

Los Colorados.

The Los Colorados mine is located northeast of Vallenar. It is made up of an elongated body of high-grade mineral with low-grade mineral zones along its sides. Proven reserves are 22 million tons of mineral with a grade of 45% iron. Its exploitation is open pit, and it produces around 6 thousand tpd which feed the processing plant. This plant crushes the mineral to 100% grading - 6mm; it is then subjected to dry magnetic concentration which produces a preconcentrate with 60% of iron which is carried to the pellet plant by train.

The small-scale exploitation of Los Colorados started at the end of the 1950s. Throughout its history operations have been closed down and started up several times because of economic reasons and problems with quality. It currently has a crushing plant and a magnetic concentration plant which will make it possible to produce 1.2 million tpy of preconcentrate for the Huasco Pellet Plant as of 1991.

El Laco.

El Laco is an iron deposit located 4,600 meters above sea level east of Antofagasta near the Sico border area. It was reopened in 1988 after being closed for eight years because of its high sulfur content.

Reserves at El Laco are 500 million tons. This work extracts and processes iron as gravel, which is sold to the Acería y Altos Hornos de Zapala, an industrial complex in the transandean province of Jujuy. This is part of a production and export program with Argentina which will buy 360,000 tons of iron ore in a maximum period of 5 years.

In 1989 it also sold part of its production to China Metallurgical Import and Export Corporation, which bought 55,000 tons for US\$ 1.3 million. The company estimates that Chinese buyers will purchase 500,000 more tons for US\$ 12 million.

The El Laco deposit will produce 80 thousand tons annually. At present it only produces 30,000 tpy. Because of the altitude, operations can only be carried out between October and March.

TABLE XXVII
IRON AND PELLET PRODUCTION

	1988	1989	1990
Production (*)	7,528	8,761	8,866
Iron Mineral	2,727	3,989	2,906
El Algarrobo Mines	-	-	-
El Romeral Mines	2,727	3,989	2,906
Santa Fe Mines	-	-	-
Other Mines	470	590	1,088
Pellets	4,331	4,182	4,872
El Algarrobo Mines	4,331	4,182	4,872

(*) Thousands of Long Tons.

Earthwork.

CMP has extended its activities to earthwork for Minera Escondida Ltda. (7.853) billion cubic meters) in the premine-Chuquicamata stripping project signed with Mitsubishi Chile Ltda., which was completed. Through the affiliates companies IMOPAC and EMAR they have continued earthwork at Choquelimpie and on the Marte project.