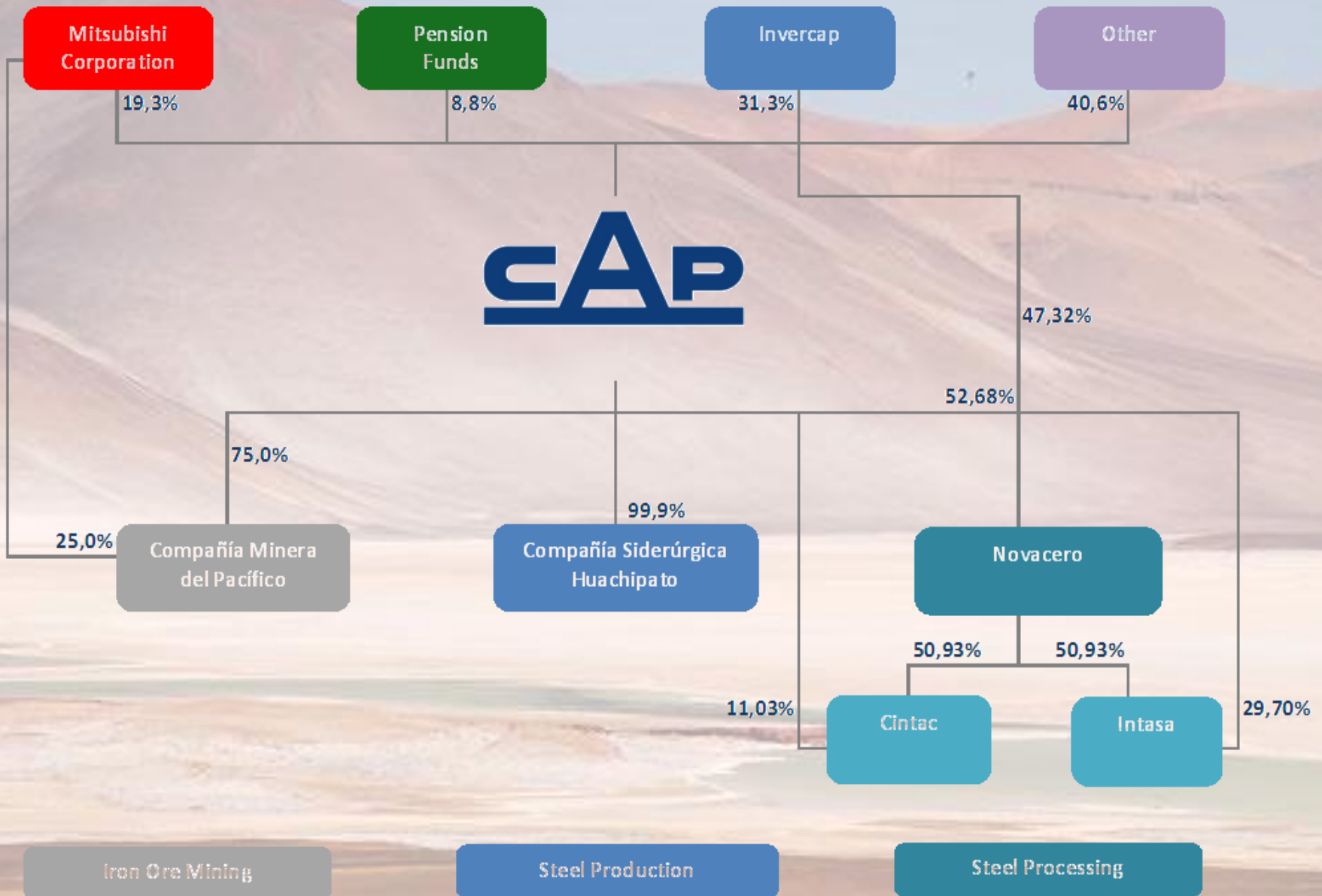


Nevasa

September 2nd, 2013



Corporate structure



