

Santiago de Chile, August 30, 2019 – Corporación Nacional del Cobre (CODELCO) released its Operational and Financial Performance Report for the first semester 2019:

- **Revenues** were US\$ 5.9 billion, 20.3% lower than the reported US\$ 7.4 billion for the first six months of 2018, mainly due to a 10.8% fall in average LME copper prices and 11.9% decrease in total volume sold of copper.
- **Adjusted EBITDA<sup>(1)</sup>** was US\$ 1.6 billion, 41% lower than the US\$ 2.7 billion reported for the same period of 2018. Lower average LME copper price and volume sold were the main drivers of the decline. However, based on CODELCO's calculation of Adjusted EBITDA, a loss from foreign exchange differences in the first semester of 2019 also impacted the comparative performance.
- **Net financial debt** reached US\$ 14.0 billion on June 30, 2019, 12.8% higher than the US\$12.4 billion reported on the same date of 2018, mainly due to a lower cash position. Financial debt remain relatively stable at US\$ 14.5 billion. The increase in Net financial debt and the lower Adjusted EBITDA had a negative impact on the net debt to last twelve months adjusted EBITDA ratio, reaching 3.9x compared to 2.0x as of June 30, 2018.
- **Profit before tax** decreased from US\$ 674 million in the first six months of 2018 to a loss of US\$ 135 million in the same period of 2019, basically due to lower revenues related to lower average LME copper prices and volume sold. Additionally, a loss from foreign exchange differences of US\$ 60 million impacted the Profit before tax in the first semester of 2019.
- **Operating cash flows** were US\$ 1.8 billion, 37.8% lower than the reported US\$ 2.9 billion of 2018 primarily due to a decrease in cash received from sales of goods due to lower copper price. However, reduction in payments to suppliers partially offset the effect of lower copper prices on operating cash flows.
- **Capex program.** Chuquicamata Underground operation began on April 30, 2019. El Teniente New Mine Level and Andina Mineral Transfer System continue to move forward as well as feasibility studies for Andina Future Development. Inca Pit project at Salvador Division is in the final process of revision and with early works underway. Regarding the North District Desalination Plant tender process, interested parties' offers were received and are currently under final stage of evaluation.
- **Capital injection** of US\$ 400 million was received in February 2019, complementing the US\$ 600 million received in December 2018.
- **Total copper mine production**, including CODELCO's stake in El Abra and Anglo American Sur, reached 769 ktons, compared to 875 ktons in the first six months of 2018. Exceptional rains in February 2019 took a toll on production at Chuquicamata, Radomiro Tomic and Ministro Hales. Additionally, a 14-day strike at Chuquicamata, scheduled suspension of operations for smelters'

upgrades at Chuquicamata and Salvador, lower copper grades in Teniente and Ministro Hales, and in-process-inventory accumulation also impacted production.

- **Direct Cash Cost C1** per pound of copper was US\$ 142.3, compared to US\$ 137.6 for the first half of 2018. This 3.4% increase is primarily attributable to lower production and by-products volume sold. However, cost-reduction initiatives and exchange rate depreciation partially compensated the above mentioned increment.
- **9 collective bargaining agreements** reaching nearly 5,000 workers in six negotiation processes. Salary adjustments and conditions were adjusted to the reality of the business. No other labor negotiations are scheduled for 2019.

(1) Adjusted EBITDA is calculated by adding finance cost, income tax expense, depreciation and amortization of assets plus export taxes and impairment charges to profit (loss) for the period.

