

Santiago de Chile, November 25, 2016 – Corporación Nacional del Cobre (CODELCO) reported September 30, 2016 operational and financial results:

- **Nine months ended September 30, 2016 revenues** were US\$ 8.1 billion, 7.1% below the reported US\$ 8.7 billion for the nine months of 2015, due to the 17.1% decrease in the average LME copper price, partially offset by an increase in the copper volume sold.
- **Adjusted EBITDA** for the nine months of 2016 was US\$ 1.9 billion (23.7% margin) compared to US\$ 3.0 billion (34.7% margin) in the same period of 2015 principally due to the decrease in the average copper price during 2016.
- **Loss before taxes** in the nine months of 2016 was US\$ 18.3 million (-0.2% of sales), compared to a profit of US\$ 1.2 billion (14.0% of sales) in the same period of 2015 basically due to a lower average copper price and the impact of the foreign exchange rate differences due to the strength of the Chilean peso to CLP 659 per dollar as of September 30, 2016 from CLP 707 per dollar as of December 30, 2015.
- **Own copper mine production** in the nine months of 2016, achieved a new record of 1.27 million tons despite having reached its historical lowest ore grade of 0.71% mainly due to higher production of Chuquicamata, Salvador and Mina Ministro Hales Divisions. Nonetheless, total production including El Abra and Anglo American Sur shares, decreased 0.9% in the nine months of 2016 to 1.37 million tons compared to 1.38 million tons for the same period of 2015, especially due to lower production coming from Anglo American Sur, El Abra and Andina division.
- **Direct Cash Cost C1** per pound of copper was US\$ 127.1 in the nine months of 2016, compared to US\$ 138.2 in the same period of 2015. This decrease of 8.0% is primarily attributable to the control cost program reflected in savings in salaries and wages, materials and third party services, helped by the global decrease in the fuel price and the benefit of a weaker average exchange rate for the first half 2016 (CLP 680 per dollar) compared to the same period of 2015 (CLP 640 per dollar).
- **Operating cash flows** totaled US\$ 1.25 billion in the nine months of 2016 compared to US\$ 1.57 billion in the same period of 2015 principally due to the decrease in the income from sales of goods due to lower copper and molybdenum prices as well as lower income from other operational activities.
- **Capex program** has been adjusted to US\$18 billion for the five-year period ending in 2020, changing from a simultaneous project development plan to a sequential development strategy.



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SUMMARY FINANCIAL AND OPERATING DATA

| | September 30, | | | |
|---|---------------|--------|---------------------|--------|
| | 2016 | 2015 | Variation Amount | % |
| Copper Production* ('000 mft) | 1,366 | 1,379 | (13) | (0.9) |
| Own Molybdenum Production ('000 mft) | 23.0 | 20.2 | 2.8 | 13.9 |
| Cash Cost (Usc/Pound) | 127.1 | 138.2 | (11.1) | (8.0) |
| Copper Sales ('000 mft) | 1,367 | 1,257 | 110 | 8.8 |
| Molybdenum Sales ('000 mft) | 22 | 19 | 3 | 15.8 |
| LME Copper Price (Usc/Pound) | 214.3 | 258.5 | (44.2) | (17.1) |
| Metals Week Molybdenum Price (US\$/Pound) | 6.4 | 7.2 | (0.8) | (11.1) |
| Average Exchange Rate (CLP/US\$) | 680 | 640 | 40 | 6.3 |
| Closing Exchange Rate (CLP/US\$) | 659 | 705 | (46) | (6.5) |
| Total Revenues (US\$ mn) | 8,104 | 8,724 | (620) | (7.1) |
| Gross Profit (US\$ mn) | 1,062 | 1,553 | (491) | (31.6) |
| Gross Margin (%) | 13.1 | 17.8 | (4.7) | (26.4) |
| Adjusted EBITDA (US\$ mn) | 1,922 | 3,025 | (1,103) | (36.5) |
| Adjusted Mining EBITDA Margin (%) | 23.7 | 34.7 | (11.0) | (31.7) |
| Net Financial Debt** (US\$ mn) | 13,927 | 12,541 | 1,386 | 11.1 |
| Net Interest Expense (US\$mn) | 408 | 355 | 53 | 14.9 |
| Net Debt to LTM Adjusted EBITDA | 5.6 | 2.9 | 2.7 | 93.1 |
| Adjusted EBITDA to Net Interest Expenses | 4.7 | 8.5 | (3.8) | (44.7) |
| Net Debt to total Capitalization (%) | 58.2 | 48.4 | 9.8 | 20.2 |
| Contribution to the Chilean Treasury | 733 | 955 | (222) | (23.2) |

