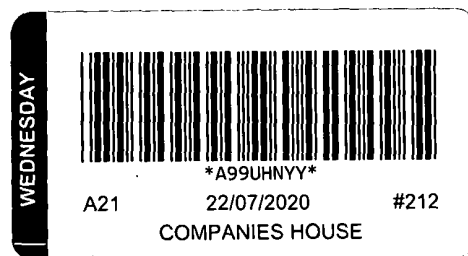


COMPANY REGISTRATION NUMBER 111449

CHILEAN NORTHERN MINES LIMITED

Annual Report and Financial Statements

31 December 2019



CHILEAN NORTHERN MINES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2019

CONTENTS	PAGE(S)
Officers and professional advisers	1
Directors' report	2 - 3
Statement of Directors' responsibilities in respect of the financial statements	4
Independent auditors' report to the members of Chilean Northern Mines Limited	5 - 7
Profit and loss account	8
Balance sheet	9
Statement of changes in equity	10
Notes to the financial statements	11 - 18

CHILEAN NORTHERN MINES LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The Board of Directors

M Ortiz (appointed 6 December 2019)
A Atucha (resigned 31 March 2020)
F Veloso (resigned 29 March 2019)
E Tagle (appointed 29 March 2019)
A M Lindsay

Company Secretary

J T R Anderson

Registered Office

Cleveland House
33 King Street
St James's
London
SW1Y 6RJ

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

Solicitors

Clifford Chance LLP

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

DIRECTORS' REPORT

The Directors present their Annual Report and the audited financial statements for the year ended 31 December 2019. The Directors' Report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006. No strategic report has been prepared in accordance with those provisions.

Business Review

Chilean Northern Mines Limited ("the Company") is part of the Antofagasta plc Group ("the Group"). The principal activity of the Company is the holding of investments in subsidiaries of the Group, which is not expected to change in the foreseeable future. The Company does not have any branches.

Results and Dividends

During the financial year under review, the Company generated an operating profit of US\$nil (2018 – profit of US\$nil). The Company received dividends from its subsidiary undertaking in 2019 of US\$ 316,200,000 (2018 – US\$nil), and received interest income of US\$nil (2018 – income of US\$nil) resulting in a profit for the financial year of US\$ 316,200,000 (2018 – profit of US\$nil).

During the year, dividends of US\$316,200,000 (2018 – US\$nil) were approved by shareholders. On 11 March 2020 the directors recommended to the Company's sole shareholder a dividend of US\$ 210,000,000, which amounts to US\$420 per ordinary share. The Directors recommend no further final dividend.

Going Concern

The Company's business activities, performance and position are set out in this report. The financial position of the Company is set out in the financial statements and related notes.

In assessing the Company's going concern status the Directors have taken into account the above factors, including the financial position of the Company, and noted that the Company is in a net current liability position due to an intercompany payable of \$689.7 million due to Antofagasta plc. The Directors of the Company have sought assurance from the Directors of Antofagasta plc to confirm the amount will not be recalled in the 12 months following the date of the financial statements.

In assessing the Company's going concern status the Directors have taken into account the above factors, including the financial position of the Company, in particular its positive net asset position, and the absence of any external debt.

After making appropriate enquiries, and notwithstanding the Company's net liability position, the Directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing the financial statements.

Principal risks and uncertainties

As explained above, the principal activity of the Company is the holding of investments in subsidiaries of the Group. The Group's business activities together with those factors likely to affect its future performance are set out in the Group's Annual Report. Details of the key risks facing the Group and financial risk management, including details on the management of liquidity and credit risk, are included in the Group Annual Report and Financial Statements 2019 ("the Group financial statements").

Employees

The Company had no employees during the current or prior year.

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

DIRECTORS' REPORT *(continued)*

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

M Ortiz (appointed 6 December 2019)
A Atucha (resigned 31 March 2020)
F Veloso (resigned 29 March 2019)
E Tagle (appointed 29 March 2019)
A M Lindsay

No Director had an interest in the shares of the Company or in any contract to which the Company was a party during the year. In accordance with the Company's Articles of Association and to the extent permitted by the laws of England and Wales, Directors are granted an indemnity from the Company in respect of liabilities personally incurred as a result of their office. In respect of those matters for which the Directors may or may not be indemnified, the Company maintained a Directors' and Officers' liability insurance policy throughout the financial year. A new policy has been entered into for the current financial year.

