

MINERA EL TESORO
UNAUDITED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009 AND 2008

(TRANSLATION FROM SPANISH VERSION
FILED WITH SUPERINTENDENCIA DE VALORES Y SEGUROS
DE CHILE 26TH NOVEMBER 2009)

MINERA EL TESORO

BALANCE SHEETS AT SEPTEMBER 30, 2009 AND 2008

(In thousands of US Dollars - ThUS\$)

ASSETS	2009 ThUS\$	2008 ThUS\$
CURRENT ASSETS:		
Cash at banks and in hand	6,989	192
Time deposits	89,082	200,875
Marketable securities	55,672	
Trade debtors, net	33,127	47,654
Sundry debtors	3,831	9,024
Accounts receivable from related companies	33,099	146
Inventories	120,038	41,467
Recoverable taxes	9,452	7,045
Prepaid expenses	6,073	5,410
Other current assets	573	58
Total current assets, net	<u>357,936</u>	<u>311,871</u>
FIXED ASSETS:		
Land	301	301
Mining properties	241,529	241,529
Construction and infrastructure	165,126	155,565
Machinery and equipment	151,693	144,974
Other fixed assets, net	86,795	103,416
Subtotal	645,444	645,785
Less: Accumulated depreciation and amortization	<u>(220,341)</u>	<u>(158,349)</u>
Total fixed assets, net	<u>425,103</u>	<u>487,436</u>
OTHER ASSETS:		
Accounts receivable from related company	135,280	90,000
Mine development costs - net	143,119	72,836
Others	5,214	4,135
Total other assets	<u>283,613</u>	<u>166,971</u>
TOTAL ASSETS	<u><u>1,066,652</u></u>	<u><u>966,278</u></u>

The accompanying notes are an integral part of these financial statements

LIABILITIES AND SHAREHOLDERS' EQUITY	2009 ThUS\$	2008 ThUS\$
CURRENT LIABILITIES:		
Accounts payable	17,321	28,794
Leasing obligations, current portion	151	
Accounts payable to related companies	2,149	1,762
Accruals and withholdings	30,513	33,414
Income tax payable		2,821
Deferred taxes	5,707	13
Total current liabilities	<u>55,841</u>	<u>66,804</u>
LONG-TERM LIABILITIES:		
Leasing obligations	177	
Accruals	16,915	8,920
Deferred taxes	58,799	35,855
Total long-term liabilities	<u>75,891</u>	<u>44,775</u>
SHAREHOLDERS' EQUITY:		
Paid-in capital	90,995	90,995
Retained earnings	758,973	511,677
Net income for the period	84,952	252,027
Total shareholders' equity	<u>934,920</u>	<u>854,699</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>1,066,652</u></u>	<u><u>966,278</u></u>

MINERA EL TESORO

STATEMENTS OF INCOME FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008 (In thousands of US Dollars - ThUS\$)

	2009 ThUS\$	2008 ThUS\$
REVENUES	308,941	556,099
COST OF SALES	<u>(191,995)</u>	<u>(223,058)</u>
GROSS MARGIN	116,946	333,041
ADMINISTRATIVE AND SELLING EXPENSES	<u>(23,364)</u>	<u>(27,217)</u>
OPERATING INCOME	<u>93,582</u>	<u>305,824</u>
OTHER INCOME (EXPENSES):		
Financial income	3,431	12,549
Other income	856	1,076
Financial expenses	(434)	(825)
Other expenses	(1,345)	(98)
Exchange differences	<u>12,064</u>	<u>1,145</u>
Other income - net	<u>14,572</u>	<u>13,847</u>
INCOME BEFORE INCOME TAX	108,154	319,671
INCOME TAX	<u>(23,202)</u>	<u>(67,644)</u>
NET INCOME FOR THE PERIOD	<u>84,952</u>	<u>252,027</u>

The accompanying notes are an integral part of these financial statements

MINERA EL TESORO**STATEMENTS OF CASH FLOWS
FOR THE NINE MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008
(In thousands of US Dollars - ThUS\$)**