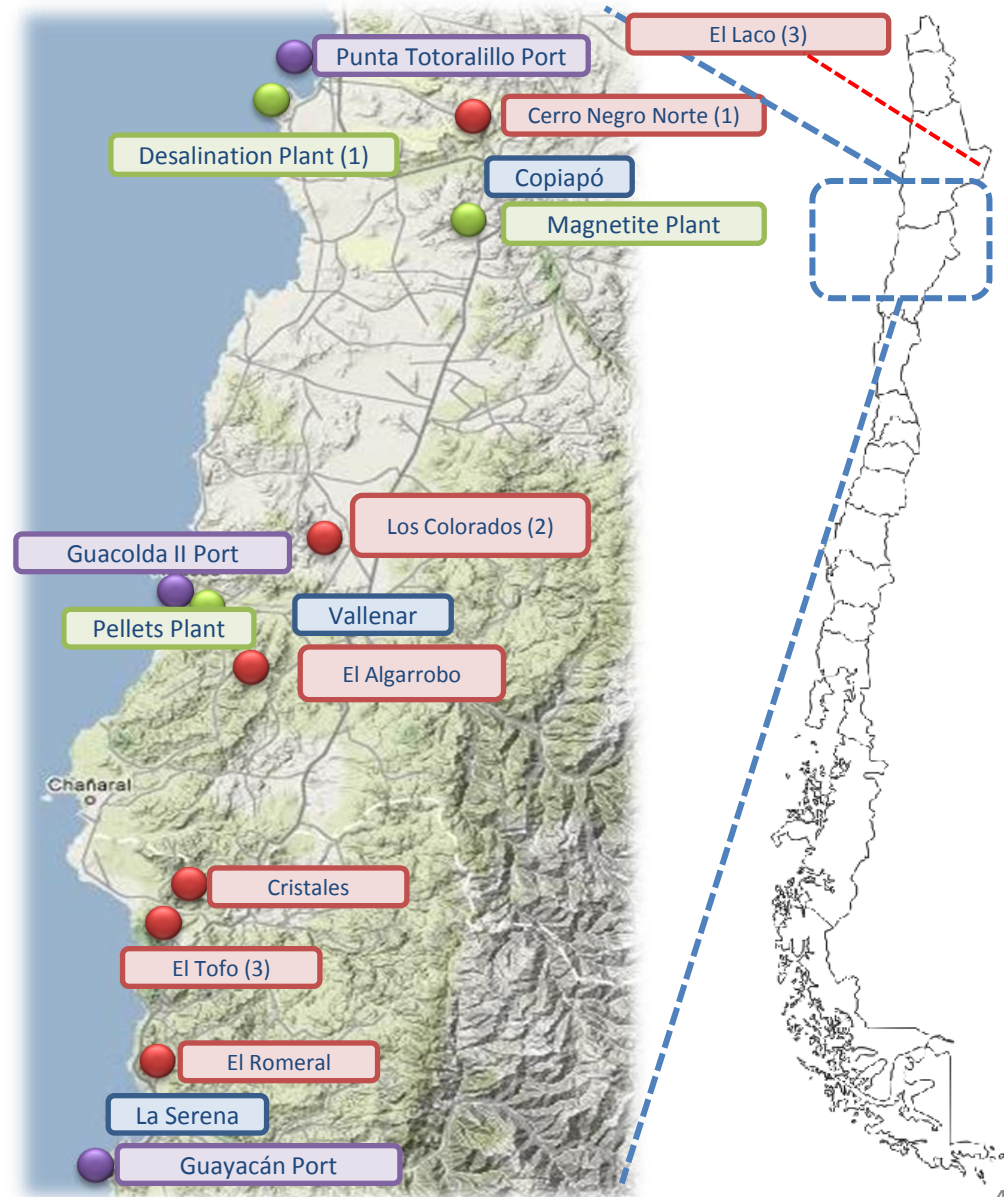
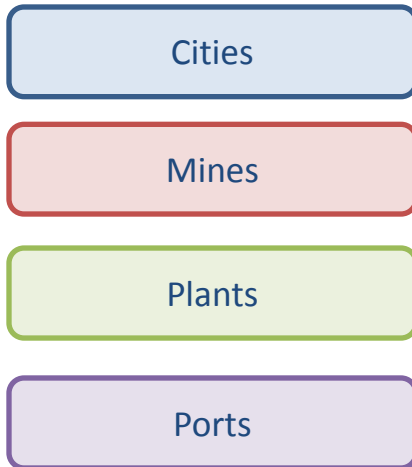
Iron ore mining