Independent Auditors

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

For these purposes, "relevant audit information" means information needed by the Company's auditors in connection with preparing their report.

This statement is made and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

The Company has elected to dispense with the obligation to appoint auditors annually and, accordingly, PricewaterhouseCoopers LLP shall be deemed to be re-appointed as auditors for a further term under the provisions of section 487(2) of the Companies Act 2006. Approved by the Board and signed on its behalf by



A M Lindsay
Director
15 July 2020

Registered office:
Cleveland House
33 King Street
St James's
London SW1Y 6RJ

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

Independent auditors' report to the members of Chilean Northern Mines Limited

Report on the audit of the financial statements

Opinion

In our opinion, Chilean Northern Mines Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2019; the profit and loss account, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

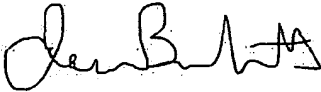
Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jason Burkitt (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
15 July 2020

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 US\$'000	2018 US\$'000
Administrative expenses		-	-
Operating profit		-	-
Income from subsidiary undertaking (dividends)	3	316,200	-
Interest receivable and similar income		-	-
Profit before taxation	3	316,200	-
Tax on profit	5	-	-
Profit for the financial year		316,200	-

There were no operations other than continuing operations during the year.

There was no other comprehensive income either in the current or prior year.

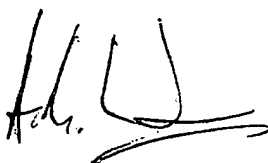
CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

BALANCE SHEET AS AT 31 DECEMBER 2019

	Note	2019 US\$'000	2018 US\$'000
Non-current assets			
Investment in subsidiary undertakings	7	97,804	97,804
Current assets			
Debtors	8	615,482	430,728
		615,482	430,728
Total assets		713,286	528,532
Current liabilities			
Creditors: amounts falling due within one year			
Amounts owed to parent undertaking	9	(679,959)	(504,932)
Amounts owed to fellow subsidiary undertaking	9	(9,729)	(2)
		(689,688)	(504,934)
Total liabilities		(689,688)	(504,934)
Net assets		23,598	23,598
Capital and Reserves			
Called up share capital	10	886	886
Profit and loss account	11	22,712	22,712
Total Shareholders' Funds		23,598	23,598

The financial statements of Chilean Northern Mines Limited (registered number 111449) on pages 8 to 18 were approved by the Board of Directors and authorised for issue on 15 July 2020. They were signed on its behalf by:



A M Lindsay
Director

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up Share Capital US\$'000	Profit and loss account US\$'000	Total Shareholders' Funds US\$'000
Balance at 1 January 2018	886	22,712	23,598
Profit for the financial year	-	-	-
Total comprehensive income for the year	-	-	-
Dividends declared	-	-	-
Balance at 31 December 2018	886	22,712	23,598
Profit for the financial year	-	316,200	316,200
Total comprehensive income for the year	-	316,200	316,200
Dividends declared	-	(316,200)	(316,200)
Balance at 31 December 2019	886	22,712	23,598

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Chilean Northern Mines Limited (the "Company") is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the business review on page 2.

1.1 Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The financial statements have been prepared in accordance with the Companies Act 2006 as applicable to companies using FRS 101 (Financial Reporting Standard) "Reduced Disclosure Framework" as issued by the Financial Reporting Council, which applies the recognition and measurement bases of International Financial Reporting Standards "IFRS" with reduced disclosure requirements.

These financial statements have been prepared under the historical cost basis convention; historically cost is generally based on the fair value of the consideration given in exchange for the assets.

The financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements, because it is included in the Group financial statements of Antofagasta plc which are publicly available. The financial information has also been prepared on a going concern basis as explained in the Directors' Report.

These financial statements are presented in US dollars because that is the currency of the primary economic environment in which the Company operates.

