

The background of the slide is a photograph of an industrial facility at night. A prominent feature is a long, curved metal walkway or bridge structure supported by tall, dark metal towers. The walkway is illuminated by a series of bright, warm-toned lights along its length, creating a strong glow. In the background, a large, white, dome-shaped structure is visible, also partially illuminated. The sky is a deep blue, and the overall scene is lit with a warm, golden light from the facility's lights.

2016 Results

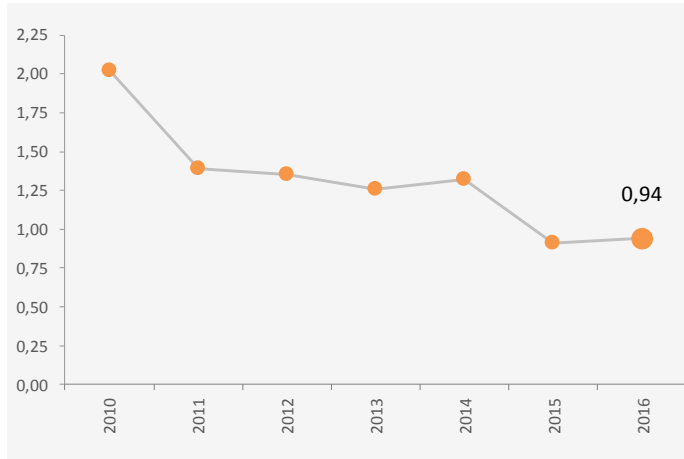
Nelson Pizarro, President & CEO
31 March 2017

The background of the slide is a high-angle aerial photograph of a lush, mountainous landscape. In the center-right, a large concrete dam is visible, with a reservoir of greenish water behind it. The surrounding mountains are covered in dense green forest. A dirt road winds through the valley. In the upper-left portion of the image, a large eagle is captured in mid-flight, its wings fully extended. The sky is clear and bright.

SUSTAINABILITY

Safety at Work : Life as a Key Value

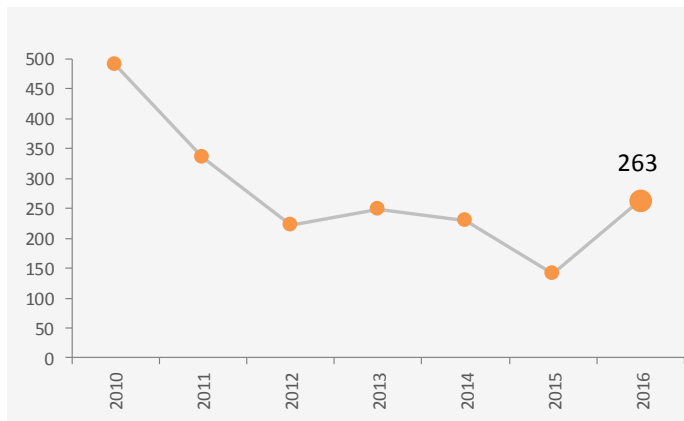
Frequency Rate – Employees & Contractors
(Lost / time injuries / Million ours worked)



Frequency rate
rose by 3.3%

Codelco did not reach its safety goals and had to regret the death of four employees.

Severity Rate – Employees & Contractors
(Days lost & days charged / Million hours worked)



Severity rate **rose by 88%**

Environment: More investment & long-term commitment

Sustainability Master Plan

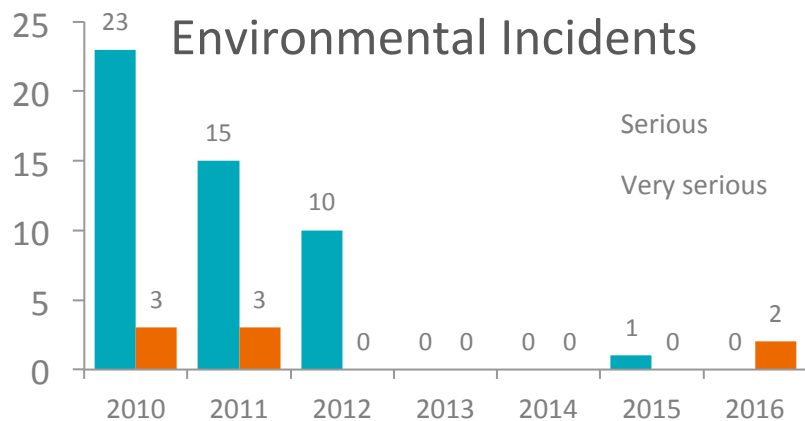


Environmental Investing 2016

US\$ 590 million

US\$ 208 million: DS 28 on Cu smelter emissions and arsenic emission sources. US\$ 1.8 billion of total plan.

