

Q1 2023 PRODUCTION REPORT

PRODUCTION AND COSTS IN LINE WITH FULL YEAR GUIDANCE

Antofagasta plc CEO, Iván Arriagada said: *“Antofagasta’s production and cost performance in the first quarter was as expected with copper production at 145,900 tonnes and net cash costs at \$1.54/lb with production affected by reduced water availability at Los Pelambres and lower grades at Centinela. With the completion of the desalination plant and the concentrator plant expansion at Los Pelambres production will increase during the year to meet production and cash cost guidance of 670-710,000 tonnes of copper at \$1.65/lb.*

“Controlling our costs in this inflationary environment and mitigating the impact of a stronger Chilean peso continue to be our focus, together with the safety and health of our employees and contractors.

“The copper market has been strong throughout the quarter, and we expect this to continue as structural supply and demand dynamics support a tight physical market.”

HIGHLIGHTS

PRODUCTION

- **Copper production in Q1 2023 at 145,900 tonnes was in line with guidance**, 5.1% higher than in the same quarter in 2022 and 25.4% lower than in Q4 2022. The decrease from the previous quarter reflects the expected temporary reduction in throughput at Los Pelambres on lower water availability, and expected lower grades and scheduled maintenance at Centinela. Production is expected to increase through the rest of the year
- **Gold production was 42,200 ounces in Q1 2023**, 9.9% higher than in the same period in 2022 due to higher grades and 24.8% lower than in Q4 2022, mainly due the scheduled maintenance and expected lower grades at Centinela
- **Molybdenum production in the quarter was 2,500 tonnes**, 500 tonnes higher than in the same period in 2022 on higher grades at Los Pelambres and Centinela and 19.4% lower than in Q4 2022 mainly due to lower throughput at Los Pelambres

CASH COSTS

- **Cash costs before by-product credits in Q1 2023 were \$2.49/lb**, 6.4% higher than in the same quarter in 2022 due to general inflation and higher input prices during the period, particularly for energy and sulphuric acid. Compared to the previous quarter, cash costs increased by 24.5% on lower copper production and the stronger Chilean peso
- **By-products credits in Q1 2023 were 95c/lb** reflecting higher realised prices, particularly for molybdenum
- **Net cash costs in Q1 2023 were \$1.54/lb**, 21c/lb lower than in Q1 2022 mainly due to higher by-products credits. Compared to Q4 2022 net cash costs were 27c/lb higher reflecting the higher cash costs before by-products credits, partly offset by higher realised by-product prices

GROWTH PROJECTS UPDATE

- At the end of Q1 2023, the Los Pelambres Desalination Plant and Concentrator Expansion projects, including design, procurement, construction and commissioning, were 96.2% complete
- At the desalination plant project, water has successfully been pumped through the entire water system although adverse sea conditions have resulted in some resequencing to finalise the marine works. The desalination plant is expected to come into production by the end of the second quarter of 2023
- Commissioning of the concentrator plant expansion will begin in the second quarter of 2023
- Progress continues on the engineering and pre-investment studies for the Centinela Second Concentrator project with a final decision expected by the end of the year

2023 GUIDANCE

- Guidance for the year is unchanged. Group copper production for the full year is expected to be 670-710,000 tonnes, increasing through the year
- Cash cost guidance before and after by-product credits is also unchanged at \$2.20/lb and \$1.65/lb respectively
- Capital expenditure guidance is also unchanged at \$1.9 billion

SUSTAINABILITY

- In Q1 2023, the Group achieved improvements in all safety indicators, including the Lost Time Injury Frequency Rate at 0.35 down by 60% compared to Q1 2022
- The 2022 Sustainability Report was published in March and is available on the company's website. The report sets out our sustainability strategy, priorities and performance regarding the main material sustainability issues that affected our business and our stakeholders in 2022, a year in which we achieved a record safety performance and reduced our CO₂ emissions intensity by 37%

OTHER

- The Government presented a revised draft mining royalty bill to Congress in October which was approved by the Senate Mining and Energy Committee in January, and it is now being discussed in the Senate Treasury Committee. The bill will then be debated in the Senate before being passed to the lower house for its consideration
- A first draft of the new Chilean constitution is being drafted by an appointed Committee of Experts and on 7 May 2023 the members of the Constitutional Council will be elected by direct vote. The Council will work with the Committee to finalise the draft, supported by a committee of technical advisers. The new constitution will then be put to a vote in a national referendum in December 2023
- Due to the continuing drought in the Choapa Valley, the DGA (Chile's water administration department) recently reviewed the water distribution arrangements in the Valley. Under the current water rights, Los Pelambres has a net positive impact on water availability in the Choapa Valley. Following the review, Los Pelambres and other stakeholders in the Valley have continued to engage in discussions with the relevant authorities
- Zaldívar submitted an Environmental Impact Assessment (EIA) in 2018 which included an application to extend its water extraction and mining permits to 2029 (with decreasing activity levels in 2030-2031). Currently, Zaldívar is permitted to extract water and mine into 2025 and 2024, respectively. Zaldívar continues to work diligently with the authorities and consult with the local indigenous community. To ensure the continuity of the operation, in March 2023 Zaldívar submitted a DIA (Declaration of Environmental Impact), a more limited scope and simplified procedure than an EIA, requesting that the mining permit be extended from 2024 to 2025 so as to expire at the same date as the current water permit. At the same time Zaldívar withdrew the 2018 EIA application. It is expected that an alternative and updated EIA application to extend the water and mining permits beyond 2025 will be submitted which will also

