

29 January 2003

Highlights

- Record year for copper production which totalled 460,700 tonnes (2001 – 445,000 tonnes).
- Group cash costs were held below 40 cents per pound, despite some disruption to operations in June 2002 caused by abnormal winter conditions at Los Pelambres.
- Group copper production in Q4 was 137,100 tonnes, 21.8% above Q3. Higher ore grades at Los Pelambres were the main contributing factor.
- El Tesoro's first full year of operations produced 84,300 tonnes, 12.4% above design capacity.

Group Total	Q1 2002	Q2 2002	Q3 2002	Q4 2002	Full Year 2002	Full Year 2001
Total copper production ('000 tonnes)	108.9	102.0	112.6	137.1	460.7	445.0
Weighted average Cash costs (cents per pound)	39.2	39.3	36.9	40.1	38.9	38.8

Los Pelambres

Copper production at Los Pelambres in Q4 was 101,100 tonnes, 28.5% over Q3, boosted by improved ore grades under the current phase of the mine plan. Ore grades for 2003, however, are expected to be similar to the 2002 average.

Cash costs in Q4 increased to 36.7 cents per pound from 31.5 cents per pound in Q3, due mainly to lower by-product credits as prices for Molybdenum concentrates weakened and Moly. production decreased.

El Tesoro

El Tesoro produced 84,300 tonnes of cathodes in its first full year of operations. The production level achieved compared with the 75,000 tonnes design capacity of its cathode plant.

Q4 production was 22,800 tonnes, an increase of 9.1% over Q3, due to a combination of higher grades and improved recoveries. Lower grades expected in 2003 should be compensated by higher ore processing levels and better recoveries as production processes continue to be upgraded and cathode production is expected to be maintained at 2002 levels.

Cash costs of 41.7 cents per pound in Q4 were marginally below the previous quarter.

Michilla

Michilla produced 13,200 tonnes of cathodes in Q4, a slight increase on the previous quarter. The additional crushing capacity in service at Michilla, since March 2002, has enabled production levels to be maintained despite lower grades during the year.

Cash costs in Q4 were higher at 63.5 cents, compared with 61.3 cents in the previous quarter, and resulted mainly from increased throughput to compensate for lower ore grades in the second half.

Rail and Road Transport

Freight carried in Q4 was 1,035,000 tons, only marginally ahead of Q3, but total tonnages for 2002 reached 4,142,000 tons, a 6.2% increase over 2001.

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Quarterly Production Report Q4 2002



Los Pelambres	Q1 2002	Q2 2002	Q3 2002	Q4 2002	Full Year 2002	Full Year 2001
Daily average ore treated ('000 tonnes)	113.6	100.6	116.6	111.1	110.5	104.7
Average ore grade (%)	0.89	0.83	0.85	1.09	0.91	1.05
Average recovery (%)	91.2	90.8	89.8	92.2	91.1	92.4
Concentrate produced ('000 tonnes)	189.7	168.1	206.0	248.1	811.8	856.9
Average concentrate grade (%)	42.1	41.6	39.5	42.1	41.3	43.6
Fine copper in concentrate ('000 tonnes)	79.8	69.9	81.3	104.5	335.5	373.8
Payable copper in concentrate ('000 tonnes)	77.2	67.6	78.7	101.1	324.6	361.5
Payable moly in concentrate ('000 tonnes)	2.4	2.1	2.1	1.3	7.8	6.9
Cash costs (cents per pound)	35.9	34.8	31.5	36.7	34.9	35.3

El Tesoro	Q1 2002	Q2 2002	Q3 2002	Q4 2002	Full Year 2002	Full Year 2001
Daily average ore treated ('000 tonnes)	20.6	19.7	21.0	20.6	20.5	17.7
Average ore grade (%)	1.34	1.51	1.55	1.60	1.50	1.44
Average recovery (%)	76.5	74.8	73.1	73.6	74.4	76.1
Copper cathodes ('000 tonnes)	19.3	21.2	20.9	22.8	84.3	34.0
Cash costs (cents per pound)	39.6	39.7	41.9	41.7	40.8	39.6

Quarterly Production Report

Q4 2002

Michilla	Q1 2002	Q2 2002	Q3 2002	Q4 2002	Full Year 2002	Full Year 2001
Daily average ore treated ('000 tonnes)	11.8	13.1	13.4	15.1	13.4	12.2
Average ore grade (%)	1.48	1.43	1.38	1.29	1.39	1.49
Average recovery (%)	77.4	74.8	76.2	74.3	75.6	74.8
Copper cathodes ('000 tonnes)	12.5	13.1	13.1	13.2	51.8	49.6
Cash costs (cents per pound)	59.0	61.5	61.3	63.5	61.4	64.5

Transport	Q1 2002	Q2 2002	Q3 2002	Q4 2002	Full Year 2002	Full Year 2001
Rail tonnage transported ('000 tons)	1,037	1,064	1,006	1,035	4,142	3,899