US\$ 382 million: Slag treatment, tailings management, innovation and improvements to gas collection system.



Andina Division: building new tailings transport system. Scheduled for winter 2017.



Collective bargaining: responsible dialogue and mutual-benefits agreements

- 12 unions, approximately 8,000 employees.
- 0% real adjustment, end of negotiation bonus was 40% lower than prior collective bargaining agreement; only one union went on a 5-day strike (Salvador Division).

2016 Codelco Collective Bargaining

Business Unit	Unions	BTN \$ M	Adjustment	Contract Term (months)	Days on Strike
Andina	1, B	3.9	IPC	28	0
Andina	1, B	3.3	IPC	24	0
Project Vice- Presidency	1, A	2.1	IPC	30	0
Head Office	1, A	2.3	IPC	24	0
Salvador	1, B	2.6	IPC	26	5
Salvador	1, B	2.4	IPC	24	0
Chuquicamata	6, B	4.3	IPC	27	0

Corporate Reputation: towards a corporate transparency culture

100%

in compliance with the Transparency Law (Transparency Council)

1st

place in transparency among state-owned companies
(Corporate Transparency Index)

1st

place in reputation among mining companies
(Merco)

7th

place in general reputation ranking for the top 100 companies (Merco)

Launched codelcotransparente.cl



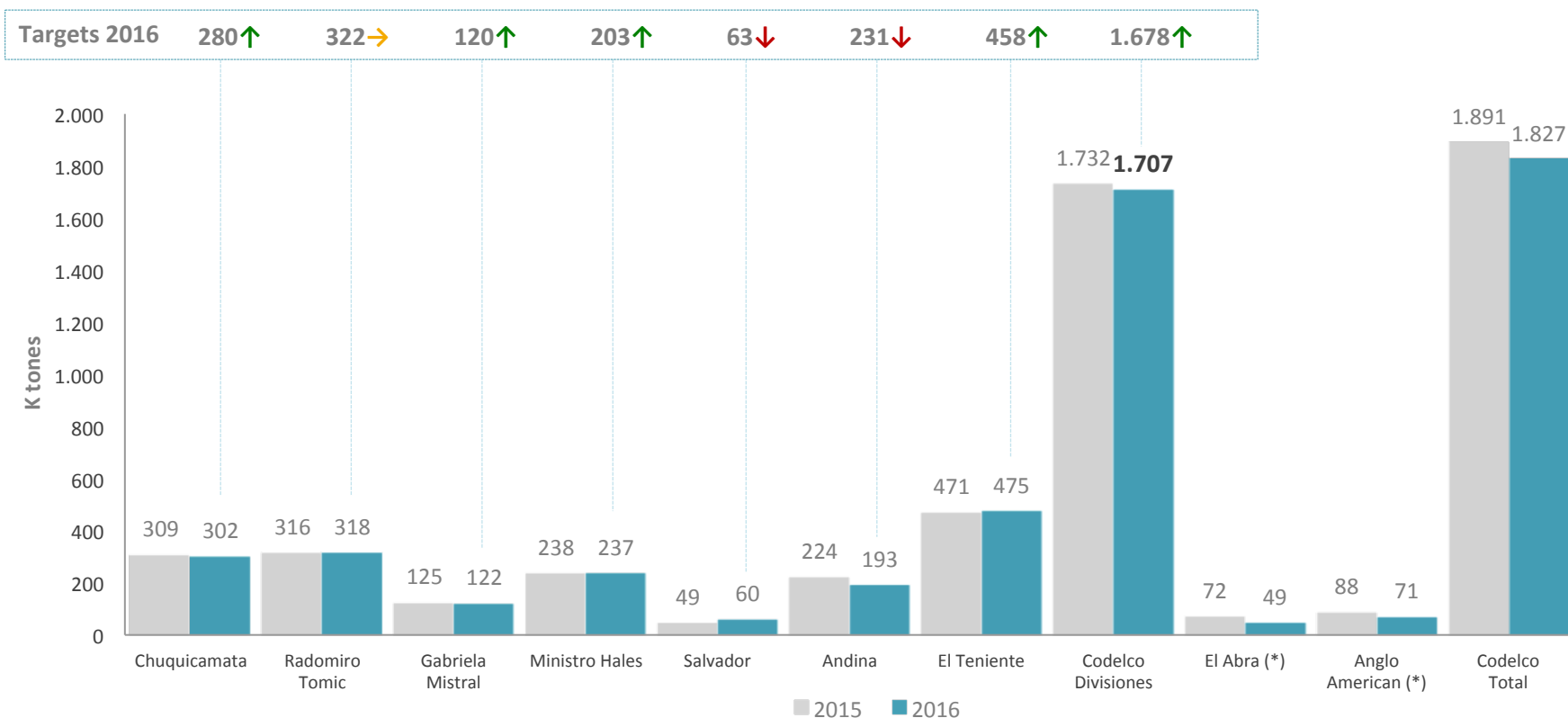


RESULTS



Codelco exceeded its 2016 production target

Despite ore grades falling by 6.9%, Codelco's own copper production was 1,707,000 tonnes, exceeding its budgeted target.



(*) Production Includes Codelco's stake in El Abra 49%, and in Anglo American Sur 20%



Codelco has cut its direct cash costs by 23% since 2014

	2015 (c/lb.)	2016 (c/lb.)	Var (%)
Direct Cash Costs (C1)	138.7	126.1	-9.0%

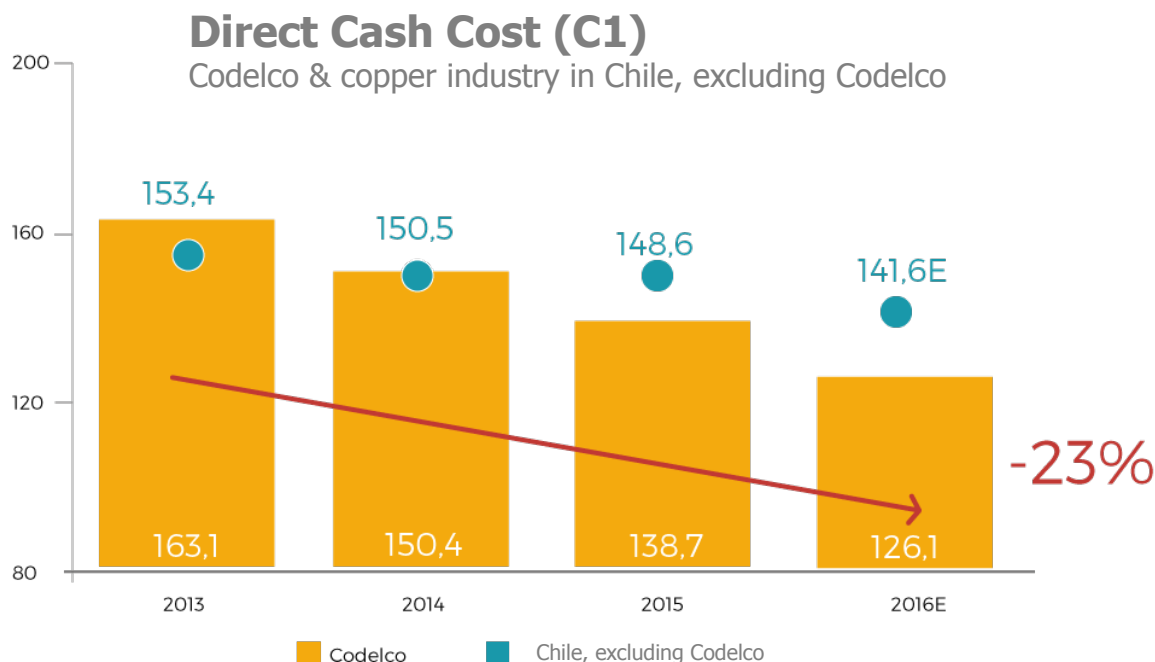
Direct cash costs over 2015 fell by **9%**

11% lower than the industry

From 2014, Codelco improved its competitive position in the mining industry.

It reduced C1 between 2014 and 2016 (-23%), saving :

US\$ 1.2 billion



Sources: Wood Mackenzie & Codelco.