## SUMMARY FINANCIAL AND OPERATING DATA

	June 30,		Change	
	2018	2019	Amount	%
Total Copper Production ('000 mft) <sup>(1)</sup>	875	769	(106)	(12.1)
Total Own Molybdenum Production ('000 mtf)	13	10	(3)	(21.5)
Cash Cost (US\$/lb)	137.6	142.3	5	3.4
Total Own Copper Sales ('000 mft)	895	836	(59)	(6.6)
Total Molybdenum Sales ('000 mtf)	14	12	(2)	(13.2)
LME Copper Price (US\$/lb)	313.7	279.7	(34.0)	(10.8)
Metals Week Molybdenum Price (US\$/lb)	11.8	11.9	0.1	0.8
Average Exchange Rate (CLP/US\$)	612	676	64	10.5
Closing Exchange Rate (CLP/US\$)	651	680	29	4.4
Total Revenues (US\$ million)	7,426	5,917	(1,510)	(20.3)
Gross Profit (US\$ million)	1,849	1,255	(594)	(32.1)
Gross Margin (%)	24.9	21.2	(4)	(14.8)
Adjusted EBITDA (US\$ million) <sup>(2)</sup>	2,692	1,588	(1,104)	(41.0)
Adjusted EBITDA Margin (%)	36.2	26.8	(9)	(26.0)
Net Financial Debt (US\$ million) <sup>(3)</sup>	12,438	14,028	1,591	12.8
Net Interest Expenses (US\$ million)	213	242	30	13.9
Net Financial Debt to LTM Adjusted EBITDA	2.0	3.9	1.9	93.3
Adjusted EBITDA to Net Interest Expenses	12.6	6.5	(6.1)	(48.2)
Net Financial Debt to total Capitalization (%)	49.04	53.81	4.8	9.7
Contribution to the Chilean Treasury (US\$ million /cash flow)	473	39	(434)	(91.8)

<sup>(1)</sup> Total Production includes Codelco's share in El Abra and Anglo American Sur

<sup>(2)</sup> Adjusted Ebitda is defined as Net Income plus Income Tax, Royalty, Export Tax, Interest Expenses and Depreciation and Amortization

<sup>(3)</sup> Net Financial Debt is Financial Debt minus Cash and Cash Equivalents. Excludes Mitsui debt to acquire 20% of Anglo American Sur asset, because it is a non-recourse loan to CODELCO

**OPERATION: PRODUCTION, REVENUES, COST & ADJUSTED EBITDA**

**Consolidated Production.-** In the first 6 months of 2019, consolidated copper mine production, including CODELCO's stake in El Abra and Anglo American Sur attributable production, decreased 12.1% to 769 ktons compared to 875 ktons in the same period of 2018. Different unusual situations impacted CODELCO's operations during 1H19. Exceptional rains in February 2019 took a toll on production at Chuquicamata, Radomiro Tomic and Ministro Hales. Additionally, a 14-day union strike at Chuquicamata, scheduled suspension of operations for upgrades of the smelters at Chuquicamata and Salvador, lower copper grades in Teniente and Ministro Hales and in-process-inventory accumulation also impacted production. Therefore, CODELCO's own production fell 12.9% in the first six months of 2019 compared to the same period of 2018. As for the production from its joint ventures, Anglo American Sur increased production 5.0% while El Abra decreased production 18.2% due to the rains we mentioned above.

Molybdenum production decreased 21.5% from 12,942 tons in 1H18 to 10,161 tons in 1H19, mainly due to a decline in production at Chuquicamata.

	DIVISION	1H18	1H19
Copper Production (K ton)	Chuquicamata	136	166
	Radomiro Tomic	178	127
	Mina Ministro Hales	97	72
	Gabriela Mistral	50	42
	El Teniente	225	203
	Andina	101	84
	Salvador	26	15
	El Abra <sup>(1)</sup>	22	18
	Anglo American Sur <sup>(2)</sup>	40	42
	<b>CODELCO Total</b>	<b>875</b>	<b>769</b>

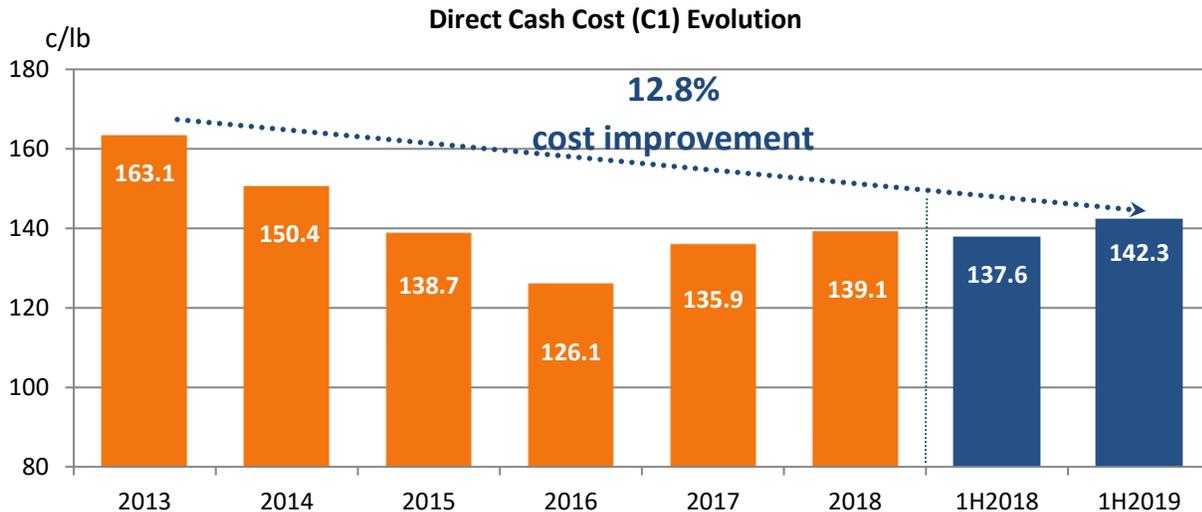
(1) CODELCO's figures presented for El Abra include 49% of the mine's total production (the share of production which corresponds to CODELCO's 49% ownership interest in the mine).

