

2018 RESULTS

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CEO

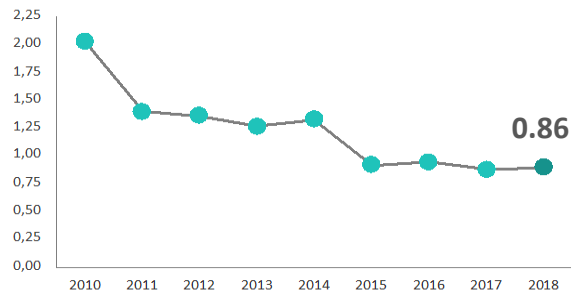
MARCH 29, 2019



SAFETY: PENDING ENDEAVOR

Codelco's internal and third party staff incident frequency rate

(Accidents with lost time / million hours / employees worked)



FREQUENCY RATE

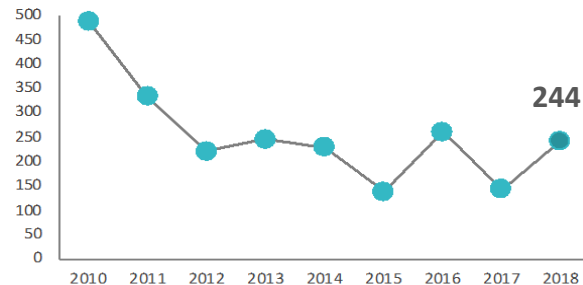
Accident frequency rate remained on the positive trend shown over recent years, complying with the maximum tolerable limit set for this year.

SEVERITY RATE

In spite of the second semester's improvement over the values obtained during the first semester, the overall annual performance indicator was poor, given that Codelco mourned the occurrence of four fatal accidents.

Internal and third party staff severity rate

(Days lost and days charged / million hours worked)



COLLECTIVE BARGAINING IN LINE WITH CURRENT MINING REALITIES



Collective bargaining

Ministro Hales, Radomiro Tomic, Chuquicamata, Gabriela Mistral, Salvador, Andina, El Teniente and the Vice Presidency of Projects.



Responsible dialogue

Responsible dialogue leading to agreements of mutual benefit.



18 Trade Unions

More than ten thousand workers.



Market conditions

Readjustments, settlements and terms in accordance with current business conditions.