	2009	2008
	ThUS\$	ThUS\$
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income for the period	84,952	252,027
Charges (credits) to income which do not represent cash flows:		
Depreciation and amortization	49,314	25,259
Deferred taxes	11,724	1,448
Exchange differences	(12,064)	(1,145)
Project write-offs	879	3,856
(Increase) decrease in assets operations:		
Trade debtors	(3,784)	7,940
Sundry debtors and others	5,941	(3,651)
Inventories	(53,588)	(4,486)
Recoverable taxes	1,593	(2,655)
Other assets	7,643	(16,425)
Increase (decrease) in liabilities operations:		
Accounts payable	(2,015)	17,809
Accounts payable to related companies - net	24,393	(90,088)
Income tax payable		(838)
Accruals and withholdings	8,523	6,731
Net cash provided by operating activities	<u>123,511</u>	<u>195,782</u>
CASH FLOW FROM INVESTMENT ACTIVITIES:		
Loans to related companies	(100,000)	
Purchase of fixed assets	(43,349)	(33,272)
Incorporation development costs, net		(52,212)
Incorporation mining claims, water rights		(200,510)
Net cash used in investment activities	<u>(143,349)</u>	<u>(285,994)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend paid		(228,973)
Payment senior debt		(14,000)
Net cash used in financing activities		<u>(242,973)</u>
NET NEGATIVE CASH FLOW FOR THE PERIOD	(19,838)	(333,185)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>171,581</u>	<u>534,252</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>151,743</u>	<u>201,067</u>
COMPLEMENTARY INFORMATION	ThCh\$	
Decommissioning cost of fixed assets (note 3)	7,633	

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 AND NATURE OF THE COMPANY'S OPERATIONS

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 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 have been prepared in accordance with accounting principles generally accepted in Chile and correspond to the periods between January 1 and September 30, 2009 and 2008.

b. 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 \$550,36 per US\$1 in 2009 (\$551,31 per US\$1 in 2008).

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

d. 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.

e. 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.

f. 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.

g. 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.

h. 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.

i. 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 Bulletin N°60 and its complements of the Chilean Institute of Accountants.

j. Derivative contracts - The Company has entered into copper forward contracts based on the COMEX price and forward contracts based on the LME price 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 period has been deferred, as established by Technical Bulletin N°57 of the Chilean Institute of Accountants (Note 12).

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

l. 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%.

m. 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.

n. 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.

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

p. Reclassifications - For comparative purposes, certain reclassifications have been made in to the financial statements at September 30, 2008.

3. CHANGES IN THE ACCOUNTING ESTIMATE

Based on a new study of closure costs, in 2009 the Company updated the provision made for that purpose. This change implied an increase in the provision, which is divided into two concepts - decommissioning of the fixed assets, which generated recognition of an asset with a value at September 30, 2009 of ThUS\$7,633, which is stated in Other Fixed Assets and will be depreciated using the straight line method up to December 31, 2019, and the environmental restoration or remediation cost, which is considered an administrative expense in the period in which it is incurred or accrued and, at September 30, 2009, represents a value of ThUS\$543 (Note 10).

The closure study implied a change in the discount rate used to valuate the provision, which dropped from 6.5% to 2.74% (average TIPS rate over the last 12.5 years). This generated a ThUS\$211 increase in financial costs at September 30, 2009.

4. TIME DEPOSITS

This item includes time deposits as follows:

Time deposits

	Currency	2009 ThUS\$	2008 ThUS\$
Time deposits overseas	US\$		20,060
Local financial investments	Ch\$	89,082	8,345
	US\$		172,470
Total time deposits		<u>89,082</u>	<u>200,875</u>

5. MARKETABLE SECURITIES

The detail of investments in marketable securities is as follows:

	2009 MUS\$	2008 MUS\$
Mutual Funds	5,671	
Asset manager Deutsche	25,001	
Asset manager Blackrock	25,000	
	<u>55,672</u>	<u>-</u>
Total	<u>55,672</u>	<u>-</u>

6. TRADE DEBTORS, NET

The split of this balance by geographical destination is follows:

	2009 ThUS\$	2008 ThUS\$
Foreign clients:		
Europe	12,507	20,492
Latin America	5,693	8,652
Asia Pacific	9,171	6,828
North America	3,108	5,508
	<u>30,479</u>	<u>41,480</u>
Total foreign clients	<u>30,479</u>	<u>41,480</u>
Domestic clients:	<u>2,648</u>	<u>6,174</u>
Total	<u>33,127</u>	<u>47,654</u>

7. INVENTORIES

Inventories of the Company are as follows:

	2009 ThUS\$	2008 ThUS\$
Finished products	21,770	4,596
Products in process	83,982	22,985
Materials, raw materials and parts	14,286	13,886
	<u>120,038</u>	<u>41,467</u>
Total	<u>120,038</u>	<u>41,467</u>