(2) CODELCO's figures presented for Anglo American Sur include 20% of the mine's total production (the share of production which corresponds to CODELCO's 20% ownership interest in the mine).

**Revenues.-** First half of 2019 revenues declined 20.3% to US\$ 5.9 billion from US\$ 7.4 billion in the same period of 2018. Lower average LME copper prices in 1H19 (US\$2.80/lb) versus that of 1H18 (US\$3.14/lb) and 6.6% YoY decrease in own copper sales volume were the main drivers of the revenues performance. Revenues do not reflect 100% of the LME price effect due to open invoice provisions. In the case of molybdenum, revenues also decreased, mainly driven by 13.2% lower volume sold.

**Consolidated Costs.-** Unit cash costs vary with fluctuations in payable production and average realized prices of by-products. During the first six months of 2019, CODELCO's cash cost was 142.3 cents per pound, compared to

137.6 cents per pound for the same period of 2018. This 3.4% increase was primarily attributable to lower production and by-product credits, which were partially compensated with cost-reduction initiatives and favorable exchange rate depreciation of the Chilean peso against the U.S. dollar (1H19 average exchange rate was CLP 676 per dollar compared to CLP 611 per dollar for the same period in 2018).



**Adjusted EBITDA.-** In the first six months of 2019, CODELCO’s Adjusted EBITDA totaled US\$ 1,588 million, down 41.0% from US\$ 2,692 million in the same period of 2018. Lower average LME copper price and volume sold were the main drivers of the decline. However, based on CODELCO’s calculation of Adjusted EBITDA, a higher loss from foreign exchange differences in the first semester of 2019 also impacted the comparative performance. As of June 30, 2019, the ratio of net debt to Adjusted EBITDA was 3.9x, higher than the same ratio in June 2018 which stood at 2.0x. Additionally, the adjusted EBITDA coverage ratio decreased to 6.5x in the first half of 2019 from 12.6x in the same period of 2018, due to higher interest expenses and lower adjusted EBITDA.

Adjusted EBITDA is calculated by adding finance cost, income tax expense, depreciation and amortization of assets plus export taxes and impairment charges to profit (loss) for the period. Impairment charges include charges and reversals of charges of investment projects, research projects and investment in associates and joint ventures. Debt is defined as loans from financial institutions, excluding the Mitsui debt to acquire 20% of Anglo American Sur asset because it is non-recourse to CODELCO, plus bonds issued. Net debt is defined as debt net of cash and cash equivalents. Adjusted EBITDA coverage ratio is the ratio of Adjusted EBITDA to finance cost net of finance income.

	June 30,	
	<u>2018</u>	<u>2019</u>
	(in thousands of U.S.\$)	
Profit (loss) for the period	243,914	(100,234)
Income tax expense	430,318	(34,490)
Finance costs	237,609	260,139
Impairments	138,183	-
Depreciation and amortization of assets	1,043,427	1,005,720
Copper Reserve Law	598,330	456,697
<b>Adjusted EBITDA</b>	<b>2,691,781</b>	<b>1,587,832</b>

### CAPITAL EXPENDITURE: STRUCTURAL PROJECTS

**Chuquicamata Underground Mine:** On April 30 began the underground operation start-up and the first tons of mineral ore were extracted and transported on trucks. The construction of the conveyor belt transportation system is on schedule. As of June 2019, overall progress was 90% and the formal opening ceremony took place in August 2019.

**Andina Mineral Transfer System:** Under construction and overall progress was 77% as of June 2019. Operation is scheduled to start in 2021.