include a plan for a transition from the current continental water source on completion of the extended water permit, to either procuring water from a third party or using raw sea water.

GROUP PRODUCTION AND CASH COSTS		Year to Date			Q1	Q4	
		2023	2022	%	2023	2022	%
Copper production	kt	145.9	138.8	5.1	145.9	195.7	(25.4)
Copper sales	kt	149.0	115.9	28.6	149.0	201.5	(26.1)
Gold production	koz	42.2	38.4	9.9	42.2	56.1	(24.8)
Molybdenum production	kt	2.5	2.0	25.0	2.5	3.1	(19.4)
Cash costs before by-product credits ⁽¹⁾	\$/lb	2.49	2.34	6.4	2.49	2.00	24.5
Net cash costs ⁽¹⁾	\$/lb	1.54	1.75	(12.0)	1.54	1.27	21.3

(1) Cash cost is a non-GAAP measure used by the mining industry to express the cost of production in US dollars per pound of copper produced.

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MINING OPERATIONS

Los Pelambres

As expected, Los Pelambres produced 59,300 tonnes of copper in Q1 2023, 9.6% higher than in the same quarter last year mainly due to higher throughput. It was 33.2% lower than in the previous quarter, mainly driven by the reduced throughput, which was down 34.6% due to water restrictions arising from the drought.

Molybdenum production in Q1 2023 increased to 1,800 tonnes from 1,400 in Q1 2022, due to higher throughput and molybdenum grades. Compared to the previous quarter the production was 25.0% lower due to lower throughput as a result of the water restrictions.

Gold production for the quarter was 9,900 ounces, 1,300 ounces higher than in the same period last year and 3,900 ounces lower than Q4 2022 due to lower throughput.

Cash costs before by-product credits in Q1 2023 at \$2.17/lb were 9.6% higher than in the same quarter in 2022 due to general inflation and higher input prices, mainly energy and diesel. Compared to the previous quarter, cash costs increased by 25.4%, due to the decrease in production, the stronger Chilean peso and higher input prices.

Net cash costs in Q1 2023 were \$0.84/lb, 43c/lb lower than in Q1 2022 reflecting the increase in by-products credits on increased production and higher realised prices, particularly molybdenum.

Compared to the previous quarter net cash costs were 7.7% higher, reflecting the higher cash costs before by-products credits, partly offset by higher realised prices.

The Los Pelambres Expansion project was 96.2% complete (engineering, procurement and construction) as at the end of the quarter. The desalination plant is due to come into production in the second quarter of 2023. Commissioning of the concentrator plant expansion is expected to begin in the second quarter of 2023.

LOS PELAMBRES		Year to Date			Q1		Q4
		2023	2022	%	2023	2022	%
Daily ore throughput	kt	115.5	98.8	16.9	115.5	176.7	(34.6)
Copper grade	%	0.66	0.68	(2.9)	0.66	0.64	3.1
Copper recovery	%	89.2	92.3	(3.4)	89.2	88.3	1.0
Copper production	kt	59.3	54.1	9.6	59.3	88.8	(33.2)
Copper sales	kt	56.8	41.9	35.6	56.8	94.6	(40.0)
Molybdenum grade	%	0.019	0.016	18.8	0.019	0.017	11.8
Molybdenum recovery	%	87.3	86.5	0.9	87.3	87.1	0.2
Molybdenum production	kt	1.8	1.4	28.6	1.8	2.4	(25.0)
Molybdenum sales	kt	1.8	1.2	50.0	1.8	2.2	(18.2)
Gold grade	g/t	0.046	0.044	4.5	0.046	0.042	9.5
Gold recovery	%	70.0	73.5	(4.8)	70.0	69.0	1.4
Gold production	koz	9.9	8.6	15.1	9.9	13.8	(28.3)
Gold sales	koz	9.8	6.4	53.1	9.8	14.3	(31.5)
Cash costs before by-product credits ⁽¹⁾	\$/lb	2.17	1.98	9.6	2.17	1.73	25.4
Net cash costs ⁽¹⁾	\$/lb	0.84	1.27	(33.9)	0.84	0.78	7.7

(1) Includes tolling charges of \$0.21/lb in Q1 2023, \$0.21/lb in Q4 2022, and \$0.16/lb Q1 2022

Centinela

Total copper production in Q1 2023 at Centinela was 57,700 tonnes, 3.4% higher than in the same quarter in 2022. Compared to the previous quarter, copper production decreased by 21.7% on expected lower grades and scheduled major maintenance at Centinela Concentrates.

