES	<u>(67,534)</u>	<u>(44,687)</u>
GROSS MARGIN	128,914	88,259
ADMINISTRATIVE AND SELLING EXPENSES	<u>(8,796)</u>	<u>(6,848)</u>
OPERATING INCOME	<u>120,118</u>	<u>81,411</u>
OTHER INCOME (EXPENSES):		
Financial income	5,069	3,465
Other income	1,338	2
Exchange differences	(2,470)	435
Financial expenses	(473)	(534)
Other expenses	<u>(684)</u>	<u>(614)</u>
Other income	<u>2,780</u>	<u>2,754</u>
INCOME BEFORE INCOME TAX	122,898	84,165
INCOME TAX	<u>(24,973)</u>	<u>(16,531)</u>
NET INCOME FOR THE PERIOD	<u>97,925</u>	<u>67,634</u>

The accompanying notes are an integral part of these financial statement

MINERA EL TESORO

STATEMENTS OF CASH FLOWS FOR THE THREE MONTH PERIODS ENDED MARCH 31, 2008 AND 2007 (In thousands of US Dollars - ThUS\$)

	2008 ThUS\$	2007 ThUS\$
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income for the period	97,925	67,634
Charges (credits) to income which do not represent cash flows:		
Depreciation and amortization	8,487	8,331
Deferred taxes	1,415	607
Exchange differences	2,470	(435)
Project write-offs	396	432
Decrease (increase) in assets which affect cash flows:		
Trade debtors	(38,979)	(1,287)
Sundry debtors and others	7,092	571
Inventories	(11,879)	(8,242)
Recoverable taxes	(2,524)	(9,692)
Other assets	(1,227)	(28)
Increase (decrease) in liabilities which affect cash flows:		
Accounts payable	(1,670)	728
Due to related companies	1,700	(275)
Income tax payable	2,637	15,925
Other liabilities	(1,803)	(7,648)
Net cash provided by operating activities	<u>64,040</u>	<u>66,621</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Payment senior debt	<u>(14,000)</u>	<u> </u>
Net cash used in financing activities	<u>(14,000)</u>	<u>-</u>
CASH FLOW FROM INVESTMENT ACTIVITIES:		
Purchase of fixed asset - net	<u>(23,945)</u>	<u>(637)</u>
Net cash used in investment activities	<u>(23,945)</u>	<u>(637)</u>
NET POSITIVE CASH FLOW FOR THE PERIOD	26,095	65,984
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>534,252</u>	<u>219,033</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>560,347</u></u>	<u><u>285,017</u></u>

The accompanying notes are an integral part of these financial statements

MINERA EL TESORO

NOTES TO THE FINANCIAL STATEMENTS

(In thousands of US dollars – ThUS\$)

1. INCORPORATION OF THE COMPANY

The Company was incorporated as a contractual mining company by means of a public deed dated June 20, 1996. The corporate purpose of the Company is the exploration, development and exploitation of mining properties, comprising all stages involved in the mining industry. The Company began its exploitation stage on July 1, 2001.

According to the requirements of Law N°20.026 on the Specific Mining Tax published in the Official Gazette of June 16, 2005, and the relevant regulations issued by the Superintendence of Securities and Insurance (“SVS”) through its Exempt Resolutions 549 of September 23, 2005 and N° 39 of February 03, 2006, the Company shall deliver its Quarterly and Audited Annual Financial Statements, and an Annual Report, to the SVS in the manner and at the time stipulated in such Resolutions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Bases of presentation - The financial statements as at March 31, 2008 and 2007 have been prepared in accordance with accounting principles generally accepted in Chile.

b. Accounting period - The accompanying financial statements, related to these notes, correspond to the periods between January 1 and March 31, 2008 and 2007.

c. Basis of preparation - The official accounting records of the Company are maintained in US dollars.