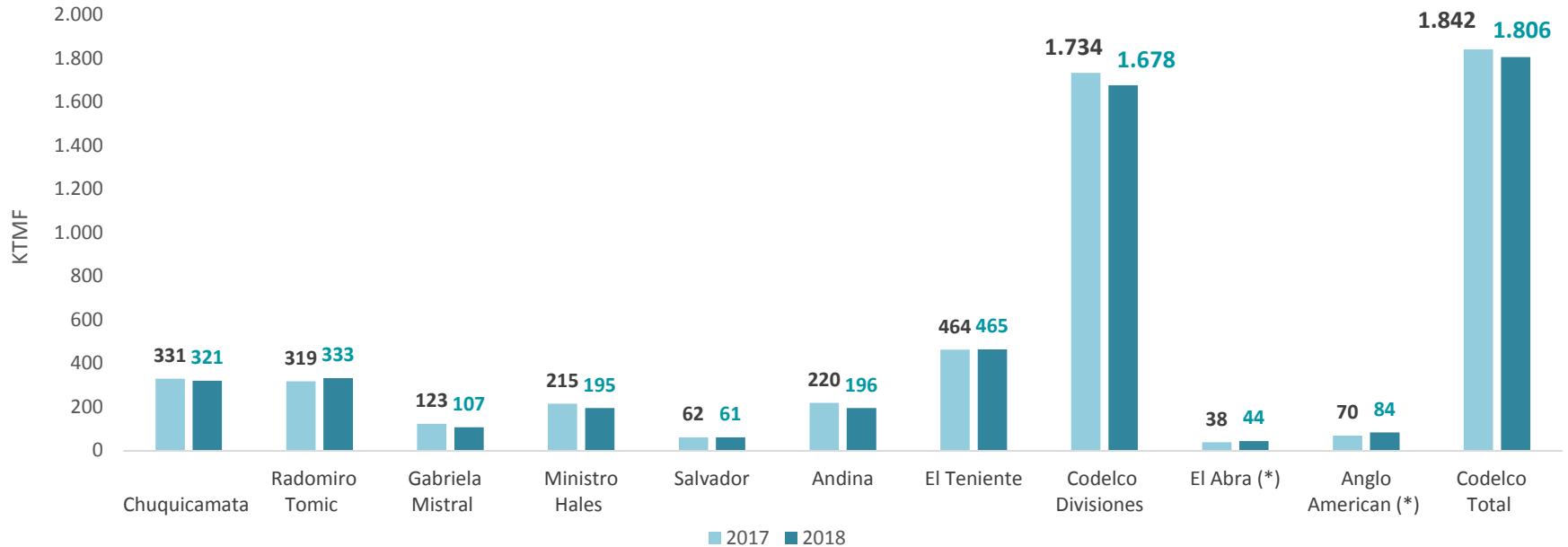


RESULTS

DESPITE LOWER ORE GRADE:

CODELCO ACHIEVED AN INTERNAL PRODUCTION OF 1,678 KTMF

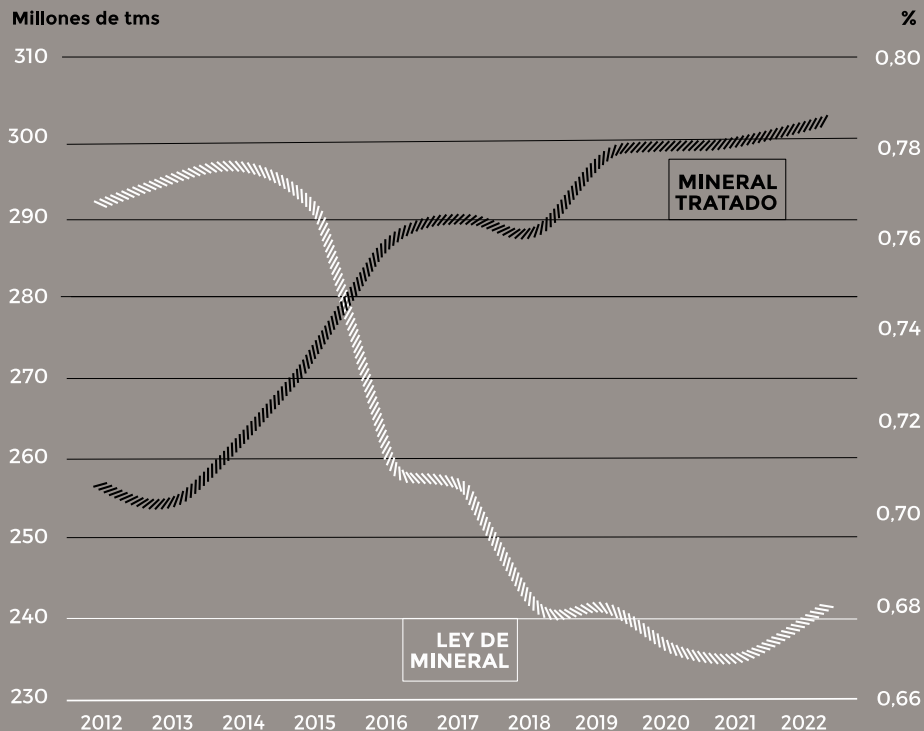
Despite the 5.5% drop in the ore grade compared to the previous year, internal production fell only 3.3%.



SHARP FALL IN THE ORE GRADE

The amount of processed ore increased while ore quality decreased substantially. Superior ore grades are expected thanks to the structural projects.