As permitted by FRS 101, and because the Company is a wholly-owned subsidiary of Antofagasta plc, it has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions. Where required equivalent disclosures are given in the Group financial statements of Antofagasta plc.

1.2 Adoption of new accounting standards.

The following accounting standards, amendments and interpretations became effective in the current reporting period but the application of these standards and interpretations had no material impact on the amounts reported in these financial statements:

- IFRS 16 Leases
- Prepayment Features with Negative Compensation (Amendments to IFRS 9)
- Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)
- Annual Improvements to IFRS Standards 2015–2017 Cycle
- IFRIC 23, Uncertainty over Income Tax Treatments
- Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

2. Accounting Policies

A summary of the principal accounting policies which have been applied consistently is set out below.

(i) Currency translation

The Company's functional currency and presentation currency is the US dollar. Transactions in currencies other than the functional currency of the entity are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are translated at year end exchange rates. Gains and losses on retranslation are included in net profit or loss for the period within interest receivable and similar income.

(ii) Revenue recognition

Dividend income from subsidiaries is recognised when the shareholders' right to receive payment has been established.

(iii) Taxation

Tax expense comprises the charges or credits for the period relating to both current and any deferred tax.

Current tax is based on taxable profit for the year. Taxable profit may differ from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable and deductible in different years and also excludes items that are not taxable or deductible. The liability for current tax is calculated using tax rates which have been enacted or substantively enacted at the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on temporary differences (i.e. differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit). Deferred tax is accounted for using the balance sheet liability method and is provided on all temporary differences with certain limited exceptions as follows:

- tax payable on undistributed earnings of subsidiaries, associates and joint ventures is provided except where the Company is able to control the remittance of profits and it is probable that there will be no remittance of past profits earned in the foreseeable future;
- deferred tax is not provided on the initial recognition of an asset or liability in a transaction that does not affect accounting profit or taxable profit and is not a business combination; nor is deferred tax provided; on subsequent changes in the carrying value of such assets and liabilities, for example where they are depreciated; and
- the initial recognition of any goodwill.

Deferred tax assets are recognised only to the extent that it is probable that they will be recovered through sufficient future taxable profit. The carrying amount of deferred tax assets is reviewed at each balance sheet date.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also taken directly to equity.

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

2. Accounting Policies *(continued)*

(iv) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value, net of bank overdrafts which are repayable on demand. Cash and cash equivalents normally have a maturity period of 90 days or less.

(v) Other financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

- a. *Equity instruments* - Equity instruments issued are recorded at the proceeds received, net of direct issue costs. Equity instruments of the Company comprise its sterling-denominated issued ordinary share capital and related share premium. The presentational currency of the Company and the functional currency of the Company is US dollars, and ordinary share capital and share premium are translated into US dollars at historical rates of exchange based on dates of issue.
- b. *Trade and other payables* - Trade and other payables are generally not interest bearing and are normally stated at their nominal value.
- c. *Trade and other receivables* - Trade and other receivables do not generally carry any interest and are normally stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.
- d. *Investments* - Investments in subsidiaries represent equity holdings in subsidiaries. Such investments are accounted for at cost less, where appropriate, provisions for impairment.

3. Profit Before Taxation

The Company generated an operating profit of US\$nil (2018 – profit of US\$nil). The Company also received dividends from its subsidiary undertaking of US\$316,200,000 (2018 – US\$nil) and received interest income of US\$nil (2018 – income of US\$nil) resulting in a profit for the financial year of US\$316,200,000 (2018 – US\$nil).

During the year, dividends of US\$316,200,000 (2018 – US\$nil) were approved by shareholders. The Directors recommend no further final dividend.

None of the Directors received any remuneration for their services to the Company (2018 – US\$ nil).

There were no employees during the year (2018 - none).

4. Auditors' Remuneration

Fees payable to PricewaterhouseCoopers LLP and their associates for the audit of the Company's annual financial statements were US\$4,500 (2018 – US\$4,500) and borne by Antofagasta plc as part of the total Group audit fee.

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

5. Tax on profit

(a) Analysis of charge in the year

	2019 US \$'000	2018 US \$'000
Current tax	-	-
Tax on profit	-	-

(b) Factors affecting current tax charge

In 2019 the standard rate of UK corporation tax was 19% (2018 – 19%).