Transactions in Chilean pesos have been translated into US dollars at the exchange rates prevailing on the date of the transaction. Assets and liabilities in Chilean pesos outstanding at the end of the period were translated into US dollars at the observed exchange rate published by the Chilean Central Bank of \$437.71 per US\$1 in 2008 (\$539.21 per US\$1 in 2007).

d. Time deposits - Investments in time deposits include capital plus readjustments and interest accrued at period-end.

e. Marketable securities - Marketable securities include investments in debt instruments registered in the United States in US dollars. The portfolios average maturity is less than 90 days and they are valued at their market value.

f. Inventories - Inventories of semi-finished products, ore in stockpile, and finished products are stated at monthly average production cost, including indirect manufacturing costs. Materials are stated at weighted average acquisition cost.

These valuations do not exceed the respective net realizable values.

g. Fixed assets - Tangible fixed assets are presented at acquisition cost. Depreciation has been calculated based on the straight-line method, over the lower of the estimated mine life or the useful lives of the assets.

Fixed assets acquired by the Company through capital lease transactions, are accounted for as a purchase of fixed assets, recognizing the total obligation and interest on the accrual basis. Such assets are not legally owned by the Company and, thus, it cannot dispose of them until it exercises the purchase option.

Mining properties are presented at acquisition cost and are amortized based on mineral production.

h. Mine development costs - These assets are presented at acquisition cost or at mine development cost and include concepts such as consulting services, exploratory drilling, research and engineering, which are amortized based on mineral production.

i. Deferred cost - The Company capitalizes expenses associated with the refinancing of financial obligations, recording them as deferred costs in Other long-term assets. These costs are being amortized under the straight-line method over the term of the debt. Previous year refinancing expenses are charged to income, whenever a new refinancing is agreed.

j. Income tax and deferred taxes - The Company calculates its liabilities for First Category income tax and specific mining tax based on the net taxable income and operating taxable income, respectively, determined in accordance with current regulations. The effects of deferred taxes on temporary differences, tax losses and other events giving rise to differences between the accounting and tax base of assets and liabilities are recorded according to standards established in Technical Bulletins N°60 and their complements of the Chilean Institute of Accountants.

k. Derivative contracts - The Company has entered into an interest rate collar contract to hedge against variations in the Libor rate on its senior debt. It has also entered into copper forward contracts and Min-Max zero cost operations, which were defined as hedges of transactions to cover changes in the price of copper. As these contracts were defined as coverage of expected transactions, the unrealized result at the end of the year has been deferred, as established by Technical Bulletin N°57 of the Chilean Institute of Accountants (Note 12).

l. Vacations - The cost of employee vacations is recognized on the accrual basis.

m. Severance indemnity - Severance indemnity, including the benefit contracted as well as the non-contractual benefit resulting from mine closure, has been accrued for all employees. This benefit has been calculated at the net present value of the projected cost of the benefit, using an annual discount rate of 6.5%.

n. Mine closure - The Company accrues the costs of mine closure and abandonment at the net present value in conformity with corporate standards and considering legal environmental obligations entered into with government bodies, and these are presented in long-term liabilities.

o. Statement of cash flows - In the statement of cash flows, the Company has considered as cash equivalent all readily disposable financial investments maturing within 90 days, including time deposits and marketable securities.

p. Revenues - Revenue from the sale of cathodes is recognized when the rights and obligations are transferred to the buyer.

q. Reclassifications - Some reclassifications have been made to the financial statements at March 31, 2007 to maintain their uniformity.

3. TIME DEPOSITS

This item includes time deposits as follows:

Time Deposits

	Currency	March 31, 2008 ThUS\$	March 31, 2007 ThUS\$
Time deposits overseas	US\$	33,204	171,230
Local financial investments	Ch\$		32,561
	US\$	891	81,189
		<u>34,095</u>	<u>284,980</u>
Total time deposits		<u>34,095</u>	<u>284,980</u>

4. MARKETABLE SECURITIES

The detail of investments in marketable securities is as follows:

	March 31, 2008 ThUS\$	March 31, 2007 ThUS\$
Asset manager Deutsche	263,588	
Asset manager Blackrock	262,510	
	<u>526,098</u>	<u>-</u>
Total	<u>526,098</u>	<u>-</u>

5. TRADE DEBTORS

The split of this balance by geographical destination is follows:

	March 31, 2008	March 31, 2007
	ThUS\$	ThUS\$
Foreign clients:		
Europe	55,406	24,972
Latin America	12,963	11,120
Asia Pacific	18,051	9,838
North America	4,662	3,506
	<hr/>	<hr/>
Total foreign clients	91,082	49,436
	<hr/>	<hr/>
Domestic clients:	3,491	232
	<hr/>	<hr/>
Total	94,573	49,668
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6. INVENTORIES

Inventories of the Company are as follows:

	March 31, 2008	March 31, 2007
	ThUS\$	ThUS\$
Finished products	7,899	8,308
Products in process	22,506	42,810
Materials, raw materials and parts	19,328	10,778
	<hr/>	<hr/>
Total	49,733	61,896
	<hr/> <hr/>	<hr/> <hr/>

7. FIXED ASSETS

Fixed assets are stated as mentioned in Note 2g and their detail is as follows:

	March 31, 2008 ThUS\$	March 31, 2007 ThUS\$
Land	<u>301</u>	<u>301</u>
Mining properties	<u>46,529</u>	<u>46,529</u>
Construction and infrastructure:		
Facilities	89,360	85,637
Buildings and construction	27,860	27,860
Infrastructure	<u>33,577</u>	<u>33,578</u>
Total buildings and infrastructure	<u>150,797</u>	<u>147,075</u>
Machinery and equipment:		
Machinery and equipment	55,582	54,309
Mobile equipment	82,693	64,626
Minor equipment	4,325	4,327
Auxiliary equipment	<u>878</u>	<u>777</u>
Total machinery and equipment	<u>143,478</u>	<u>124,039</u>
Other fixed assets:		
Equipment	10,147	9,659
Computer equipment, software and hardware	892	892
Furniture	60	60
Leased assets		353
Construction in progress	617	447
Ongoing projects	30,600	4,814
Preoperating expenses	<u>10,879</u>	<u>10,879</u>
Total other fixed assets	<u>53,195</u>	<u>27,104</u>
Total fixed assets, gross	<u>394,300</u>	<u>345,048</u>
Total accumulated depreciation	<u>(114,989)</u>	<u>(91,799)</u>
Total fixed assets, net	<u><u>279,311</u></u>	<u><u>253,249</u></u>

8. MINE DEVELOPMENT COSTS - NET

As described in Note 2h, development costs mainly includes preoperational costs incurred prior to the operation, as follows:

	March 31, 2008	March 31, 2007
	ThUS\$	ThUS\$
Mine development costs:		
Project expenses	55,057	55,057
Financing	23,830	23,830
Development expenses property contribution	15,713	15,713
Preinvestment expenses	<u>7,560</u>	<u>7,560</u>
Total mine development costs, gross	<u>102,160</u>	<u>102,160</u>
Accumulated amortization	<u>(72,826)</u>	<u>(60,443)</u>
Total mine development costs, net	<u><u>29,334</u></u>	<u><u>41,717</u></u>

9. BANKS LOANS - SENIOR DEBT

The balance is as follows:

Financial institution	Interest	March 31, 2008		March 31, 2007	
		Short term	Long term	Short term	Long term
		ThUS\$	ThUS\$	ThUS\$	ThUS\$
The Royal Bank of Scotland - BBVA LIBOR+0,5%		<u> </u>	<u> </u>	<u>14,471</u>	<u>14,000</u>
Total		<u><u>-</u></u>	<u><u>-</u></u>	<u><u>14,471</u></u>	<u><u>14,000</u></u>

The senior debt has semi-annual maturity dates, ending February 2008.