Copper grade / processed ore



CODELCO MAINTAINED ITS COMPETITIVE COSTS

	2017 (US\$/lb)	2018 (US\$/lb)	Var (%)
Direct cost (C1)	135.9	139.1	2%
Net cost to cathode (C3)	218.0	219.6 *	1%

(*) Before extraordinary accounting adjustments. After accounting adjustments 230.05 US\$/lb

SLIGHT INCREASE IN DIRECT COST (C1) DUE TO

- ✓ Higher price of supplies
- ✓ Lower production

MINOR INCREASE IN NET COST TO CATHODE (C3) DUE TO

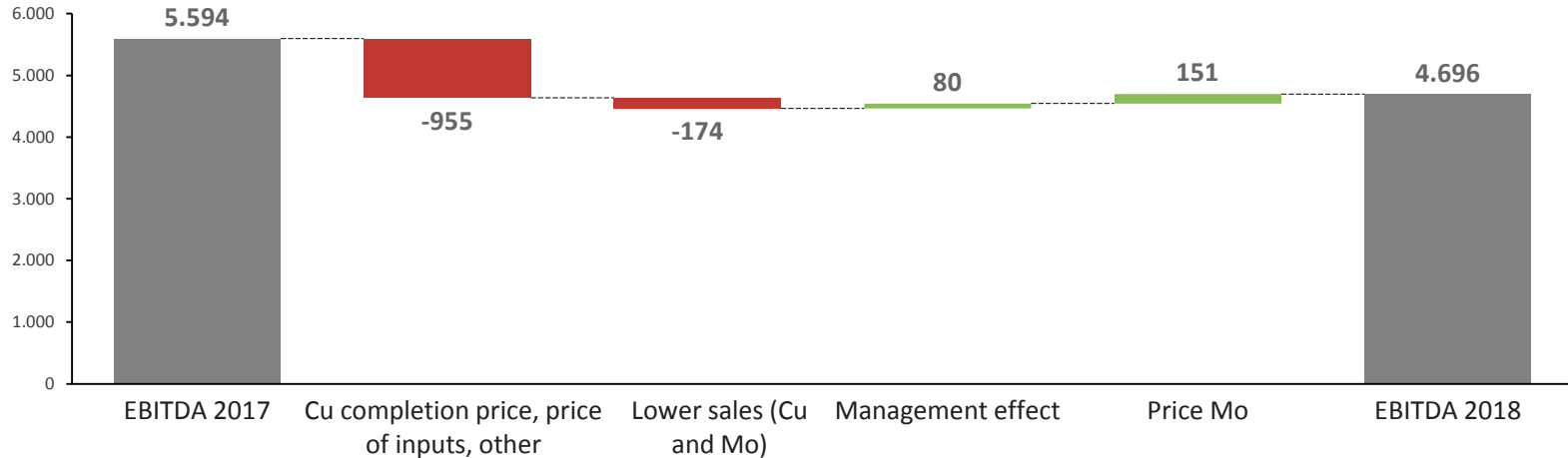
- ✓ Higher price of supplies
- ✓ Collective bargaining agreements with 10 thousand workers for 36 months
- ✓ Lower production

GENERATED OPERATIONAL CASH (EBITDA*) REACHED US\$ 4,696 MILLION



(*) Consolidated, before the Copper Reserve Law contributions and extraordinary accounting adjustment transfers.

- The 2018 EBITDA margin was 33%.
- The variation was a result of lower completion price, higher price of inputs and collective bargaining agreements with more than 10 thousand workers for a period of 36 months.
- This was partially offset by optimized management and a higher molybdenum price.