Los Colorados Mine, Huasco, Chile

Iron ore mining operations

The mining company has three different and independent areas of operation in the north of Chile, located around the cities of La Serena, Vallenar and Copiapó:



- (1) Under construction
- (2) Expansion start-up
- (3) Under evaluation

Resources and reserves of magnetite ore



Mine / Deposit	Total Mineral Resources (1)		Reserves (2)	
	MTM	Grade (% Fe)	MTM	Grade (% Fe)
Existing operations				
Los Colorados (under expansion)	986	34,8%	244	46,4%
El Romeral	459	28,3%	105	30,2%
El Algarrobo	133	45,9%	46	49,3%
Hierro Atacama I - Candelaria (3)	268	10,0%	268	10,0%
Projects under construction				
Cerro Negro Norte	377	32,8%	189	36,5%
Reserves for future development				
Tofo District	1.671	26,0%	690	28,7%
El Laco	734	49,2%	376	56,7%
El Algarrobo District	590	32,8%	118	35,5%
Cristales	149	32,0%	2	57,3%
Total	5.367	32,1%	2.040	35,2%

Source: CAP

- As a result of continued exploration campaigns, iron ore resources have increased progressively over the years. The company continues with its drilling strategy.
- Current resources would allow for a potential production of over 40 million MT per year

(1) Those minerals measured on a geological ore content feasible of being mined. **(2)** Those minerals measured on a geological content feasible of being mined economically. **(3)** CMP has the contract for processing the tailings of the Candelaria copper mine.

Note: Tonnages and grades of Fe are estimated by CAP's Minería specialized professionals. The information presented, to comply with Chilean law 20.235, is currently under certification process by independent professionals in mining resources and reserves. The referred process will take approximately three years, starting on 2012, to be completed.



Los Colorados (brownfield expansion)

- Current production: 5.2 million tonnes / Pellets and pellet feed
- Projected increase: 2.0 million tonnes / Pellet Feed
- Currently under start-up process
- CAPEX: US\$ 438 million



Cerro Negro Norte (greenfield expansion)

- Production: 4.0 million tonnes / Pellet feed
- Under construction and estimated production start-up February 2014
- CAPEX: US\$ 959 million



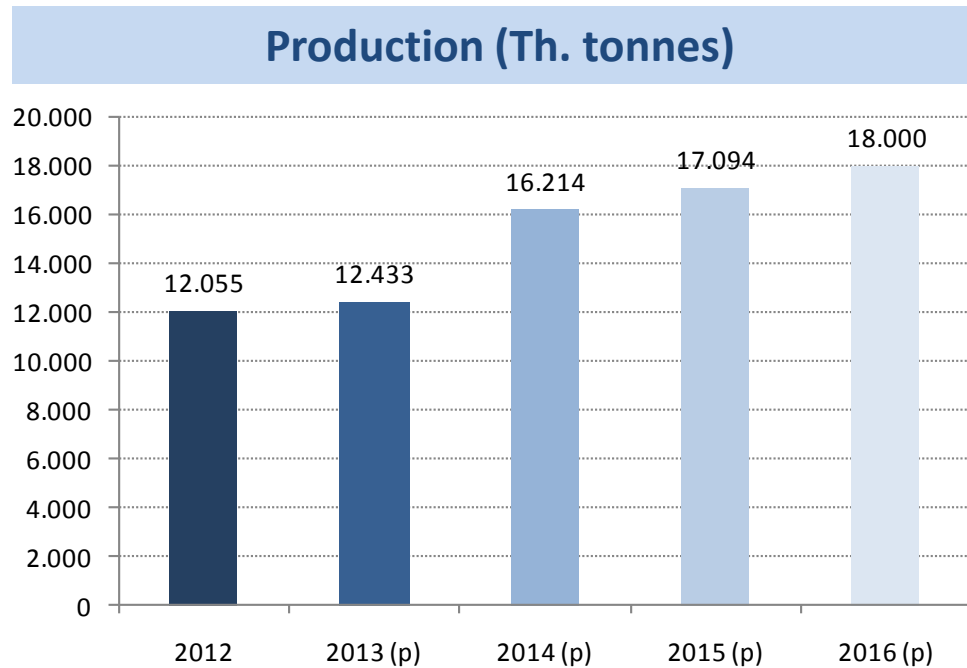
Romeral Phase V

- 14-years mine life extension
- Under construction and estimated start-up 1S 2014
- CAPEX: US\$ 198 million