8. FIXED ASSETS

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

	2009 ThUS\$	2008 ThUS\$
Land	<u>301</u>	<u>301</u>
Mining properties (a)	<u>241,529</u>	<u>241,529</u>
Construction and infrastructure:		
Facilities	102,535	93,251
Buildings and construction	28,840	28,737
Infrastructure	<u>33,751</u>	<u>33,577</u>
Total buildings and infrastructure	<u>165,126</u>	<u>155,565</u>
Machinery and equipment:		
Machinery and equipment	56,438	55,713
Mobile equipment	85,519	84,015
Minor equipment	4,594	4,368
Auxiliary equipment	<u>5,142</u>	<u>878</u>
Total machinery and equipment	<u>151,693</u>	<u>144,974</u>
Other fixed assets:		
Equipment	12,152	10,262
Computer equipment, software and hardware	908	892
Furniture	87	87
Leased assets	457	
Construction in progress	2,140	1,290
Ongoing projects	63,418	89,354
Active cost mine site closure (Note 3)	<u>7,633</u>	<u>1,531</u>
Total other fixed assets	<u>86,795</u>	<u>103,416</u>
Total fixed assets, gross	<u>645,444</u>	<u>645,785</u>
Total accumulated depreciation	<u>(220,341)</u>	<u>(158,349)</u>
Total fixed assets, net	<u><u>425,103</u></u>	<u><u>487,436</u></u>

(a) During the second semester of 2008, the Company acquired mining properties from Antofagasta Minerals S.A., its parent, for ThUS\$195,000 for the development of a new open pit project, Tesoro Noreste.

9. MINE DEVELOPMENT COSTS - NET

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

	2009	2008
	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	7,560	7,560
Preoperating expenses	10,879	10,879
Water Rights	5,510	5,510
Trademarks, Patents	2,364	2,271
Pre-operational Expenses Tesoro Noreste	<u>93,005</u>	<u> </u>
Total mine development costs, gross	<u>213,918</u>	<u>120,820</u>
Accumulated amortization	<u>(70,799)</u>	<u>(47,984)</u>
Total mine development costs, net	<u><u>143,119</u></u>	<u><u>72,836</u></u>

10. ACCRUALS AND WITHHOLDINGS

This detail of this item is as follows:

	2009	2008
	ThUS\$	ThUS\$
Short-term:		
Operations	28,288	27,854
Freight, insurance, export commissions	<u>1,415</u>	<u>466</u>
Subtotal accruals	29,703	28,320
Withholdings	<u>810</u>	<u>5,094</u>
Total short-term	<u><u>30,513</u></u>	<u><u>33,414</u></u>
Long-term:		
Severance indemnities	6,348	5,606
Mine closure (Note 3)	<u>10,567</u>	<u>3,314</u>
Total long-term	<u><u>16,915</u></u>	<u><u>8,920</u></u>

11. INCOME TAX AND DEFERRED TAXES

a. Income tax

At September 30, 2009 and 2008, the Company provided for first category income tax based on the net taxable income of ThUS\$43,653 (ThUS\$278,524 in 2008), 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\$80,675 (ThUS\$282,275 in 2008).

The income tax and specific mining tax provisions are classified, in 2009, as refundable taxes in current assets, and, in 2008, as income tax payable under current liabilities net of monthly provisional payments and other credits.

	2009 ThUS\$	2008 ThUS\$
Income tax provision for the period	7,421	47,349
Specific mining tax provision	3,227	11,291
Monthly provisional payments - First category tax	(5,470)	(44,187)
Monthly estimated payments - Specific mining tax	(4,692)	(11,414)
Other credits	<u>(486)</u>	<u>(218)</u>
Total income tax payable	<u><u>2,821</u></u>	<u><u>2,821</u></u>

The balance of recoverable taxes is as follows:

	2009 ThUS\$	2008 ThUS\$
Current assets:		
VAT Credit (net)	6,095	6,379
Monthly Provisional payments (net)	2,098	
Others monthly and annual refundable credits	<u>1,259</u>	<u>666</u>
Total short-term	<u><u>9,452</u></u>	<u><u>7,045</u></u>
Other assets:		
Additional tax for technical advisory services	960	959
Long-term tax credits	<u>990</u>	<u>683</u>
Total long-term	<u><u>1,950</u></u>	<u><u>1,642</u></u>

Short-term recoverable taxes include the provisional monthly payment balance, net of first category tax and specific mining tax.