10. ACCRUALS AND WITHHOLDINGS

This detail of this item is as follows:

	March 31, 2008 ThUS\$	March 31, 2007 ThUS\$
Short-term:		
Operations	26,003	23,186
Freight, insurance, export commissions	860	772
	<u>26,863</u>	<u>23,958</u>
Subtotal accruals	26,863	23,958
Withholdings	330	566
	<u>27,193</u>	<u>24,524</u>
Total short-term	<u><u>27,193</u></u>	<u><u>24,524</u></u>
Long-term:		
Severance indemnity	5,703	3,549
Mine closure	3,171	2,894
	<u>8,874</u>	<u>6,443</u>
Total long-term	<u><u>8,874</u></u>	<u><u>6,443</u></u>

11. INCOME TAX AND DEFERRED TAXES

The balance of recoverable taxes is as follows:

	March 31, 2008 ThUS\$	March 31, 2007 ThUS\$
Current assets:		
VAT Credit (net)	6,251	2,771
Others	1,061	436
	<u>7,312</u>	<u>3,207</u>
Total short-term	<u><u>7,312</u></u>	<u><u>3,207</u></u>
Other assets:		
Additional tax for technical advisory services	1,157	980
Long-term tax credits	592	108
	<u>1,749</u>	<u>1,088</u>
Total long-term	<u><u>1,749</u></u>	<u><u>1,088</u></u>

The long-term tax recoverable is included in Others under Other long-term assets.

a. Income tax and deferred taxes

At March 31, 2008, the Company provided for first category income tax based on the net taxable income of ThUS\$169,336 (ThUS\$79,155 in 2007), as determined in accordance with the Chilean Income Tax Law. The specific mining tax provision was calculated based on the Operational Taxable Income of ThUS\$173,938 (ThUS\$80,031 in 2007).

The income tax and specific mining tax provisions are classified as income tax payable under current liabilities net of monthly provisional payments and other credits.

	March 31, 2008 ThUS\$	March 31, 2007 ThUS\$
Income tax provision	97,759	75,887
Specific mining tax provision	13,921	10,979
Monthly provisional payments	(83,201)	(42,151)
Monthly estimated payments - Specific mining tax	(21,758)	(2,245)
Other credits	(425)	(138)
	<u>6,296</u>	<u>42,332</u>
Total income tax payable	<u>6,296</u>	<u>42,332</u>

b. Deferred taxes

The detail of accumulated balances at March 31, 2008 and 2007 of deferred tax assets and liabilities is as follows:

	March 31, 2008				March 31, 2007			
	Assets		Liabilities		Assets		Liabilities	
	Short term ThUS\$	Long term ThUS\$	Short term ThUS\$	Long term ThUS\$	Short term ThUS\$	Long term ThUS\$	Short term ThUS\$	Long term ThUS\$
Temporary differences								
Vacation accrual	178				107			
Bonus accrual	70				100			
Severance indemnity		590				351		
Accrual for mine closure, net		402				340		
Accruals and others	150	369	260		46	1,706	863	185
Indirect manufacturing costs			1,453				276	
Fixed assets				25,143				22,609
Preoperating expenses				10,442				11,949
Specific mining tax			201	95		540	125	
Balance at March 31	<u>398</u>	<u>1,361</u>	<u>1,914</u>	<u>35,680</u>	<u>253</u>	<u>2,937</u>	<u>1,264</u>	<u>34,743</u>

The net balances of short-term deferred taxes of ThUS\$1,516 (ThUS\$1,011 in 2007), and long-term deferred taxes of ThUS\$34,319 (ThUS\$31,806 in 2007), are presented in current liabilities and long-term liabilities, respectively.

c. Income tax

The charge to income for income tax for the period is as follows:

	March 31, 2008	March 31, 2007
	ThUS\$	ThUS\$
Current tax expense:		
Income tax	28,787	13,456
Specific mining tax	6,957	1,601
Exchange differences	(12,186)	868
Deferred taxes:		
Changes in deferred taxes	<u>1,415</u>	<u>606</u>
Total	<u><u>24,973</u></u>	<u><u>16,531</u></u>

12. INTEREST RATE COLLAR AND COPPER PRICE CONTRACTS

a. Zero cost collar interest rate contract

An interest rate hedge on the senior debt was taken out with The Royal Bank of Scotland plc. for ThUS\$20,000, via a “Zero cost collar” with a ceiling of 6% and floor of 4.83% for the period from August 15, 2001 to December 15, 2006.