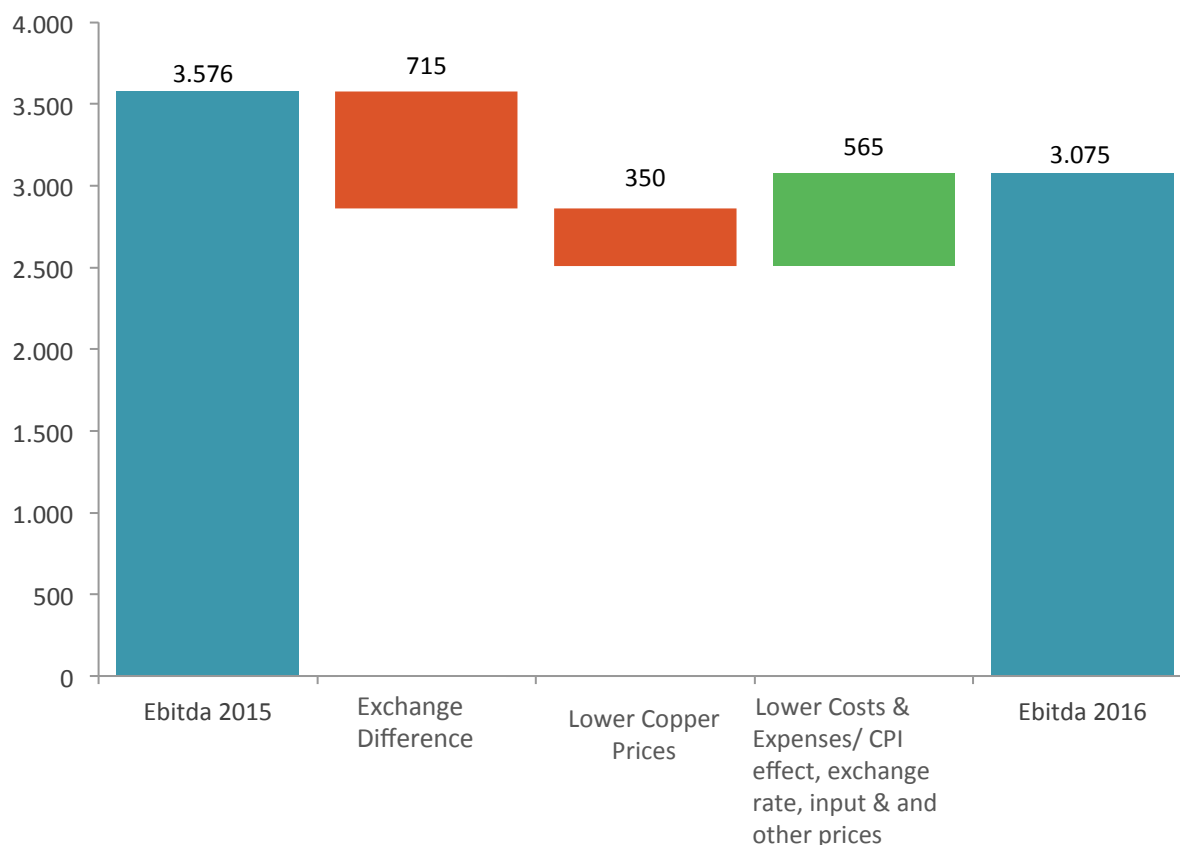


Cost reductions resulted in EBITDA^(*) of US\$ 3.075 billion

This cost reduction was **offset by 53% (US\$ 565 million)** falling copper prices and exchange difference.

Ebitda margin was 27%, despite low copper prices (213 c/lb.).

2015/2016 (US\$ millions)



(*) Consolidated, before Copper Reserve Law & extraordinary item adjustments.



Codelco delivered US\$ 500 million in pre-tax profit

Budgeted target promised to the Ministry of Finance (US\$ 288 million) was **exceeded by 74%**.

These results were due to **saving US\$ 433 million**, mitigating the impact of the exchange rate.

Contributions* to the State totalled US\$ 942 million, of which US\$ 917 million were under Law 13,196.



(*) Cash flow transferred to the State (cash)

Codelco continued to have a high debt level but it did not affect its Capex Plan

With lower ore grades, falling copper prices and revenues, Codelco managed to maintain its investment portfolio without increasing its debt.

	2015	2016	Variation
Mineral Law	0,77%	0,71%	-7 % ↓
Price	249 c/lb	220 c/lb	-12 % ↓
Revenues	US\$ 10.779 bn	US\$ 10.663 bn	-1 % ↓
Project Investing	US\$ 2.208 bn	US\$ 2.236 bn	1 % ↑
Throughput	46,6 tmf/dot	48,5 tmf/dot	4,1 %
Gross Debt	US\$ 14.195 billion	US\$ 14.245 billion	0 %

How did we do it?