Copper in concentrates production was 38,200 tonnes in Q1 2023, 16.1% higher than in Q1 2022, mainly due to higher grades and 16.0% lower than in the previous quarter due to expected lower copper grades of 0.51% compared to 0.54% and expected lower daily ore throughput of 103.2kt compared to 115.9kt in Q4 2022 due to scheduled maintenance.

Production of copper cathodes was 14.8% lower than in the same quarter in 2022 and 30.9% lower than Q4 2022. This was primarily due to expected lower grades and throughput, partially offset by higher recoveries.

Gold production was 32,300 ounces in Q1 2023, 8.4% higher than in the same period last year. Compared to the previous quarter, gold production decreased by 23.6% as grades, which are correlated to copper grades, and recoveries decreased.

Cash costs before by-product credits in Q1 2023 were \$2.66/lb, 1.5% lower than in Q1 2022 primarily due to higher production, partly offset by general inflation and higher input costs. Compared to the previous quarter costs increased by 30.4% mainly due to lower production and the stronger Chilean peso.

Net cash costs in Q1 2023 were \$1.60/lb, 33c/lb lower than in the same quarter last year due to higher by-product credits related to increased molybdenum and gold production and higher realised prices. Compared to the previous quarter net cash costs increased by 29.0% reflecting the increase in cash costs before by-product credits and lower gold production, partly offset by higher realised prices.

CENTINELA		Year to Date			Q1	Q4	
		2023	2022	%	2023	2022	%
CONCENTRATES							
Daily ore throughput	kt	103.2	104.0	(0.8)	103.2	115.9	(11.0)
Copper grade	%	0.51	0.44	15.9	0.51	0.54	(5.6)
Copper recovery	%	83.3	81.4	2.3	83.3	81.7	2.0
Copper production	kt	38.2	32.9	16.1	38.2	45.5	(16.0)
Copper sales	kt	41.0	22.5	82.2	41.0	45.1	(9.1)
Molybdenum grade	%	0.016	0.013	23.1	0.016	0.014	14.3
Molybdenum recovery	%	71.0	59.7	18.9	71.0	49.3	44.0
Molybdenum production	kt	0.8	0.6	33.3	0.8	0.7	14.3
Molybdenum sales	kt	0.8	0.4	100.0	0.8	0.6	33.3
Gold grade	g/t	0.17	0.15	13.3	0.17	0.19	(10.5)
Gold recovery	%	65.1	66.7	(2.4)	65.1	65.5	(0.6)
Gold production	koz	32.3	29.8	8.4	32.3	42.3	(23.6)
Gold sales	koz	33.5	22.2	50.9	33.5	39.9	(16.0)
CATHODES							
Daily ore throughput	kt	49.4	55.4	(10.8)	49.4	52.5	(5.9)
Copper grade	%	0.56	0.65	(13.8)	0.56	0.76	(26.3)
Copper recovery	%	69.2	67.8	2.1	69.2	68.5	1.0
Copper production – heap leach	kt	18.2	22.1	(17.6)	18.2	27.0	(32.6)
Copper production – total ⁽¹⁾	kt	19.5	22.9	(14.8)	19.5	28.2	(30.9)
Copper sales	kt	21.5	22.6	(4.9)	21.5	28.2	(23.8)
Total copper production	kt	57.7	55.8	3.4	57.7	73.7	(21.7)
Cash costs before by-product credits ⁽²⁾	\$/lb	2.66	2.70	(1.5)	2.66	2.04	30.4
Net cash costs ⁽²⁾	\$/lb	1.60	1.93	(17.1)	1.60	1.24	29.0

(1) Includes production from ROM material

(2) Includes tolling charges of \$0.17/lb in Q1 2023, \$0.15/lb in Q4 2022, and \$0.14/lb Q1 2022

Antucoya

Antucoya produced 18,800 tonnes of copper in Q1 2023, 8.0% higher than in the same quarter last year on expected higher grades and throughput, partially offset by lower recoveries. Production decreased by 13.8% compared to Q4 2022 on lower grades and throughput, due to lower plant run time related to maintenance.

During the quarter, the cash costs were \$2.80/lb, a 16.7% increase compared to the \$2.40/lb in Q1 2022. This was mainly due to increased input costs, particularly for energy, sulphuric acid and diesel. This was partially offset by higher production.