**El Teniente New Mine Level (NML):** Under construction and overall progress was 52% as of June 2019. The main mining contracts for Andes Norte NML area have been awarded as well as the contracts for the access works and construction facilities for the Diamante and Andesita areas. Operation is scheduled to start in 2023.

**Salvador Inca Pit projects:** Feasibility study was completed. Mining development activities and early works are underway.

**Andina Future Development:** Feasibility study is 31% completed and the main engineering contract was awarded in March 2019.

**North District Desalination Plant:** Tender process is underway. Offers were received in April 2019 and are currently under final stage of evaluation.

**New Emission Standards for Smelters (DS No. 28):** Investments in CODELCO's smelters to comply with the new regulatory standard of emissions (DS No. 28) are almost completed. All smelters are in compliance with the new regulatory standard. Total investment will reached approximately US\$ 2.3 billion:

- **Ventanas:** Project completed (US\$ 113 million) 100%
- **El Teniente:** Plants operating (US\$ 703 million) 95%
- **Salvador:** commissioning started (US\$ 441 million) 97%
- **Chuquicamata:** commissioning started (US\$ 1.079 billion) 96%

**CAPITALIZATION PROGRAM**

In October 2014, the multi-year capitalization law, approved and enacted by the Chilean Congress, became effective following its publication in the Official Gazette. This law allocates a maximum of US\$ 3 billion to CODELCO in the form of a capital injection by the Chilean Treasury over the 2014-2019 period. On the same date that the multi-year capitalization law was enacted, the Chilean President announced a commitment to authorize CODELCO to retain an additional US\$ 1 billion of profit.

As part of this capitalization program, in June 2018, the Government approved a capital injection of US\$ 1 billion; the first payment of US\$ 600 million was received in December 2018 and a second payment of US\$ 400 million in February 2019.

The following table shows the funds received as a result of the above mentioned law:

<i>US\$ million</i>	Authorized	2014	2015	2016	2017	2018	2019	Total Capitalization
Capital injection	3,000	-	600	500	520	600	400	2,620
Retained Earnings	1,000	200	-	-	-	-	-	200
<b>Total (US\$m)</b>	<b>4,000</b>	<b>200</b>	<b>600</b>	<b>500</b>	<b>520</b>	<b>600</b>	<b>400</b>	<b>2,820</b>

**AVERAGE METAL PRICE**

	LME Copper (US\$/lb.)	COMEX Copper (US\$/lb.)	Molybdenum (US\$/lb.)
<b>1Q 2019</b>	2.82	2.81	11.7
<b>2Q 2019</b>	2.77	2.78	12.1
<b>1Q 2018</b>	3.16	3.14	12.2
<b>2Q 2018</b>	3.12	3.09	11.6
<b>3Q 2018</b>	2.77	2.73	11.7
<b>4Q 2018</b>	2.8	2.74	12.0
<b>Average 2018</b>	2.96	2.93	11.9
<b>Variation: 2Q 2019 vs. 2Q 2018</b>	-11.2%	-10.0%	4.8%
<b>Variation: 2Q 2019 vs. 1Q 2019</b>	-1.8%	-1.1%	3.4%

Sources: LME, COMEX and Metals Week Dealer Oxide

**CASH FLOWS**

First half 2019 net cash flows from operating activities totaled US\$ 1,792 million compared to US\$ 2,879 million for the same period of 2018. Decrease in cash received from sales of goods because of lower copper prices was the main driver of decline in operating activities cash flows. However, reduction in payments to suppliers partially offset the impact of lower copper prices on operating cash flows.

**CASH AND DEBT**

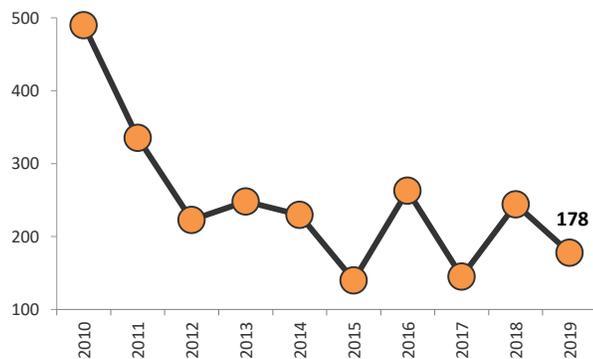
Financial debt<sup>(1)</sup> remained relatively flat at around US\$ 14.5 billion as of June 30, 2019. CODELCO had consolidated cash and cash equivalents for US\$ 479 million compared to US\$ 2.0 billion on the same date of 2018. In January 2019, the outstanding amount of the 2019 notes (US\$ 267 million) matured. In January 2019, CODELCO issued US\$ 1.3 billion of new 144A/RegS 30-year notes which proceeds used to buy back bonds maturing between 2020 and 2025 for a total of US\$ 1.5 billion. In regard of funding from banks, CODELCO subscribed a new 5-year bilateral loan of US\$ 300 million, rollover a US\$ 300 million bilateral loan extending its maturity from 2019 to 2028, subscribed five short term loans for a total of US\$ 365 million and paid back US\$ 218 million in bilateral loans maturing between 2019 and 2032 and its German subsidiary credit lines.