NET PRE-TAX PROFIT

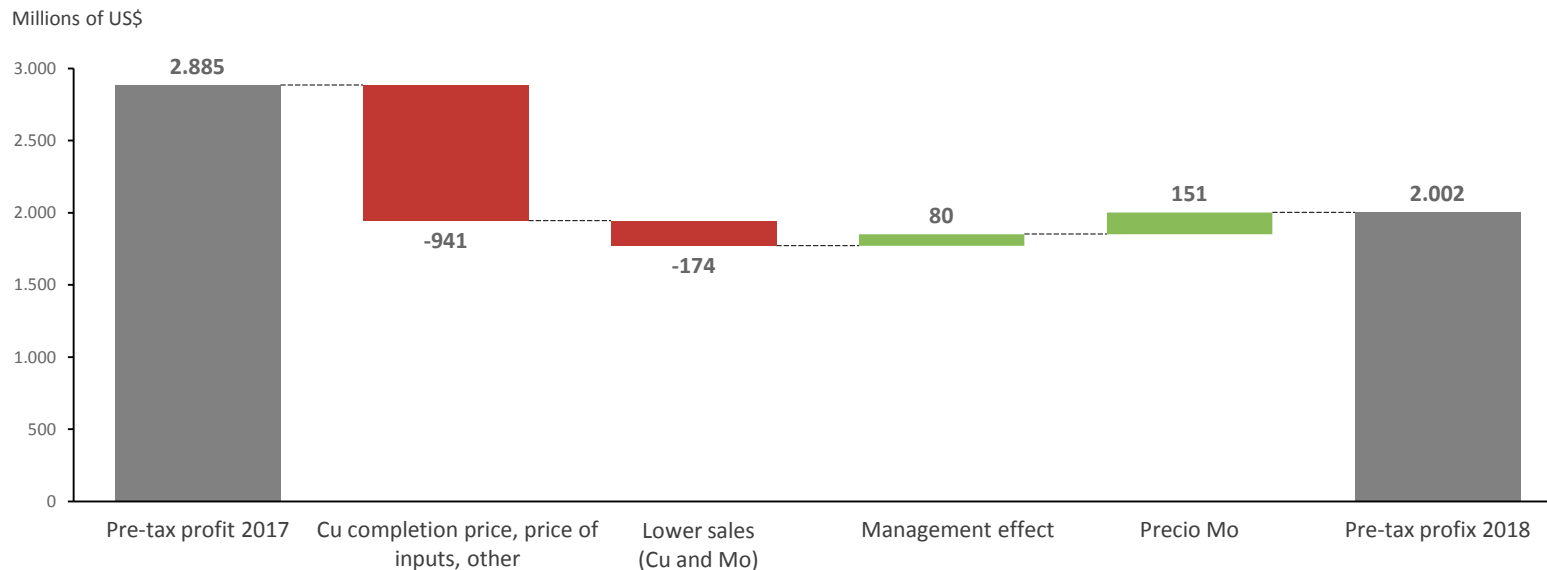
before extraordinary accounting adjustments.

Earnings were primarily affected by the lower Cu completion price, higher price of inputs and collective bargaining, which was partially offset by optimized management and a higher molybdenum price.



Codelco generated earnings (before extraordinary accounting adjustments) of

US\$ 2,002 million during the year.



(*) Individual Results



EARNINGS

after extraordinary accounting adjustments:

Millions of US\$

Earnings before extraordinary accounting adjustments. **2,002**

Fixed asset write-off (investment project) **-197**

Codelco asset write-off (Ventanas) **-199**

Final earnings **1,606**

STRUCTURAL PROJECTS THAT ENSURE THE FUTURE OF CODELCO

to December 2018

MINE NEW LEVEL Total progress at 49%

Andes Norte NNM :
Mine contract award process underway.

Early Works

Diamante / Andesita:
Award process for access and facility construction contracts underway.



CHUQUICAMATA UNDERGROUND Total progress at 76%

131 kilometers of tunnels constructed for a total 142 kilometers.

Overland conveyor: motor assembly completed and the electric room handed over for start-up. First group of maintenance operators has joined the project.



ANDEAN TRANSFER Total progress at 67%

Excavations and fortifications for the ore distribution center are complete and the contract for civil works and electromechanical assembly is underway.



PROJECTS IN STUDY

RAJO INCA MINE

Feasibility study underway, with progress at 99.5%. Financing was authorized to commence early works and detail engineering.