Tax expense for the year differed from the standard rate of corporation tax in the UK for the year ended 31 December 2019 of 19% (2018: 19%), due to the following factors:

	2019 US \$'000	2018 US \$'000
Profit before taxation	316,200	-
Profit at standard tax rate	60,078	-
Income not subject to corporation tax	(60,078)	-
Tax on profit (note 5 (a))	-	-

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Ordinary Dividends

	2019	2018
	US\$'000	US\$'000
Amounts recognised as distributions to equity holders in the year (2019: \$632.4 per share, 2018: \$nil per share):	316,200	-

7. Investments

	US\$'000
Balance at 1 January 2018	97,804
Movement during year	-
Balance at 31 December 2018 and 1 January 2019	97,804
Movement during year	-
Balance at 31 December 2019	97,804

The Directors are of the opinion that the value of investments in subsidiary undertakings is not less than the aggregate amount at which they are shown above.

Details in respect of the Company's direct subsidiary undertakings and indirect subsidiaries, associates and joint ventures are set out below:

	Country of incorporation	Country of operation	Registered office	Nature of business	Economic interest
Direct subsidiaries					
Los Pelambres Holding Company Limited	Jersey	UK	3	Investment	100%
Lamborn Land Co	USA	Chile	5	Investment	100%
Anaconda South America Inc	USA	USA	14	Investment	100%

Indirect subsidiaries, associates and joint ventures	Country of incorporation	Country of operation	Registered office	Nature of business	Economic interest
Minera Los Pelambres SCM	Chile	Chile	2	Mining	60%
Minera Centinela SCM	Chile	Chile	2	Mining	70%
Minera Antucoya SCM	Chile	Chile	2	Mining	70%
Antofagasta Minerals SA	Chile	Chile	2	Mining	100%
Alfa Estates Limited	Jersey	Jersey	3	Investment	100%
Andes Trust Limited (The)	UK	UK	1	Investment	100%
Andes Re Limited	Bermuda	Bermuda	4	Insurance	100%
Northern Minerals Investment (Jersey)	Jersey	Jersey	3	Investment	100%
Northern Metals (UK) Limited	UK	UK	1	Investment	100%
Northern Minerals Holding Co	USA	USA	5	Investment	100%
Duluth Metals Limited	Canada	Canada	7	Investment	100%

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Investments (continued)

Twin Metals (UK) Limited	UK	UK	1	Investment	100%
Twin Metals (USA) Inc	USA	USA	6	Investment	100%
Twin Metals Minnesota LLC	USA	USA	6	Mining	100%
Duluth Metals Holdings (USA) Inc	USA	USA	12	Investment	100%
Duluth Exploration (USA) Inc	USA	USA	13	Investment	100%
DMC LLC (Minnesota)	USA	USA	12	Investment	100%
DMC (USA) LLC (Delaware)	USA	USA	12	Investment	100%
DMC (USA) Corporation	USA	USA	12	Investment	100%
Antofagasta Investment Company Limited	Jersey	Jersey	3	Investment	100%
Minprop Limited	Jersey	Jersey	3	Mining	100%
Antofagasta Minerals Australia Pty Limited	Australia	Australia	9	Mining	100%
Minera Anaconda Peru	Peru	Peru	10	Mining	100%
Los Pelambres Investment Company Limited	Jersey	Jersey	3	Investment	100%
El Tesoro SPV	Bermuda	Bermuda	11	Investment	100%
Morrisville Holdings Co	BVI	BVI	8	Investment	100%
Antofagasta Minerals Canada	Canada	Canada	15	Mining	100%
Andes Investments Company (Jersey) Limited	Jersey	Jersey	3	Investment	100%
Inversiones Los Pelambres Chile Ltda.	Chile	Chile	2	Investment	100%
Equatorial Resources SpA	Chile	Chile	2	Investment	100%
Minera Santa Margarita de Astillas SCM	Chile	Chile	2	Mining	81.9%
Minera Penacho Blanco SA	Chile	Chile	2	Mining	66.6%
Michilla Costa SpA	Chile	Chile	2	Logistics	99.9%
Minera Mulpun Limitada	Chile	Chile	2	Mining	100%
Fundación Minera Los Pelambres	Chile	Chile	2	Community development	100%