*Includes El Abra and Anglo American Sur shares of production relative to Codelco

**Net of cash and cash equivalents. Excludes Mitsui debt to acquire 20% of Anglo American Sur asset, because is non-recourse to CODELCO



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OPERATION: PRODUCTION, REVENUES & COST

Consolidated Production.- Consolidated copper mine production, including El Abra and Anglo American Sur shares, decreased 0.9% in the nine months of 2016 to 1,366 thousand tons compared to 1,379 thousand tons for the same period of 2015, mainly due to lower production coming from El Abra, Anglo American Sur and Andina division, partially offset by higher production in Chuquicamata, Mina Ministro Hales and Salvador divisions. On the other hand, Codelco's own production increased 1.2% in the nine months of 2016 compared to the same period of 2015. Production increased due to higher mineral ore processed partially offset by lower ore grade. Lower production in Andina division is the direct consequence of a diminished ore grade in addition to a lower mineral ore processed due to its operational stabilization processes and environmental incidents during 2016. Furthermore, molybdenum production in the nine months of 2016 increased by 13.9% to 22,969 tons from 20,223 tons in the same period of 2015 especially due to higher production in Chuquicamata.

Codelco Total Copper Production

| | September 30, | |
|---|---------------|--------------|
| | 2016 | 2015 |
| Chuquicamata Division | 229 | 209 |
| Radomiro Tomic Division..... | 235 | 234 |
| Ministro Hales | 184 | 172 |
| Gabriela Mistral Division | 92 | 91 |
| El Teniente Division | 353 | 356 |
| Andina Division | 141 | 167 |
| Salvador Division | 43 | 29 |
| El Abra ⁽¹⁾ | 38 | 56 |
| Anglo American Sur ⁽²⁾ | 53 | 64 |
| CODELCO Total Production | 1,366 | 1,379 |

(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).



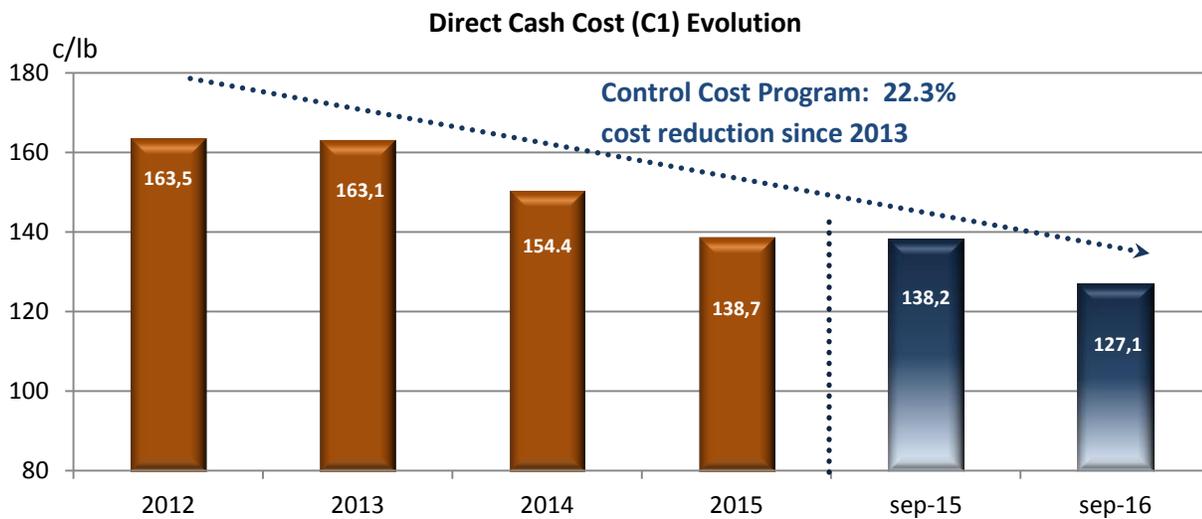
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Consolidated Revenues.- The nine months of 2016 revenues decreased 7.1% to US\$ 8.1 billion compared to the same period of 2015. Revenues from own copper sales decreased 5.8% mainly due to the decline of the average LME copper price, 17.1%, partially offset by an increase in the volume sold during the first half of 2016 compared to the same period of 2015. Moreover, third-party copper sales decreased 14.5%.