(1) Excludes Mitsui debt to acquire 20% of Anglo American Sur asset, because is non-recourse to CODELCO

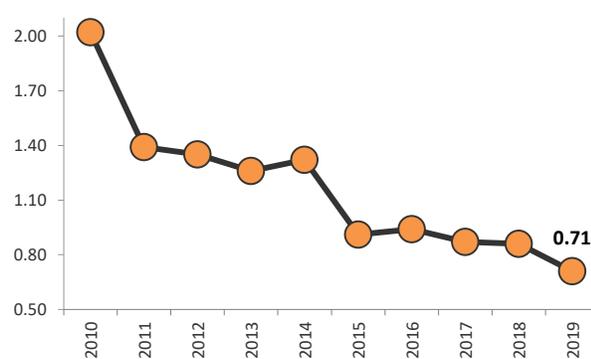
**SUSTAINABILITY FOCUS: ENVIRONMENTAL, SOCIAL AND GOVERNANCE**

**Safety.-** The accident severity rate decreased significantly compared to the same period of last year. It declined roughly 50%, to 178 from 349. Furthermore, the accident frequency rate has maintained the downward trend shown in recent years with a 17% improvement compared to 2018.

**Severity Rate - Own Staff & Contractors**  
(Days lost & days charged / Million hours worked)



**Frequency Rate - Own Staff & Contractors**  
(Lost time injury / Million hours worked)



**Collective bargaining agreements.-** During 1H19 CODELCO negotiated 9 collective bargaining agreements, involving nearly 5,000 employees. These agreements are enforceable for up to the next 36 months (one for 29 months). The largest collective bargaining agreements were with Chuquicamata’s unions 1, 2 and 3, involving approximately 2,700 employees and a 14-day strike. No more labor negotiations are scheduled for 2019.

**Appointment of new CEO.-** On July 12, 2019, CODELCO announced the appointment of Mr. Octavio Araneda as Chief Executive Officer of CODELCO as of September 1, 2019, replacing Nelson Pizarro, who will retire. Mr. Araneda is the current Vice President of Central Southern Operations and has worked at CODELCO for 33 years in numerous positions. Mr. Araneda holds a Mining Engineer degree from University of Chile and a MSc. in Mineral Economics from Curtin University, Australia.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (ThUS\$)**

Profit (loss)	Six months ended June 30,		
	2018	2019	Δ %
Revenue	7,426,464	5,916,749	(20.3)
Cost of sales	(5,577,274)	(4,661,912)	(16.4)
<b>Gross profit</b>	<b>1,849,190</b>	<b>1,254,837</b>	<b>(32.1)</b>
Other Income, by function	65,511	90,713	38.5
Impairment and reversed impairment according to IFRS 9	1,315	588	(55.3)
Distribution costs	(9,746)	(7,784)	(20.1)
Administrative expenses	(232,345)	(203,446)	(12.4)
Other expenses	(964,409)	(985,326)	2.2
Other gains (losses)	8,248	13,114	59.0
<b>Profit (losses) from operating activities</b>	<b>717,764</b>	<b>162,696</b>	<b>(77.3)</b>
Finance income	24,709	17,668	(28.5)
Finance costs	(237,609)	(260,139)	9.5
Share of profit of associates and joint ventures accounted for using the equity method	73,723	5,233	(92.9)
Foreign exchange differences	95,645	(60,182)	(162.9)
<b>Profit for the period before tax</b>	<b>674,232</b>	<b>(134,724)</b>	<b>(120.0)</b>
Income tax expense	(430,318)	34,490	(108.0)
Profit for the period	<b>243,914</b>	<b>(100,234)</b>	<b>(141.1)</b>
Profit (loss) attributable to:			
Profit (loss) attributable to owners of the parent	223,307	(104,573)	(146.8)
Profit (loss) attributable to non-controlling interests	20,607	4,339	(78.9)
<b>Profit for the period</b>	<b>243,914</b>	<b>(100,234)</b>	<b>(141.1)</b>

