“Mining Investments in Chile and Copper Production Forecast”

CONTENTS

1. Project Portfolio
2. The future of Chilean copper production
3. Conclusions
### 1. Chilean Mining Investment

**Project Portfolio Valued in 67 Bn US$**

#### Portfolio of 30 Copper and Gold & Silver Mining Projects (64.2 Bn US$)

<table>
<thead>
<tr>
<th>Startup</th>
<th>Company Name</th>
<th>Project Name</th>
<th>Region</th>
<th>Sector</th>
<th>Type</th>
<th>Status</th>
<th>Investment (US$ Mn)</th>
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<tr>
<td>2011</td>
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Source: Chilean Copper Commission

**Subtotal**

<table>
<thead>
<tr>
<th>Region</th>
<th>Sector</th>
<th>Type</th>
<th>Status</th>
<th>Investment (US$ Mn)</th>
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<tr>
<td>Atacama</td>
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<td>Expansion</td>
<td>Construction</td>
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<td>Construction</td>
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<td>Total Investment in Copper, Gold and Silver</td>
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**Source:** Chilean Copper Commission
Portfolio of 6 Iron and Industrial Minerals Mining Projects (2.7 Bn US$)

<table>
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<tr>
<th>Company Name</th>
<th>Project Name</th>
<th>Region</th>
<th>Sector</th>
<th>Status</th>
<th>Type</th>
<th>Investment (US$ Mn)</th>
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<td>Atacama</td>
<td>Iron</td>
<td>New</td>
<td>Construction</td>
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<td>CAP</td>
<td>Los Coloradoes Expansion</td>
<td>Atacama</td>
<td>Iron</td>
<td>Expansion</td>
<td>Construction</td>
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<td>MINERA SANTA FE</td>
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<td>Tarapaca</td>
<td>Nitrate</td>
<td>Expansion</td>
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<td>SQM SALAR</td>
<td>SOP Plant Expansion</td>
<td>Antofagasta</td>
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<td>Construction</td>
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<td>SQM SALAR</td>
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<td>Potassium</td>
<td>Expansion</td>
<td>Construction</td>
<td>1.500</td>
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Subtotal Iron: 2.719

Subtotal Industrial Minerals: 1.059

Grand Total: 2.719

Source: Chilean Copper Commission

WHICH?
Investments by Metal (US$ Million)

Source: Chilean Copper Commission
WHERE?
Investments by Geographical Distribution
(US$ Million)

WHO?
Investments by Type of Companies
(US$ Million)
CODELCO’s Projects (Bn US$ 24.5)

Structurals
- Ministerio Hales (Bn US$ 2.52)
- Chuquicamata Underground (Bn US$ 2.2)
- Nueva Andina Phase II Expansion (Bn US$ 6.4)
- El Teniente New Mine Level (Bn US$ 2.8)

Others
- Radomiro Tomic Sulfides Phase II (Bn US$ 1.95)
- Quetena (Bn US$ 0.62)
- San Antonio Oxides (Bn US$ 0.32)
- Minor Projects (Bn US$ 7.74)

Source: Chilean Copper Commission

Large Companies’s Copper Projects

1. Doña Inés de Collahuasi (Bn US$3.15)
   - Collahuasi Expansion

2. Teck (Bn US$6.0)
   - Quebrada Blanca Hypogenic
   - Relincho

3. Antofagasta Minerals (Bn US$6.95)
   - Antucoya
   - Sierra Gorda District

4. BHP Billiton (Bn US$3.88)
   - Escondida Heap Leaching
   - Escondida Crusher Reloc.
   - Escondida Phase V Expansion

Source: Chilean Copper Commission
Large Companies’s Copper Projects

5. Freeport McMoRan (Bn US$0.73)
   - Sulfolix

6. Xstrata Copper (Bn US$0.29)
   - Lomas Bayas II

7. Anglo American (Bn US$2.5)
   - Los Bronces Expansion

Source: Chilean Copper Commission

New Copper Producing Companies

1. Quadra FNX Mining (Bn US$2.5)
   - Sierra Gorda

2. Pan Pacific Copper (Bn US$2.0)
   - Caserones

3. Far West Mining (Bn US$0.94)
   - Santo Domingo

4. Copec (Bn US$0.23)
   - Diego de Almagro Oxide
   - Diego de Almagro Sulfide

5. PanAust (Bn US$0.60 Mn)
   - Inca de Oro

Source: Chilean Copper Commission
Gold Companies

1. Barrick Gold (Bn US$6.75)
   - Pascua
   - Cerro Casale

2. Kinross (Bn US$0.57)
   - Lobo-Marte

3. GoldCorp (Bn US$2.50)
   - El Morro

Source: Chilean Copper Commission

WHEN?
Investments by Degree of Certainty
(US$ Million)

Source: Chilean Copper Commission
Greenfield and Brownfield Investments (US$ Million)

Investment by type and status of Project (US$ Mn)

<table>
<thead>
<tr>
<th>Type</th>
<th>Status</th>
<th>Construction</th>
<th>Probable</th>
<th>Possible</th>
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Source: Chilean Copper Commission

2. Chilean Mining Production Through 2020

Copper: 7.8 Million Tons (+43% from 2010)
Gold: 120 Tons (+300%)
Molybdenum: 60 Th Tons (62%)
Iron: 15 Million Tons (170%)
Projected Copper Production in Chile
(Thousand Tons Cu content)

Source: Chilean Copper Commission

Copper Concentrated Production in Chile
(Thousand Tons Cu content)

Source: Chilean Copper Commission
Copper SXEw Cathodes Production in Chile
(Thousand Tons Cu content)

Source: Chilean Copper Commission

Global Copper Consumption v/s Chilean Copper Production
(Thousand Tons Cu content)

Source: Brook Hunt – Consumption
COCHILCO - Production
3. Conclusions

- CHILE has the strongest mining project portfolio
- Fair climate for mining investments
- New companies in greenfield projects

Then:
- Increase of mining production
- High impact on Northern regions
- Higher fiscal incomes focussed mainly to social development

Thank You

This presentation is based on the report: "MINING INVESTMENT IN CHILE PROJET PORTFOLIO"

VICENTE PEREZ
Director (Act)
Research & Policy Planning Dpt.

Please submit your inquiries through our Client Service contact form at www.cochilco.cl or e-mail us at cochilco@cochilco.cl