Cash costs for the first three months of the year were 8.5% higher than the previous quarter, mainly due to lower production and the stronger Chilean peso.

Major maintenance scheduled in Q2 2023 has been postponed to Q3 2023.

ANTUCOYA		Year to Date			Q1	Q4	
		2023	2022	%	2023	2022	%
Daily ore throughput	kt	84.8	82.2	3.2	84.8	93.4	(9.2)
Copper grade	%	0.33	0.31	6.5	0.33	0.35	(5.7)
Copper recovery	%	66.8	69.4	(3.7)	66.8	68.7	(2.8)
Copper production	kt	18.8	17.4	8.0	18.8	21.8	(13.8)
Copper sales	kt	19.1	17.4	9.8	19.1	22.6	(15.5)
Cash costs	\$/lb	2.80	2.40	16.7	2.80	2.58	8.5

Zaldívar

Copper production at Zaldívar was 10,000 tonnes in Q1 2023, a 13.0% decrease compared with the same period last year and 11.5% lower than Q4 2022 due to scheduled maintenance and lower grades, partially offset by higher recoveries.

Cash costs in Q1 2023 were \$2.89/lb, a 37.6% increase compared with the same quarter last year and 5.1% increase compared to Q4 2022 primarily due to lower production and scheduled maintenance during Q1 2023.

ZALDÍVAR		Year to Date			Q1	Q4	
		2023	2022	%	2023	2022	%
Daily ore throughput	kt	33.6	39.5	(14.9)	33.6	38.6	(13.0)
Copper grade	%	0.70	0.84	(16.7)	0.70	0.76	(7.9)
Copper recovery ⁽¹⁾	%	60.6	53.2	13.9	60.6	59.6	1.7
Copper production – heap leach ⁽²⁾	kt	7.0	8.2	(14.6)	7.0	8.3	(15.7)
Copper production – total ^(2,3)	kt	10.0	11.5	(13.0)	10.0	11.3	(11.5)
Copper sales ⁽²⁾	kt	10.6	11.6	(8.6)	10.6	10.9	(2.8)
Cash costs	\$/lb	2.89	2.10	37.6	2.89	2.75	5.1

(1) Metallurgical recoveries during the period. Prior periods have been restated

(2) Group's 50% share

(3) Includes production from secondary leaching

Transport Division

Total transport volumes in Q1 2023 were 1.8 million tonnes, 1.8% higher than in the same quarter last year mainly due to customers' higher production and a new road transport contract that was in place for the full quarter. Total transport volumes decreased by 3.3% compared to Q4 2022 mainly due to customers' lower production and poor weather conditions.

TRANSPORT		Year to Date			Q1	Q4	
		2023	2022	%	2023	2022	%
Rail	kt	1,309	1,310	(0.1)	1,309	1,350	(3.0)
Road	kt	442	410	7.8	442	461	(4.1)
Total tonnage transported		1,751	1,720	1.8	1,751	1,811	(3.3)

Commodity prices and exchange rates

		Year to Date			Q1	Q4	
		2023	2022	%	2023	2022	%
Copper							
Market price	\$/lb	4.05	4.53	(10.6)	4.05	3.63	11.6
Realised price	\$/lb	4.48	5.05	(11.3)	4.48	3.97	12.8
Gold							
Market price	\$/oz	1,890	1,877	0.7	1,890	1,728	9.4
Realised price	\$/oz	2,029	2,021	0.4	2,029	1,813	11.9
Molybdenum							
Market price	\$/lb	32.8	19.1	71.7	32.8	21.4	53.3
Realised price	\$/lb	37.0	19.9	85.9	37.0	28.9	28.0
Exchange rates							
Chilean peso	per \$	810	808	0.2	810	913	(11.3)

Spot commodity prices for copper, gold and molybdenum as at 31 March 2023 were \$4.05/lb, \$1,979/oz and \$24.0/lb respectively, compared with \$3.80/lb, \$1,824/oz and \$31.8/lb as at 31 December 2022 and \$4.69/lb, \$1,933/oz and \$19.3/lb as at 31 March 2022.

The provisional pricing adjustments for copper, gold and molybdenum for the quarter were positive \$134.6 million, \$5.4 million and \$21.6 million respectively.

Cautionary Statement

This announcement contains certain forward-looking statements. All statements other than historical facts are forward-looking statements. Examples of forward-looking statements include, without limitation, those regarding the Group's strategy, plans, objectives or future operating or financial performance, reserve and resource estimates, commodity demand and trends in commodity prices, growth opportunities, and any assumptions underlying or relating to any of the foregoing. Words such as "intend", "aim", "project", "anticipate", "estimate", "plan", "believe", "expect", "may", "should", "will", "continue" and similar expressions identify forward-looking statements.

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