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (THUS\$)**

Assets	June 30,	
Current Assets	2018	2019
Cash and cash equivalents	2,013,099	478,871
Other current financial asset	64,138	401,888
Other current non-financial assets	25,319	23,763
Trade and other current receivables	1,996,785	2,006,725
Accounts receivables due from related companies, current	126,253	20,256
Inventory	2,068,167	2,045,002
Current tax asset	12,883	48,247
<i>Total current assets different from other than assets or groups of assets for disposition classified as held for sale or held as distributable to owners</i>	<b>6,306,644</b>	<b>5,024,752</b>
Non-current assets or groups of assets for disposition classified as held to distribute to owners	2,804	89,519
<b>Total current assets</b>	<b>6,309,448</b>	<b>5,114,271</b>
<b>Non-current asset</b>		
Non-current inventories	441,879	555,968
Other non-current financial assets	157,695	162,816
Other non-current non-financial assets	7,497	9,198
Non-current receivables	113,187	96,063
Accounts receivables due from related companies, non-current	25,325	18,030
Investment accounted for using the equity method	3,614,263	3,484,027
Intangible assets other than goodwill	44,109	47,056
Property, Plant and Equipment, net	26,032,844	28,242,219
Investment property	981	981
Assets for current taxes, not current	177,093	144,745
Deferred tax assets	32,413	35,144
<b>Total non-current asset</b>	<b>30,647,286</b>	<b>32,796,247</b>
<b>TOTAL ASSETS</b>	<b>36,956,734</b>	<b>37,910,518</b>

Liabilities	June 30,	
	2018	2019
<b>Current liabilities</b>		
Other current financial liabilities	943,741	1,185,501
Trade and other current payables	1,321,155	1,638,656
Accounts payables to related companies, current	123,513	141,930
Other current provisions	976,280	839,807
Current tax liabilities	36,338	9,322
Current employee benefit accruals	333,859	330,182
Other current non- financial liabilities	49,032	96,643
<b>Total current liabilities</b>	<b>3,783,918</b>	<b>4,242,041</b>
<b>Non-current liabilities</b>		
Other non-current financial liabilities	14,450,764	14,634,405
Other non-current liabilities	35,791	19,312
Other non-current provisions and accrued expenses	1,721,071	1,610,406
Deferred tax liabilities	4,711,571	4,506,057
Non-current employee benefit accruals	1,338,779	1,329,094
Other non-current non-financial liabilities	3,358	4,289
<b>Total non-current liabilities</b>	<b>22,261,334</b>	<b>22,103,563</b>
<b>Total liabilities</b>	<b>26,045,252</b>	<b>26,345,604</b>
<b>Equity</b>		
Issued Capital	4,619,423	5,619,423
Retained earnings	(37,902)	(302,999)
Other Reserves	5,359,343	5,330,675
<b>Equity attributable to owners of the parent</b>	<b>9,940,864</b>	<b>10,647,099</b>
Non-controlling interests	970,618	917,815
<b>Total equity</b>	<b>10,911,482</b>	<b>11,564,914</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>36,956,734</b>	<b>37,910,518</b>