ANDINA FUTURE DEVELOPMENT

Feasibility study was authorized and commenced in October 2018, with progress at 11.5%. Currently in selection process for primary engineering contractor.

NORTH DISTRICT DESALINATION PLANT

Tender process continues and bids to be received in April 2019.



STRUCTURAL PROJECTS ANDINA TRANSFER

TOTAL PROGRESS AT 67% (up to December 2018)

- ✓ Investment of 1,300 million dollars.
- ✓ Change in the operating scheme of the division (underground and open pit mine) to become a full-pit operation.
- ✓ Will commence operations in 2021.



SOME CHARACTERISTICS OF THE PROJECT

- Current throughput rates will be maintained at Andina (approximately 88 thousand tons per day).
- 70% of the teams associated with the primary crushing process will be reduced (from 50 to 14).
- The belt conveyor will be a regenerative type: more than 3.6 megawatts of electric power.
- A-52 meter high dome will control airborne particulate emissions.

INVESTMENTS FOR COMPLIANCE WITH DS NO. 28

Overview up to December 2018



VENTANAS

**US\$ 113 million
(2016)**

Projects completed and in operation since 2016.

CHUQUICAMATA

US\$ 1,034 million

Currently, acid plants are being transferred from the prime contractor to Codelco to start commissioning.

EL TENIENTE

US\$ 629 million

Plant in operation and compliant with DS No. 28.

SALVADOR

US\$ 426 million

Start-up to commence in the forthcoming weeks.

The background of the slide is a photograph of several workers in a mine. They are wearing dark blue work jackets with reflective silver stripes, white hard hats, and safety glasses. Some are wearing yellow hard hats. They are walking along a concrete path with yellow metal railings. In the background, there is a complex industrial structure with metal beams, stairs, and walkways. A woman in a white hard hat and safety glasses is in the foreground on the right, looking towards the left. A teal horizontal band is overlaid across the middle of the image, containing the text "MANAGEMENT SUMMARY".