- Lower ore grades were offset by increasing throughput rate.
- Cost Reduction Plan (US\$433 million).
- Increased throughput.
- Optimised investments.
- Capitalisation by Chilean State.

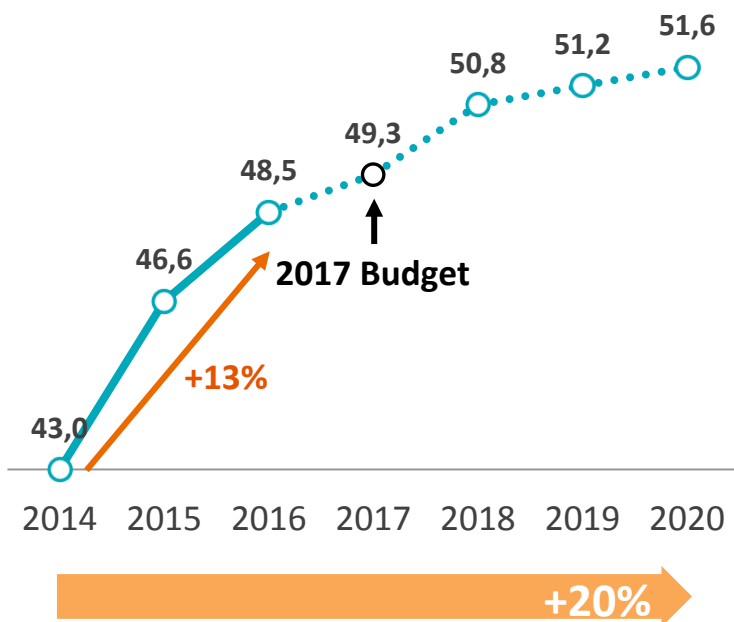


Codelco has improved its throughput rate by 13% in the last two years, saving approximately US\$ 1 billion

Increase Throughput Rate 20% by 2020

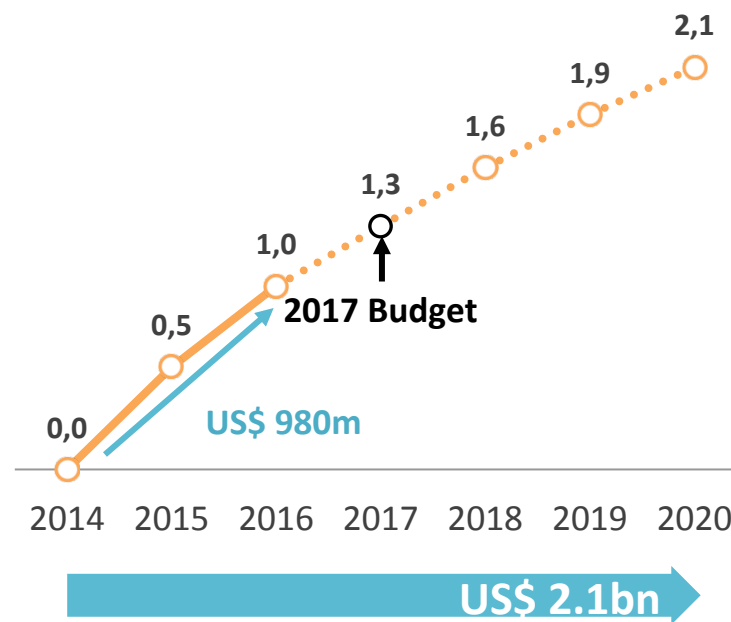
Throughput Goals¹

tCu/Person



Cost Saving Goals²

US\$bn



- (1) Includes production & staff from mining divisions, smelters and refineries.
- (2) Savings measured against 2016 Business Plan, except 2015, compared to annual budget.

Progress of Structural Projects

Projects under construction



Chuquicamata Underground Mine

Total Progress: 41%.

2016 Investment: US\$461 million.

Milestones: Access tunnel connection, air outlet shaft completed, mining area construction.



Andina Transfer

Total Progress: 33.1%

2016 Investment: US\$151 million

Milestones: Started work on primary crusher, progress made in main transport tunnel.



New Mine Level

Total Progress: 41.8%

2016 Investment: US\$206 million.

Milestones: progress made in building mining area, restarted tunnel structure work, prepared rock mass and strengthening work.

Projects Engineering & Study Phase

Rajo Inca & Andina Future Expansion

Preparing resource data requested for feasibility studies.