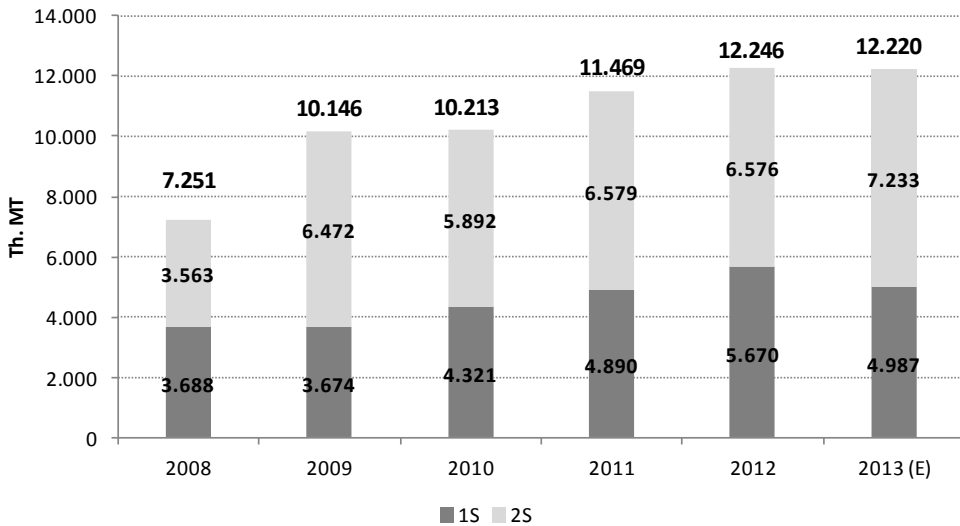
Desalination Plant

- Capacity up to 600 lt/s
- 400 lt/s under construction and estimated start-up 4Q 2013
- CAPEX: US\$ 360 million

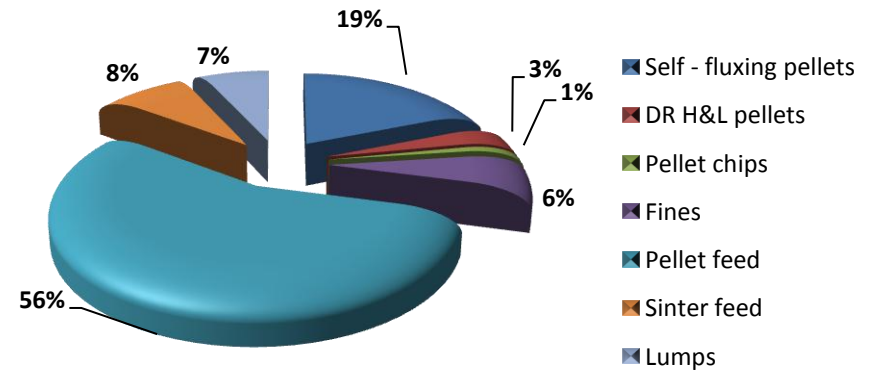
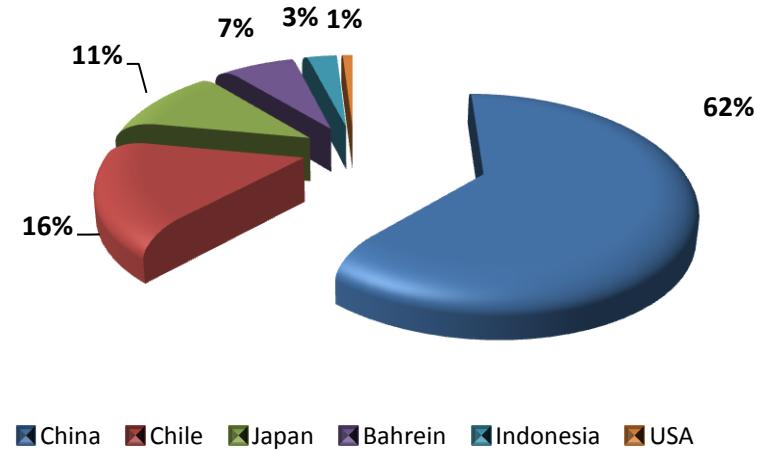