MANAGEMENT SUMMARY



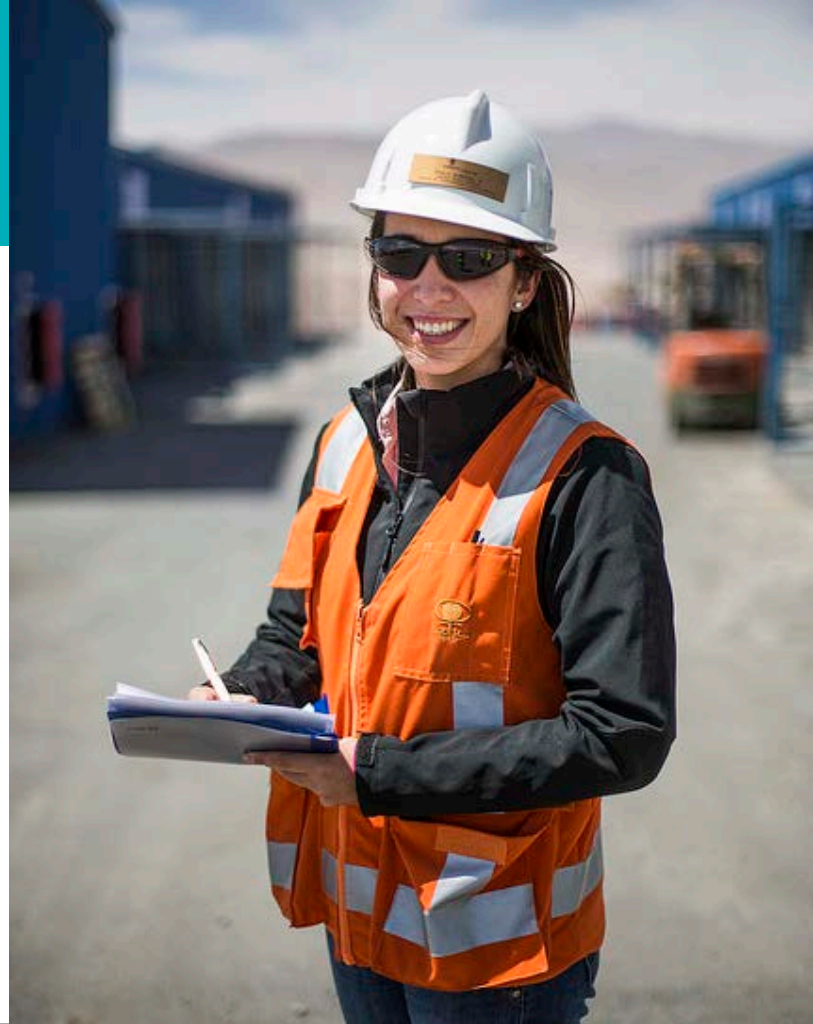
CONCLUSIONS

- **US\$ 2,002*** million in earnings, US\$ 1,606 million after extraordinary accounting adjustments.
- **Generation of operational cash (EBITDA) US \$ 4,696*** million Margin of 33%
- **1,678 kt** of internally produced copper
- **C1 = 139.10 US\$/lb** Codelco's costs remain competitive.

() Before extraordinary accounting adjustments.*

2019 CHALLENGES

- Maintain **zero** fatalities.
- Increase **productivity** .
- **Maintain** production level at around 1.7 thousand ktmf.
- Progress on the development of **structural projects**
- First caving at Chuquicamata Underground.





APPENDICES

STATEMENT OF RESULTS JANUARY - DECEMBER 2018 - 2017 (millions of US\$)

	2018	2017	Var
INGRESOS POR VENTA DE COBRE PROPIO	11.219	11.637	-418
COSTOS DE VENTA DE COBRE PROPIO	-8.646	-7.793	-853
GANANCIA BRUTA EN VENTA DE COBRE	2.573	3.844	-1.271
GANANCIA BRUTA EN VENTAS DE SUBPRODUCTOS Y OTROS	541	417	124
GANANCIA BRUTA	3.114	4.261	-1.147
RESULTADO NO OPERACIONAL	-1.459	-1.346	-113
EXCEDENTES	1.655	2.915	-1.260
GASTO IMPUESTO EMPRESAS RELACIONADAS	-15	25	-39
INTERÉS MINORITARIO	-34	-54	20
EXCEDENTES CODELCO (after accounting adjustments)	1.606	2.885	-1.279
EXTRAORDINARY ACCOUNTING ADJUSTMENTS	396	0	396
CODELCO PRE-TAX PROFIT	2,002	2,885	-883

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GANANCIA BRUTA	3.114	4.261	-1.147
GANANCIA, ANTES DE IMPUESTO CONSOLIDADA	547	1.817	-1.270
IMPUESTO A LAS GANANCIAS	-357	-1.193	836
GANANCIA LÍQUIDA, CONSOLIDADA	190	624	-434
INTERÉS MINORITARIO	-34	-54	20
GANANCIA LÍQUIDA, CODELCO	156	569	-413

DISTRIBUTION OF EARNINGS JANUARY - DECEMBER 2018- 2017 (millions of US\$)

	2018	2017	Var
IMPUESTO LEY RESERVADA N° 13.196	1.108	1.099	10
IMPUESTOS A LA RENTA	272	1.107	-835
IMPUESTO ESPECÍFICO A LA MINERÍA	71	111	-40
GANANCIA	156	569	-413
TOTAL EXCEDENTES (**)	1.606	2.885	-1.279
GANANCIA COMPARABLE (*)	1.101	1.935	-834

Accrued amounts

*Net profit with private sector type taxation, Individual - Codelco

(**) Considers extraordinary accounting adjustments.



WE INVITE YOU TO REVIEW THE RESULTS
OF THE COPPER COMPANY
OF ALL CHILEAN MEN AND WOMEN AT

WWW.CODELCO.COM