Registered offices:

- 1 Cleveland House, 33 King Street, London, SW1Y 6RJ, United Kingdom
- 2 Avenida Apoquindo N° 4001, Piso 18, Las Condes, Santiago, Chile
- 3 22 Grenville Street, St Helier, Jersey, JE4 8PX3
- 4 Crawford House, 50 Cedar Avenue, Hamilton HM 11, Bermuda
- 5 1209 Orange Street Wilmington, DE 19801, USA
- 6 6040 Earle Brown Drive, 480 Brooklyn Center, MN 55430, USA
- 7 161 Bay Street, Suite 4320, Toronto, Ontario, M5J 2S1, Canada
- 8 PO Box 958, Road Town, Tortola VG1110, British Virgin Islands
- 9 Riparian Plaza, Level 28, 71 Eagle Street, Brisbane, Qld 4001, Australia
- 10 Av. Paseo de la Republica N° 3245 Piso 3, Lima, Lima, San Isidro.
- 11 Clarendon House, 2 Church Street, Hamilton, Bermuda
- 12 6041 Earle Brown Drive, 480 Brooklyn Center, MN 55430 USA
- 13 1010 Dale Street N, St Paul, MN 55117-5603 USA
- 14 2711 Centerville RD Suite 400, Wilmington, DE 19808, USA
- 15 161 Bay Street, Suite 4320, Toronto, Canada

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

8. Debtors

	2019 US\$'000	2018 US\$'000
Current assets		
Amounts owed by parent company	17,513	10,307
Amounts owed by fellow Group undertakings	597,969	420,421
	<u>615,482</u>	<u>430,728</u>

9. Creditors: Amounts of falling due within one year

	2018 US\$'000	2018 US\$'000
Current liabilities		
Amounts owed to parent undertaking	(679,959)	(504,932)
Amounts owed to fellow subsidiary undertaking	(9,729)	(2)
	<u>(689,688)</u>	<u>(504,934)</u>

10. Called up share capital

At 31 December 2019 and 2018

	Authorised Number	Allotted, issued and fully paid Number
Ordinary shares of £1 each	500,000	500,000
	<u>US\$'000</u>	<u>US\$'000</u>
Ordinary shares of £1 each	886	886

The Company has one class of ordinary shares which carry no right to fixed income. Each ordinary share carries one vote at any general meeting.

11. Profit And Loss Account

	US\$'000
Balance at 1 January 2018	22,712
Profit for the financial year	-
Dividends declared	-
Balance at 31 December 2018 and 1 January 2019	<u>22,712</u>
Result for the financial year	316,200
Dividends declared	(316,200)
Balance at 31 December 2019	<u>22,712</u>

CHILEAN NORTHERN MINES LIMITED

YEAR ENDED 31 DECEMBER 2019

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

12. Exchange Rates

The principal exchange rates expressed in pounds sterling used in the preparation of the 2019 financial statements are as follows:

Year-end rates	Average rates
2019: US\$1.3131 = £1	2019: US\$1.2759 = £1
2018: US\$1.2723 = £1	2018: US\$1.3344 = £1

13. Ultimate Parent Company

The ultimate parent company is Metalinvest Establishment, a company incorporated in Liechtenstein and controlled by the E. Abaroa Foundation, in which members of the Luksic family are interested. This company does not produce Group financial statements. The immediate parent company is Antofagasta plc, a company registered in England and Wales and listed on the London Stock Exchange.

Antofagasta plc is the only parent undertaking to prepare Group financial statements. Copies of these Group financial statements are available from Antofagasta plc, Cleveland House, 33 King Street, St James's, London SW1Y 6RJ.

14. Subsequent events

On 11 March 2020 the directors recommended to the Company's sole shareholder a dividend of US\$ 210,000,000, which amounts to US\$420 per ordinary share.

Between January 1, 2020 and the date of issuance of these financial statements there were no other subsequent events.