As a result of the refinancing of the senior debt, this operation was terminated cost-free on December 30, 2004, and a collar was signed simultaneously with The Royal Bank of Scotland plc. - BBVA, with the same ceiling and floor, but with calculation of interest and payment of compensation coinciding with the dates for payment of interest on a portion of the refinanced senior debt, maturing on December 15, 2006. This operation cost ThUS\$192, which is equivalent to the compensation that the Company should have paid on February 15, 2005 under the hedge that was terminated and an initial hedge payment of ThUS\$15,500. At March 31, 2008, the above hedge has been terminated.

b. Copper Price futures contracts

In 2007, various contracts for future COMEX price base sales and future LME price base purchases were entered into for 6,000 tons. The above tonnage corresponds to the sale contract with the client Southwire in the United States, whose price is referenced to the COMEX price, but which the Company references to the LME price through this arbitrage.

Open operations at March 31, 2008:

Product	Institution	Date		Quantity MT	Price of the transaction	
		Subscription	Maturity		Sale of Futures Comex US\$/Ton	Purchase of Futures LME US\$/Ton
Copper	Koch	05-10-2007	03-02-2009	<u>5,000</u>	7,975	7,950

The contracts entered into in 2007 are 500 metric tons of copper per month for Koch, from February 2008.

c. Options

In April 2007, the Company entered into min-max options to hedge 2,700 tons per month in 2008 and 2,300 tons in 2009, based on the LME price.

Open operations at March 31, 2008:

Product	Institution	Date		Quantity MT	Options	
		Subscription	Annual Maturity		Put US\$/Ton	Call US\$/Ton
2008:						
Copper	J. Aron & Co.	11-04-2007	31-12-2008	2,925	5,735	8,850
Copper	JP Morgan	12-04-2007	31-12-2008	2,925	5,735	8,810
Copper	Morgan Stanley	05-04-2007	31-12-2008	5,850	5,515	8,400
Copper	J. Aron & Co.	17-04-2007	31-12-2008	3,375	5,735	9,370
Copper	Calyon	17-04-2007	31-12-2008	1,800	6,285	8,500
Copper	Koch	18-04-2007	31-12-2008	1,800	6,285	8,510
Copper	BNP Paribas	20-04-2007	31-12-2008	2,700	6,285	8,550
Copper	Calyon	23-04-2007	31-12-2008	<u>2,925</u>	6,285	8,560
				<u>24,300</u>		
2009:						
Copper	J. Aron & Co.	11-04-2007	31-12-2009	3,600	5,735	8,850
Copper	JP Morgan	12-04-2007	31-12-2009	3,600	5,735	8,810
Copper	BNP Paribas	05-04-2007	31-12-2009	7,200	5,515	8,400
Copper	J. Aron & Co.	17-04-2007	31-12-2009	3,600	5,735	9,370
Copper	J. Aron & Co.	17-04-2007	31-12-2009	3,600	6,285	8,500
Copper	JP Morgan	23-04-2007	31-12-2009	3,000	6,285	8,560
Copper	Triland Metals	02-05-2007	31-12-2009	<u>3,000</u>	5,295	8,245
				<u>27,600</u>		

13. SHAREHOLDERS' EQUITY

a. The changes in shareholders' equity were as follows:

	Paid-in capital ThUS\$	Retained earnings ThUS\$	Net income for the period ThUS\$	Total shareholders' equity ThUS\$
Balance at January 1, 2007	90,995	77,442	323,697	492,134
Transfer of income		323,697	(323,697)	
Net income for the period			67,634	67,634
Balance at March 31, 2007	90,995	401,139	67,634	559,768
Balance at January 1, 2008	90,995	401,139	339,511	831,645
Transfer of income		339,511	(339,511)	
Net income for the period			97,925	97,925
Balance at March 31, 2008	90,995	740,650	97,925	929,570

b. At March 31, 2008 and 2007, the paid-in capital of the Company is represented by 90,994 no-par value shares. The equity ownership is as follows:

	N° of shares	Ownership %
Antofagasta Minerals S.A.	55,506	61
Compañía Contractual Minera Leonor	35,488	39
Total	90,994	100

14. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a. **Accounts receivable – Short-term**

Company	Relationship	March 31, 2008 ThUS\$	March 31, 2007 ThUS\$
Antofagasta Minerals S.A.	Parent	71	49
Minera Esperanza	Indirect	17	
Minera Michilla S.A.	Indirect	649	478
Minera los Pelambres	Indirect	26	
Aguas de Antofagasta S.A.	Indirect	6	
Total		769	527

b. Accounts payable - Short-term:

Company	Relationship	March 31, 2008 ThUS\$	March 31, 2007 ThUS\$
Antofagasta Minerals S.A.	Parent	325	130
Minera Michilla S.A.	Indirect	1,974	541
Minera los Pelambres	Indirect		15
Aguas de Antofagasta S.A.	Indirect	87	
Transportes Integrados S.A.	Indirect	27	
Antofagasta Railway Company Plc. (Agencia en Chile)	Indirect	1,669	629
Total		4,082	1,315

The balances arise from commercial transactions and do not accrue interest or indexation.

c. Transactions with related parties

Significant transactions with related parties during the three months ended in 2008 and 2007 are the following:

Company	Relationship	Transaction	March 31, 2008		March 31, 2007	
			Amount of the transaction ThUS\$	Effect on income charge (credit) ThUS\$	Amount of the transaction ThUS\$	Effect on income charge (credit) ThUS\$
Antofagasta Minerals S.A.	Parent	Administrative services	783	658	652	548
		Reimbursement of expenses	4		18	
		AMSA project services	67	(28)	70	(30)
Compañía Contractural Minera Leonor	Shareholder	Royalties	2,552	2,552	2,838	2,838
Minera Michilla S.A.	Indirect	Purchase of supplies	1,653	1,389	280	235
		Sale of supplies	92	(77)	825	(693)
		Lease of terminal	308	259	541	455
Minera Esperanza	Indirect	Sundry services	22	(9)		
Minera Los Pelambres	Indirect	Outsourcing services	51	43	45	38
		Sale of supplies	26	(22)		
Antofagasta Railway Company Plc. (Agencia en Chile)	Indirect	Transportation	4,034	3,390	2,273	1,910
		Miscellaneous			4	3
Aguas de Antofagasta S.A.	Indirect	Water	241	203		
Entel S.A.	Indirect	Telecommunication services	1	1	8	7
Banco de Chile	Indirect	Bank expenses	12	10	10	8
		Loans			16,754	(152)
Artikos	Indirect	Administrative services	14	12		
Adriático	Indirect	Office rental	24	24	20	20
Madeco	Indirect	Supplies	25	21	10	9
Other related	Indirect	Sundry expenses	3	3	2	2

15. OTHER INCOME AND EXPENSES

At March 31, the detail is as follows:

	March 31, 2008 ThUS\$	March 31, 2007 ThUS\$
Other income:		
Sale of supplies	1,338	2
Total	<u>1,338</u>	<u>2</u>
Other expenses:		
Cost of supply sales	684	
Write-off of fixed assets		531
Others		3
Total	<u>684</u>	<u>534</u>

16. CONTINGENCIES, COMMITMENTS AND GUARANTEES

- a. The Company has deposits in guarantee for ThUS\$39 in favor of the Third Civil Court of Antofagasta. This court proceeding has ended, with the granting of definitive easements.
- b. The Company has a dispute with the Internal Revenue Service for the refund of additional tax for foreign advisory services for ThUS\$1,157, case number 7889-2004, which is in the second instance in the court of appeal. It also has a dispute for a ThUS\$36 reimbursement, where the Court, on appeal, annulled the proceedings based on the illegality of the designation and consequent incompetence of Tax Judge; these proceedings will revert to the court of first instance.
- c. As part of its normal operating process, the Company entered into purchase contracts with suppliers to guarantee the supply of consumables.

17. SUBSEQUENT EVENTS

Between April 1, and the date of issue of these financial statements, there have been no subsequent events that could significantly affect the balances or interpretation of these financial statements.

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