Consolidated Costs.- Unit cash costs will vary with the fluctuations in payable production and average realized prices for by-products. In the nine months of 2016, CODELCO's cash cost was 127.1 cents per pound, compared to 138.2 cents per pound in the same period of 2015. A decrease of 8.0% primarily attributable to:

- 1) Lower operational costs: savings in wages, third party services, materials and fuel.
- 2) Favorable exchange rate movements (September 2016 average exchange rate of CLP 680 per dollar compared to CLP 640 per dollar for the same period of 2015)

The cash cost reduction trend evidence the consolidation of the control cost program.



CAPITAL EXPENDITURE: STRUCTURAL PROJECTS

Capex program has been adjusted to US\$18 billion for the five-year period ending in 2020, changing from a simultaneous project development plan to a sequential development strategy that will allow:

- ✓ Better project management
- ✓ Resources availability
- ✓ Ensure solutions to technical problems
- ✓ Safeguarding production levels, among others

Chuquicamata Underground.- Progressing as scheduled through the development of major mining contracts' works (37.2% as of September 2016).

Andina Plant Reallocation.- Progressing as scheduled (26.6% as of September 2016) and potential improvement of projected completion date.

El Teniente New Mine Level.- Significant progress in the tunnels strengthening, electrical infrastructure, ventilation tunnels and mine.

Projects under Prefeasibility Studies.- Codelco is close to completing Andina Expansion and Inca Pit projects prefeasibility studies.

North District Desalination Plant.- Detailed engineering developed and currently outsourcing options under evaluation.

New Emission Standards for Smelters (DS N°28).- Ventanas has already achieved 72% of the CAPEX program and projects will be completed by December 2016. In the cases of Chuquicamata, Salvador and El Teniente the accomplishment reached 10%, 42% and 7% respectively and the completions are scheduled for December 2018. Total CAPEX for the fulfillment of the new standards is US\$ 1.8 billion.



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AVERAGE METAL PRICE

| | LME Copper (US\$/lb.) | COMEX Copper (US\$/lb.) | Molybdenum (US\$/lb.) |
|---------------------------------------|--------------------------|----------------------------|--------------------------|
| 1Q 2016 | 2.12 | 2.11 | 5.27 |
| 2Q 2016 | 2.15 | 2.13 | 6.89 |
| 3Q 2016 | 2.17 | 2.16 | 6.94 |
| 9M 2016 | 2.14 | 2.13 | 6.37 |
| 1Q 2015 | 2.64 | 2.66 | 8.41 |
| 2Q 2015 | 2.75 | 2.77 | 7.45 |
| 3Q 2015 | 2.38 | 2.40 | 5.75 |
| 4Q 2015 | 2.22 | 2.20 | 4.75 |
| 9M 2015 | 2.59 | 2.61 | 7.20 |
| Average 2015 | 2.50 | 2.51 | 6.59 |
| Variation: 3Q 2016 vs. 3Q 2015 | (8.8)% | (10.0)% | 20.7% |
| Variation: 3Q 2016 vs. 2Q 2016 | 0.9% | 1.4% | 0.7% |
| Variation: 9M 2016 vs. 9M 2015 | (17.4)% | (18.4)% | (11.5)% |

CASH FLOWS

For the nine months of 2016, net cash flow from operating activities decreased 20.4% totaling US\$ 1.25 billion in the nine months of 2016 compared to US\$ 1.57 billion in the same period of 2015 principally due to the decrease in the income from sales of goods due to lower copper and molybdenum prices as well as lower income from other operational activities.

CASH AND DEBT

As of September 30, 2016, CODELCO had consolidated cash and cash equivalents for US\$ 576 million compared to US\$ 2.29 billion at the same date of 2015. As of September 30, 2016, CODELCO's financial debt achieved US\$ 14.5 billion compared to US\$ 14.8 billion at the same date of 2015. CODELCO's financial debt excludes the loan from Mitsui, non-recourse to CODELCO, to execute the Anglo American Sur option to acquire 20% of the asset. CODELCO's net financial debt* reached US\$ 13.9 billion as of September 30, 2016 compared to US\$ 12.5 the year before. During the nine months of 2016 debt increase includes the issuance of CODELCO 2026 for UF 10 million (approximately US\$ 406 million) in August 2016 in the local capital markets. Regarding the bank market, since October 2015 CODELCO had paid bilateral loan maturities for US\$977 million and short-term lines of credit have increased in US\$ 153.5 million.