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

b. Deferred taxes

The detail of accumulated balances at September 30, 2009 and 2008 of deferred tax assets and liabilities is as follows:

	2009				2008			
	Assets		Liabilities		Assets		Liabilities	
	Short term	Long term	Short term	Long term	Short term	Long term	Short term	Long term
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Temporary differences								
Vacation accrual	277				280			
Bonus accrual	256				282			
Severance indemnity		585				509		
Accrual for mine closure, net		591				434		
Accruals and others	121	90			412	97		
Indirect manufacturing costs			5,299				962	
Fixed assets				28,541				26,974
Preoperating expenses				31,010				9,752
Specific mining tax			1,062	514			25	169
Balance at September, 30	<u>654</u>	<u>1,266</u>	<u>6,361</u>	<u>60,065</u>	<u>974</u>	<u>1,040</u>	<u>987</u>	<u>36,895</u>

The net balances of short-term deferred taxes of ThUS\$5,707 (ThUS\$13 in 2008), and long-term deferred taxes of ThUS\$58,799 (ThUS\$35,855 in 2008), are presented in current liabilities and long-term liabilities, respectively.

c. Income tax

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

	2009	2008
	ThUS\$	ThUS\$
Current tax expense:		
Income tax	7,421	47,349
Surplus (deficit) provision for prior year income tax	594	(829)
Specific mining tax	3,227	11,291
Surplus (deficit) provision for prior year specific mining tax	432	(171)
Exchange difference	(196)	8,581
Deferred taxes:		
Changes in deferred taxes	<u>11,724</u>	<u>1,423</u>
Total	<u>23,202</u>	<u>67,644</u>

12. COPPER PRICE FUTURES CONTRACTS

a. Copper price futures contracts

In 2008, forward sale contracts based on the COMEX price and forward purchase contracts based on the LME price were signed for 6,000 tons. The above tonnage corresponds to the contract of sale with the Southwire client in the United States. Its price is referenced to the COMEX price, and, through this arbitration, the Company references it to the LME price.

Open operations at September 30, 2009:

At September 30, 2009, the Company maintains five forward price contracts (COMEX / LME arbitration) for 8,000MT, with maturities in January, 2011, with an average fixed COMEX price of US\$5,477, and an average fixed LME price of US\$5,439, per ton of fine copper.

b. Options

In April, 2007, the Company entered into min-max options to hedge 27,600 tons in 2009 based on the LME price. Also in February and March, 2009, the Company entered into new contracts to hedge 16,000 tons for 2009, starting from May, 2009.

September 30, 2009:

At September 30, 2009, the Company holds Min-Max options for 25,800MT, expiring in December, 2009. These options have an average floor price of US\$4,005 and an average ceiling price of US\$ 6,307 per ton of fine copper.

c. The result of operations performed during the period:

Operations	2009	2008
	MUS\$	MUS\$
Mix-Max Options	(4,464)	239
COMEX / LME Arbitration	<u>(30)</u>	<u>(199)</u>
Operating income (loss)	<u><u>(4,494)</u></u>	<u><u>40</u></u>

The result of these operations is presented under operating income in the income statement.

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, 2008	90,995	401,139	339,511	831,645
Transfer of income		339,511	(339,511)	
Dividend payment		(228,973)		(228,973)
Net income for the period			252,027	252,027
	<hr/>			
Balance at Septiembre 30, 2008	90,995	511,677	252,027	854,699
	<hr/>			
Balance at January 1, 2009	90,995	511,677	247,296	849,968
Transfer of income		247,296	(247,296)	
Net income for the period			84,952	84,952
	<hr/>			
Balance at Septiembre 30, 2009	90,995	758,973	84,952	934,920
	<hr/>			

b. At September 30, 2009, the paid-in capital of the Company is represented by 90,995 no-par value shares. The equity ownership is as follows:

	N° of shares	Ownership %
Antofagasta Minerals S.A.	28,209	31
Sierra Gorda Mining Investment BV	27,298	30
Compañía Contractual Minera Leonor	35,488	39
	<hr/>	<hr/>
Total	90,995	100
	<hr/>	<hr/>

On August 20, 2008, Antofagasta Minerals S.A. sold 27.298.314 shares to Sierra Gorda Mining Investment BV.

14. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a. Accounts receivable - Short-term

Company	Relationship	2009 ThUS\$	2008 ThUS\$
Antofagasta Minerals S.A.	Parent	52	19
Minera Esperanza	Indirect	32,416	86
Minera Michilla S.A.	Indirect	631	41
Total		<u>33,099</u>	<u>146</u>

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

b. Accounts receivable - long-term:

Company	Relationship	2009 ThUS\$	2008 ThUS\$
Minera Esperanza	Indirect	<u>135,280</u>	<u>90,000</u>

On April 21, 2008, Minera Esperanza and Minera El Tesoro signed a mineral sale purchase agreement. The object of this contract is the sale of oxide ore obtained by Minera Esperanza as a result of its prestripping process. Minera El Tesoro paid ThUS\$90,000 as an advance payment for the sale of the ore, which should start in April 2009.

On July 7, 2009 and August 17, 2009 Minera El Tesoro withdrew ThUS\$100,000 for a loan to the related company Minera Esperanza as agreed by the Board of Directors on May 14, 2009. This loan is denominated in US dollars, is a long term loan and accrues a 180 day-Libor interest rate plus an initial spread of 3.5% .

c. Accounts payable - Short-term:

Company	Relationship	2009 ThUS\$	2008 ThUS\$
Antofagasta Minerals S.A.	Parent	123	222
Minera Michilla S.A.	Indirect	8	447
Minera Esperanza	Indirect	535	
Minera Los Pelambres	Indirect	15	16
Aguas de Antofagasta S.A.	Indirect	424	72
Transportes Integrados S.A.	Indirect	353	
Antofagasta Railway Company Plc. (Chilean branch)	Indirect	691	1,005
Total		<u>2,149</u>	<u>1,762</u>

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

d. Transactions with related parties

Significant transactions with related parties during the six months ended in 2009 and 2008 are the following:

Company	Relationship	Transaction	2009		2008	
			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	1,543	1,297	783	658
		Reimbursement of expenses AMSA project services	200	(168)	4 67	(56)
Compañía Contractural Minera Leonor	Shareholder	Royalties	5,228	5,228	2,552	2,552
Minera Michilla S.A.	Indirect	Purchase of supplies	1,578		4,985	
		Sale of supplies	4,488		616	
		Lease of terminal	581	489	487	410
		Others	5		213	
Minera Esperanza	Indirect	Sundry services	1,083	(910)	845	(710)
		Advance of minerals			90,000	
		Purchase of ore	28,053	23,574		
		Subordinated Debt	100,934	(934)		
Minera Los Pelambres	Indirect	Outsourcing services	124	104	155	130
		Sale of supplies			89	(74)
Antofagasta Railway Company Plc. (Chilean branch)	Indirect	Transportation	8,640	7,261	4,034	3,390
Aguas de Antofagasta S.A.	Indirect	Water	5,397	4,535	241	203
Banco de Chile	Indirect	Bank expenses	42	35	12	10
		Loans	137,111	(212)	74,318	(325)
Artikos	Indirect	Administrative services	32	13	1	1
Adriático	Indirect	Office rental			24	24
Madeco Brass Mill	Indirect	Supplies	14	12	25	21
Others companys	Indirect	Others	68	57	3	3

15. OTHER INCOME AND EXPENSES

At September 30, the detail is as follows:

	2009 ThUS\$	2008 ThUS\$
Other income:		
Sale of supplies	405	940
Indemnities received	451	136
Total	856	1,076
Other expenses:		
Disposal of damaged fixed assets	879	
Forgiving of housing loan	85	
Donations	282	
Others	99	98
Total	1,345	98

16. CONTINGENCIES, COMMITMENTS AND GUARANTEES

- a. The Company has deposits in guarantee for ThUS\$31 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\$960, case number 7889-2004, which is in the second instance in the court of appeal. It also has a dispute for a ThUS\$31 reimbursement, where the Court, on appeal, annulled the proceedings based on the illegality of the designation and consequent incompetence of the Tax Judge; these proceedings will revert to the court of first instance. The Company has not made a provision for this concept, because its advisors consider that there is only a remote probability of loss.
- c. As part of its normal operating process, the Company entered into purchase contracts with suppliers to guarantee the supply of consumables.
- d. On April 29, 2008, the Company jointly with other companies of the mining sector entered into an electric generation supporting contract with Gas Atacama Generación S.A. in the Norte Grande Interconnected System, in force from March 1, 2008, to December 31, 2011. The expense will accrue based on the participating companies' consumption, with Minera El Tesoro being responsible for covering an amount not exceeding US\$17.8 million over the whole period.
- e. On May 14, 2009, the Board of Directors of the Company approved a subordinated loan of ThUS\$100,000 to the related company Minera Esperanza, in order to finance part of the Esperanza project (Note 14).

17. SUBSEQUENT EVENTS

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

* * * * *