**CONSOLIDATED STATEMENTS OF CASH FLOWS (ThUS\$)**

	<b>Six months ended June 30,</b>	
	<b>2018</b>	<b>2019</b>
<b>Cash flow provided by (used in) operating activities:</b>		
Cash income provided by operating activities		
Cash flows provided by sales of goods and rendering of services	8,366,174	6,331,628
Other cash flows provided by operating activities	858,939	987,521
Types of cash payments		
Payments to suppliers for goods and services	(4,634,204)	(3,964,052)
Payments to and on behalf of employees	(1,041,767)	(966,688)
Other cash flows used in operating activities	(701,726)	(640,860)
Dividends received	59,971	84,372
Income taxes paid	(27,973)	(39,468)
<b>Net cash flows provided by operating activities</b>	<b>2,879,414</b>	<b>1,792,453</b>
<b>Cash flows provided by (used in) investing activities:</b>		
Other payments to acquire equity or debt instruments of other entities	-	(240)
Purchases of property plant and equipment	(1,855,342)	(2,107,817)
Interest received	16,458	14,169
Other inflows (outflows) of cash	(131,338)	(204,590)
<b>Net cash flows from (used in) investing activities</b>	<b>(1,970,222)</b>	<b>(2,298,478)</b>
<b>Cash flows used in financing activities:</b>		
Proceeds from long term borrowings	600,000	1,300,000
Proceeds from short term borrowings	26,807	465,000
Repayments of borrowings	(185,219)	(1,843,963)
Payments of liabilities for financial leases	(11,966)	(72,180)
Dividends paid	(445,246)	-
Interest paid	(292,622)	(313,424)
Other inflows (outflows) of cash	1,833	209,497
<b>Net cash flows used in financing activities</b>	<b>(306,413)</b>	<b>(255,070)</b>
<b>Net increase (decrease) in cash and cash equivalents before foreign exchange difference</b>	<b>602,779</b>	<b>(761,095)</b>
Foreign Exchange Rate Net increase (decrease) in cash and cash equivalents	(38,515)	10,841
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>564,264</b>	<b>(750,254)</b>
Cash and cash equivalents at beginning of period	1,448,835	1,229,125
<b>Cash and cash equivalents at end of period</b>	<b>2,013,099</b>	<b>478,871</b>



### **COMPANY PROFILE**

CODELCO is the world's largest copper producer primarily engaged in the exploration, development and extraction of copper-bearing ores and by-products, processing ore into refined copper and international trade of refined copper and by-products. CODELCO is 100% owned by the Republic of Chile and controls approximately 6% of the world's proven and probable copper reserves; as defined by the U.S. Geological Survey. In 2018, CODELCO had an estimated 9% share of the total world copper production, producing approximately 1.81 million metric tons (including CODELCO's share in El Abra deposit, which is mined by Sociedad Contractual Minera El Abra and its share in Anglo American Sur) and an estimated 9% share of the world's molybdenum production with approximately 24,031 metric tons.

### **CODELCO CORPORATE ADDRESS**

1270 Huerfanos St.  
P.O. Box 150 – D  
Santiago, CHILE  
Phone: (56-2) 2690 3000

### **INVESTOR CONTACT**

Pablo Lubbert  
Director of Investor Relations  
Phone: (56-2) 2690 3938  
e-mail: [pablo.lubbert@CODELCO.cl](mailto:pablo.lubbert@CODELCO.cl)

Alejandro Sanhueza  
Head of Finance  
Phone: (56-2) 2690 3248  
e-mail: [alejandro.sanhueza@CODELCO.cl](mailto:alejandro.sanhueza@CODELCO.cl)

This new release has been prepared by Corporación Nacional del Cobre de Chile ("CODELCO" or the "Company") This news release does not constitute or form part of an offer or any request to any other person or to the general public to subscribe for or otherwise acquire securities issued by CODELCO in any jurisdiction or an inducement to enter into investment activity, nor shall it (or any part hereof) or the fact of its distribution or availability, form the basis of, or be relied on in connection with, or act as any inducement to enter into, any contract or commitment or investment decision.

The information contained in this independent news release has not been verified and is subject to change without notice. No representation or warranty expressed or implied is made as to and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. None of the Company, any of its respective affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with the presentation.

This news release is only for persons who have professional experience in matters relating to investments and must not be acted or relied on by people who are not relevant persons.

This news release contains forward-looking statements as that term is defined in the Private Security Litigation Reform Act of 1995. In addition to the risks and uncertainties noted in this news release, there are certain factors that could cause results to differ materially from those anticipated by some of the statements made. The Company expressly disclaims any obligation to release publicly any update or revisions for any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

As an Industry Standard, CODELCO divides its mineral holdings into two categories, reserves and resources. Resources are ore bodies of economic value that have been identified and evaluated through exploration, reconnaissance and sampling. Reserves are the portion of the resources that can be extracted based on an economic, environmental and technological analysis set forth in the mining plan. Reserves and resources are both subdivided further, based on the degree of knowledge that CODELCO has of their extent and composition. The system used by CODELCO for categorizing mineral ores is according to the Chilean law (N° 20.235) which is in accordance with others systems widely used within the mining industry. The "Comisión Calificadora de Competencias en Recursos y Reservas Mineras" is the independent Chilean entity who regulates this and it is part of the Committee for Mineral Reserves International Reporting Standards (CRISCO).