* Net of cash and cash equivalents. Excludes Mitsui debt to acquire 20% of Anglo American Sur asset, because is non-recourse to CODELCO

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| Profit (loss) | 1/1/2016 9/30/2016 | 1/1/2015 9/30/2015 | Var Amnt | % |
|---|-------------------------------|-------------------------------|---------------------|----------------|
| Revenue | 8,103,522 | 8,724,114 | (620,592) | (7.1) |
| Cost of sales | (7,041,990) | (7,170,836) | 128,846 | (1.8) |
| Gross profit | 1,061,532 | 1,553,278 | (491,746) | (31.7) |
| Other Income, by function | 95,150 | 70,006 | 25,144 | 35.9 |
| Distribution costs | (8,764) | (7,370) | (1,394) | 18.9 |
| Administrative expenses | (257,237) | (306,550) | 49,313 | (16.1) |
| Other expenses | (814,715) | (878,753) | 64,038 | (7.3) |
| Other gains (losses) | 21,602 | 20,143 | 1,459 | 7.2 |
| Profit (losses) from operating activities | 97,568 | 450,754 | (353,186) | (78.4) |
| Finance income | 18,157 | 11,778 | 6,379 | 54.2 |
| Finance costs | (426,075) | (366,338) | (59,737) | 16.3 |
| Share of profit of associates and joint ventures accounted for using the equity method | (54,051) | 48,369 | (102,420) | (211.7) |
| Foreign exchange differences | (257,456) | 434,217 | (691,673) | (159.3) |
| Profit for the period before tax | (621,857) | 578,780 | (1,200,637) | (207.4) |
| Income tax expense | 308,228 | (620,912) | 929,140 | (149.6) |
| Profit for the period | (313,629) | (42,132) | (271,497) | 644.4 |
| Profit (loss) attributable to: | | | | |
| Profit attributable to owners of the parent | (297,305) | (24,517) | (272,788) | 1,112.6 |
| Loss attributable to non-controlling interests | (16,324) | (17,615) | 1,291 | (7.3) |
| Profit for the period | (313,629) | (42,132) | (271,497) | 644.4 |



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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| | 9/30/2016 | 9/30/2015 |
|--|-------------------|-------------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | 576,024 | 2,288,978 |
| Other current financial asset | 4,517 | 26,412 |
| Other current non-financial assets | 46,551 | 50,658 |
| Trade and other current receivables | 1,712,169 | 1,810,063 |
| Accounts receivables due from related companies, current | 1,885 | 20,825 |
| Inventory | 1,935,590 | 2,501,521 |
| Current tax asset | 259,439 | 223,745 |
| Total current assets | 4,536,175 | 6,922,202 |
| Non-current asset | | |
| Non-current inventories | 332,598 | 42,421 |
| Other non-current financial assets | 65,496 | 26,633 |
| Other non-current non-financial assets | 19,625 | 91,361 |
| Non-current receivables | 124,604 | 224 |
| Accounts receivables due from related companies, non-current | 22,915 | 6,664,270 |
| Investment accounted for using the equity method | 3,908,412 | 19,319 |
| Intangible assets other than goodwill | 195,921 | 22,858,137 |
| Property, Plant and Equipment, net | 23,123,025 | 5,766 |
| Investment property | 5,893 | |
| Total non-current asset | 27,798,489 | 29,708,131 |
| TOTAL ASSETS | 32,334,664 | 36,630,333 |

