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Antofagasta and Duluth Metals form a partnership to develop Nokomis

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Antofagasta plc (“Antofagasta”) is pleased to announce that it has signed a legally binding Heads of Agreement (“HoA”) with Duluth Metals Limited (“Duluth Metals”), a company listed on the Toronto Stock Exchange (“TSX”), pursuant to which Antofagasta will initially become a 40% partner in Duluth Metals’ Nokomis copper-nickel-platinum group metal (“PGM”) deposit (“Nokomis”), located in the highly prospective Duluth Complex in northeastern Minnesota, USA and will have the option to acquire an additional 25% interest in Nokomis under certain conditions. Antofagasta has also agreed to subscribe to a private placement to become an approximately 7% shareholder in Duluth Metals, for Cdn\$12.0 million.

Nokomis is a potentially world class base and precious metal deposit with a recently published NI 43-101 compliant resource estimate consisting of 550 and 274 million tonnes of indicated and inferred resource, respectively, with a combined copper grade of approximately 0.6% and a combined copper equivalent grade of approximately 1.5% taking into account the nickel, platinum, palladium and gold content.

The HoA provides that Antofagasta will initially acquire a 40% stake in Nokomis by committing to fund a total of US\$130 million of further exploration and feasibility study expenditure over a 3 year period. Additionally, upon completion of a bankable feasibility study, Antofagasta will have an election to maintain an option to acquire an additional 25% of Nokomis (to own in aggregate 65%) at the then net present value of the project based on operating parameters outlined in the bankable feasibility study, which will become exercisable and payable upon receipt of the required permits to develop the project. Following satisfaction of the initial US\$130 million funding commitment and Antofagasta’s election to proceed with further funding, Antofagasta has agreed to provide Duluth Metals with up to an additional US\$30 million of funding to cover Duluth Metals’ share of subsequent project expenditures. Such additional funds will ultimately be repayable by Duluth in cash, Duluth shares or by way of an offset against the 25% option exercise price. The parties expect to establish the project company, conclude a definitive Participation and Shareholder Agreement for the joint venture in the second quarter of 2010.

Antofagasta will also subscribe for 6 million new ordinary shares in Duluth Metals by way of a private placement at Cdn\$2.00 per share in cash, for a total subscription price of Cdn\$12.0 million (approximately US\$11.6 million), equating to approximately 7% of Duluth Metals’ enlarged issued share capital. At least Cdn\$5 million (approximately US\$4.8 million) of the proceeds of the private placement will be used to advance exploration on Nokomis during the winter 2010 drilling season. Approval from the TSX for this private placement has already been obtained.

Marcelo Awad, CEO of Antofagasta Minerals S.A., stated: *“We are delighted about the creation of this partnership with Duluth Metals. This transaction is in line with our stated strategy of*

seeking and acquiring interests in high quality mining assets in order to further enhance our long-term growth prospects. Nokomis has significant potential as one of the world's largest undeveloped base and precious metal resources. Duluth Metals has done a very good job at advancing Nokomis to its current stage, and we are confident that, together with Antofagasta's technical, operational and development skills, these properties could eventually be developed to their full potential for the mutual benefit of the shareholders of both Antofagasta and Duluth Metals". Marcelo Awad further added: "Antofagasta employs high standards of health, safety, and environment performance and community relations wherever it operates. Nokomis could represent a major investment in the Arrowhead region of the State of Minnesota and lead to increased local employment there."

As required under the Canadian securities regulation and rules of the TSX, Duluth Metals will today file and announce details of this transaction in Canada.

Rothschild is advising Antofagasta in relation to this transaction.

About Antofagasta plc

Antofagasta plc is listed on the London Stock Exchange and is a constituent of the FTSE-100 index with interests in mining, transport and water distribution. Its principal mining assets include the Los Pelambres, El Tesoro and Michilla mines and the Esperanza and Antucoya projects in Chile and the Reko Diq joint venture in Pakistan. It also has exploration programmes in Chile (mainly in the Sierra Gorda district), Latin America, Europe and Africa.

About Duluth Metals and Nokomis

Duluth Metals is a Canadian advanced-stage mineral exploration corporation which has completed a number of preliminary economic assessments on a large, potentially bulk-mineable underground copper-nickel-PGM deposit located within the rapidly emerging Duluth Complex mining camp in northeastern Minnesota, USA.

Duluth Metals' principal asset is Nokomis. Duluth Metals published a NI 43-101 compliant resource estimate for Nokomis on 26 October 2009 which consists of 550 million tonnes of indicated resources grading 0.639% copper, 0.200% nickel and 0.660 grams per tonne platinum, palladium and gold ("Total Precious Metal" or "TPM") for a copper equivalent ("CuEq") grade of 1.51%, plus an additional 274 million tonnes of inferred resources grading 0.632% copper, 0.207% nickel and 0.685 grams per tonne TPM for a CuEq grade of 1.53%.

Duluth Metals has completed a NI 43-101 compliant scoping study on Nokomis in January 2009. This report provides a preliminary assessment of Nokomis based on a June 2008 mineral resource estimate and a 40,000 tonne per day production rate scenario.

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