North District Desalination Plant

Began looking for a partner for the project. Start building work at the beginning of 2018. Start-up scheduled for 2021.



Management Summary

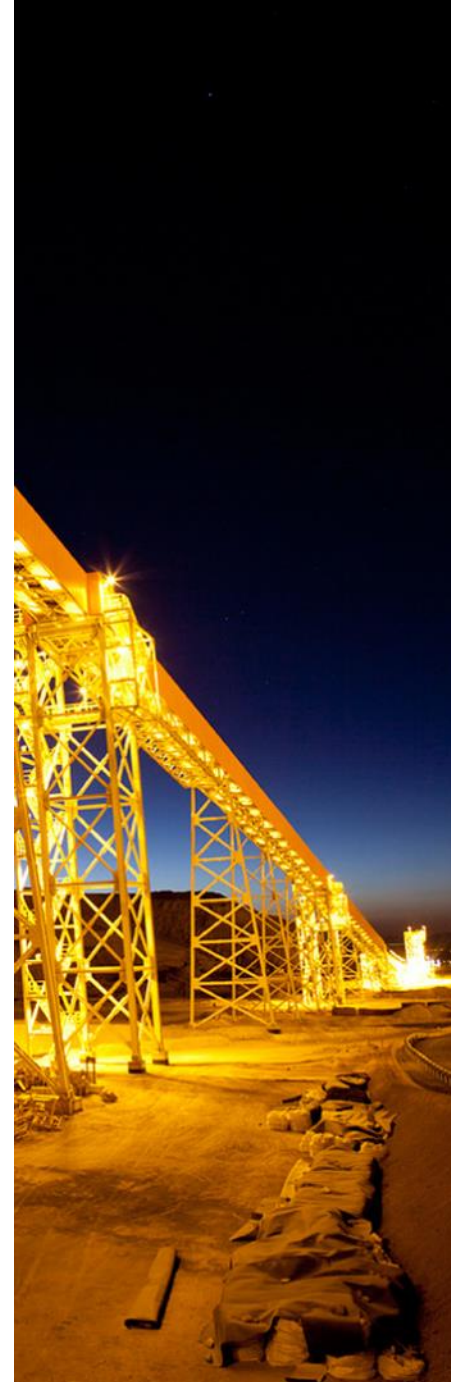




Conclusions

- Codelco **exceeded its** production, costs, throughput and pre-tax profit goals.
- It delivered a **pre-tax profit of US\$ 500 million to Chile** (74% higher than budgeted) and it **contributed US\$ 942 million to the Chilean State**.
- The Company managed to **maintain its investment portfolio without increasing its debt level**.
- In collective bargaining agreements, **responsible dialogue prevailed**, reconciling employees' aspirations with the Company's actual possibilities.
- Positive 2016 results do not change Codelco's **difficult structural scenario**.

Positive 2016 results do not change Codelco's difficult structural scenario



APPENDICES





Income Statement

January– December: 2015– 2016
(MMUS\$)

Income Statement
(MMUS\$)

	2015	2016	Var
Sales Revenue – own copper	8.721	8.781	59
Cost of Sales – own copper	-7.396	-7.140	256
Gross Profit - copper sales	1.325	1.641	315
Gross Profit - by products and other sales	451	446	-5
Gross Profit	1.776	2.087	311
Non-Operating Income	-3.968	-1.652	2.316
Pre-Tax Profit	-2.191	435	2.626
Related Company Tax	0	7	7
Minority Interest	836	58	-777
Codelco's Pre-Tax Profit	-1.357	500	1.857



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Gross Profit - by-product & other sales	451	446	-5
Gross Profit	1.776	2.087	311
(Loss) Profit, before consolidated tax	-3.056	-431	2.626
Income Tax	728	97	-631
Net (Loss) Profit, consolidated	-2.328	-334	1.994
Minority Interest	836	58	-777
Codelco Net (Loss) Profit	-1.492	-275	1.217



Pre-Tax Profit Distribution

2015 vs. 2016 (MMUS\$)

	2015	2016	Var
Reserve Tax Law 12,196	865	866	1
Income Tax	-846	-181	665
Specific Mining Tax	116	91	-25
Profit	-1.492	-275	1.217
Total Pre-Tax Profit	-1.357	500	1.857
Comparable Profit (*)	-969	320	1.289

Accrued amount

* Net profit applying the same tax requirements as private-sector companies.