Liabilities

| | 9/30/2016 | 9/30/2015 |
|---|-------------------|-------------------|
| Current liabilities | | |
| Other current financial liabilities | 1,147,133 | 1,316,242 |
| Trade and other current payables | 919,579 | 1,032,102 |
| Accounts payables to related companies, current | 99,019 | 194,783 |
| Other current provisions | 200,051 | 326,515 |
| Current tax liabilities | 4,904 | 3,324 |
| Current employee benefit accruals | 368,736 | 390,550 |
| Other current non- financial liabilities | 124,404 | 90,029 |
| Total current liabilities | 2,863,826 | 3,353,545 |
| Non-current liabilities | | |
| Other non-current financial liabilities | 14,462,546 | 14,639,958 |
| Other non-current liabilities | 68,160 | - |
| Accounts payables to related companies, non-current | - | 167,078 |
| Other non-current provisions and accrued expenses | 1,307,083 | 1,176,773 |
| Deferred tax liabilities | 2,925,062 | 4,627,672 |
| Non-current employee benefit accruals | 1,288,521 | 1,234,952 |
| Other non-current non-financial liabilities | 4,553 | 3,408 |
| Total non-current liabilities | 20,055,925 | 21,849,841 |
| Total liabilities | 22,919,751 | 25,203,386 |
| Equity | | |
| Issued Capital | 2,524,423 | 2,524,423 |
| Retained earnings | (47,689) | 1,501,497 |
| Other Reserves | 5,912,201 | 5,540,162 |
| Equity attributable to owners of the parent | 8,388,935 | 9,566,082 |
| Non-controlling interests | 1,025,978 | 1,860,865 |
| Total equity | 9,414,913 | 11,426,947 |
| TOTAL LIABILITIES AND EQUITY | 32,334,664 | 36,630,333 |



CONSOLIDATED STATEMENTS OF CASH FLOWS

| | 1/1/2016 9/30/2016 | 1/1/2015 9/30/2015 |
|--|-------------------------------------|-------------------------------------|
| Cash flow provided by (used in) operating activities: | | |
| Cash income provided by operating activities | | |
| Cash flows provided by sales of goods and rendering of services | 8,427,151 | 8,611,238 |
| Other cash flows provided by operating activities | 1,118,562 | 1,340,579 |
| Types of cash payments | | |
| Payments to suppliers for goods and services | (5,576,271) | (5,500,695) |
| Payments to and on behalf of employees | (1,237,992) | (1,304,668) |
| Other cash flows used in operating activities | (1,503,301) | (1,542,174) |
| Dividends received | 49,509 | 180,446 |
| Income taxes paid | (25,630) | (217,766) |
| Net cash flows provided by operating activities | 1,252,028 | 1,566,960 |
| Cash flows provided by (used in) investing activities: | | |
| Other payments to acquire equity or debt instruments of other entities | (5,030) | (2,311) |
| Purchases of property plant and equipment | (2,486,471) | (2,231,437) |
| Interest received | 10,246 | 4,904 |
| Other inflows (outflows) of cash | 138,787 | (23,784) |
| Net cash flows from (used in) investing activities | (2,342,468) | (2,252,629) |
| Cash flows used in financing activities: | | |
| Proceeds from current borrowings | 856,682 | 2,648,169 |
| Repayments of borrowings | (500,145) | (583,372) |
| Dividends paid | - | - |
| Interest paid | (437,049) | (385,197) |
| Net cash flows used in financing activities | (80,512) | 1,679,600 |
| Net increase (decrease) in cash and cash equivalents before foreign exchange difference | (1,170,952) | 993,931 |
| Foreign Exchange Rate Net increase (decrease) in cash and cash equivalents | (742) | (15,569) |
| Net increase (decrease) in cash and cash equivalents | (1,171,694) | 978,362 |
| Cash and cash equivalents at beginning of period | 1,747,718 | 1,310,616 |
| Cash and cash equivalents at end of period | 576,024 | 2,288,978 |



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COMPANY PROFILE

CODELCO is the world's largest copper producer engaging primarily in the exploration, development and extraction of ores bearing copper and by-products, the processing of ore into refined copper and the international sale of refined copper and by-products. CODELCO is 100% owned by the Republic of Chile and controls approximately 7% of the world proven and probable copper reserves; as such term is defined by the U.S. Geological Survey. In 2015, CODELCO had an estimated 10% share of the total world copper production, with production of approximately 1.89 million metric tons (including CODELCO's share in the El Abra deposit, which is mined by Sociedad Contractual Minera El Abra and its share in Anglo American Sur) and an estimated 10% share of the world's molybdenum production with own production of approximately 27,684 metric tons.

CODELCO CORPORATE ADDRESS

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

INVESTOR CONTACT

Lucila Siskind
Director of Investor Relations
Phone: (56-2) 2392 2337
FAX: (56-2) 2690 3641
e-mail: lsiskind@codelco.cl

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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 resource 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 ore 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).