

II.2.13.8 Andacollo - Enami

Estimated reserves of the Andacollo deposit are 250 million tons of mineral grading 0.55% copper with small gold content.

The deposit was tendered, and the bid was awarded to the Canadian Company Placer Dome, owner of 50% of La Coipa.

The area tendered covers 78.2 hectares in the Hermosa sector and 144.4 hectares in the Llano San José Culebrón area. There is another area that is being studied by Dayton Resources for gold exploitation, which includes the Churumata, Tres Perlas, Socorro mines and others. The tender awarded to Placer also includes other Enami assets and rights, such as mining claims in the area surrounding and outside the Andacollo district, other tailings claims, and studies on water supply.

The Placer project proposes the formation of a company in which ENAMI will have a 20% share. The mine will be an open pit operation, and the plant's estimated production will be 40,000 tons of concentrates with 26.5% copper and 6 g/t gold.

It is estimated that the feasibility study will take a year, and the construction of the project will take another two years and two months. Once the mine and plant are operating they will provide work for 650 people.

Placer's offer contemplates the exploitation of reserves of 224,200,000 tons of mineral, with a pre-production of 32.6 million tons. The mine's useful life would be 16 years, considering copper grades of approximately 0.64%. Investment would reach US\$ 344,280,000 with an operating cost of US\$ 4.34 per ton.

Recently, Placer informed ENAMI of its decision to withdraw from this project.

II.2.13.9 Los Pelambres - Antofagasta Holdings.

Los Pelambres is a porphyry copper mine located on the Argentine border, 3,100 meters above sea level, east of the city of Salamanca in the Fourth Region.

Los Pelambres is another investment of Antofagasta Holdings (Luksic group). The mine was acquired in 1986 with the purchase of all the interests of Anaconda South America Inc. for 6.2 million dollars, and it will probably be one of the largest investments once it starts operating at the beginning of 1992.

Two mineralized areas contain 124 million tons grading 1.25% copper among large reserves with lower metal contents.

The project's total investment was US\$ 66 million. A preliminary agreement had been reached with Midland Bank for development of the project at a rate of approximately 20,000 tpy of copper plus by-products like gold, silver, and molybdenum. Midland sold a percentage of its share to the South Korean company Lucky Goldstar International, which contributed to financing the project.

Works at the mine were initiated during the third quarter of 1990, and they include construction of a smelter, improvement of roads, installation of electricity lines and an emergency camp.

The purchase from Anaconda also included a small gold heap leaching operation at Punitaqui.

II.2.13.10 Rosario de Rengo - Privately Owned.

The Rosario de Rengo deposit is located 45 km west of the city of Rengo and 40 km south of El Teniente, 2,500 meters above sea level.

Alfredo Brahm, a lawyer, heads the ownership of this private company.

The deposit is of the porphyry type, with copper and molybdenum mineralization. The mineralization covers an area of approximately 4.4 km. NS by 1.3 km EW.

The deposit was tendered in April, 1990 with no results, after several years of working on its preparation with the technical assistance of Sernageomin of Chile and the Metal Mining Agency of Japan. It was recently offered to El Teniente.

II.2.13.11 Refimet - Privately Owned.

Refinadora de Metales (Refimet) is a company that belongs to the Callejas family (Compañía Minera El Bronce, Faride Project and several other companies) which operates a roasting plant for gold, silver and