- In 2012 the average cash cost per ton was US\$ 48,76 (FOB)
- Financing of existing expansion projects mainly through internal cash generation
- Construction of a Desalination Plant (up to 600 lt/s) will cover water needs of Cerro Negro Norte mine and third parties mining operations in the zone
- Investment in exploration will continue to improve knowledge of our mining property for future development and growth

Shipments

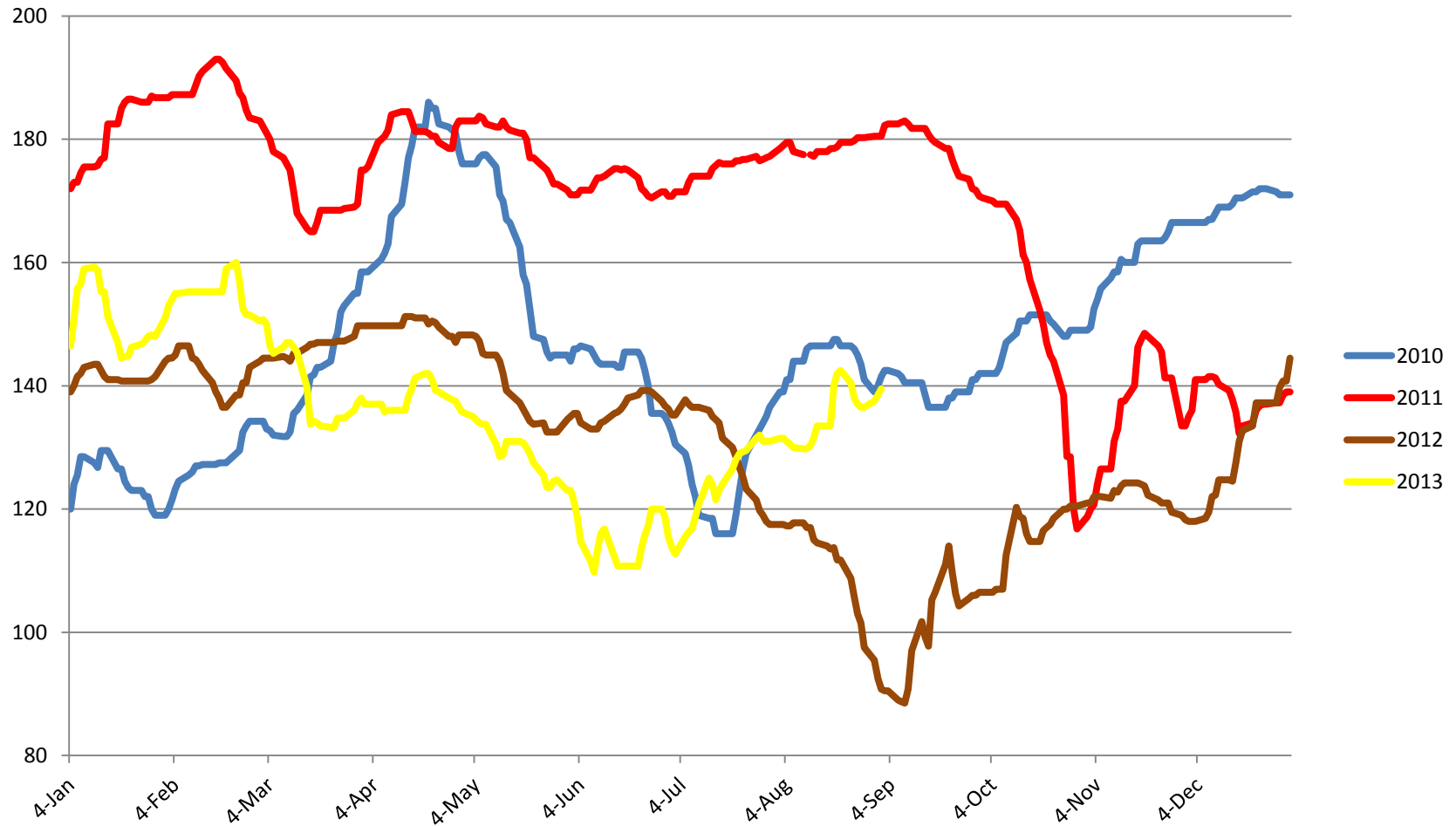


Shipments by markets and products June 2013

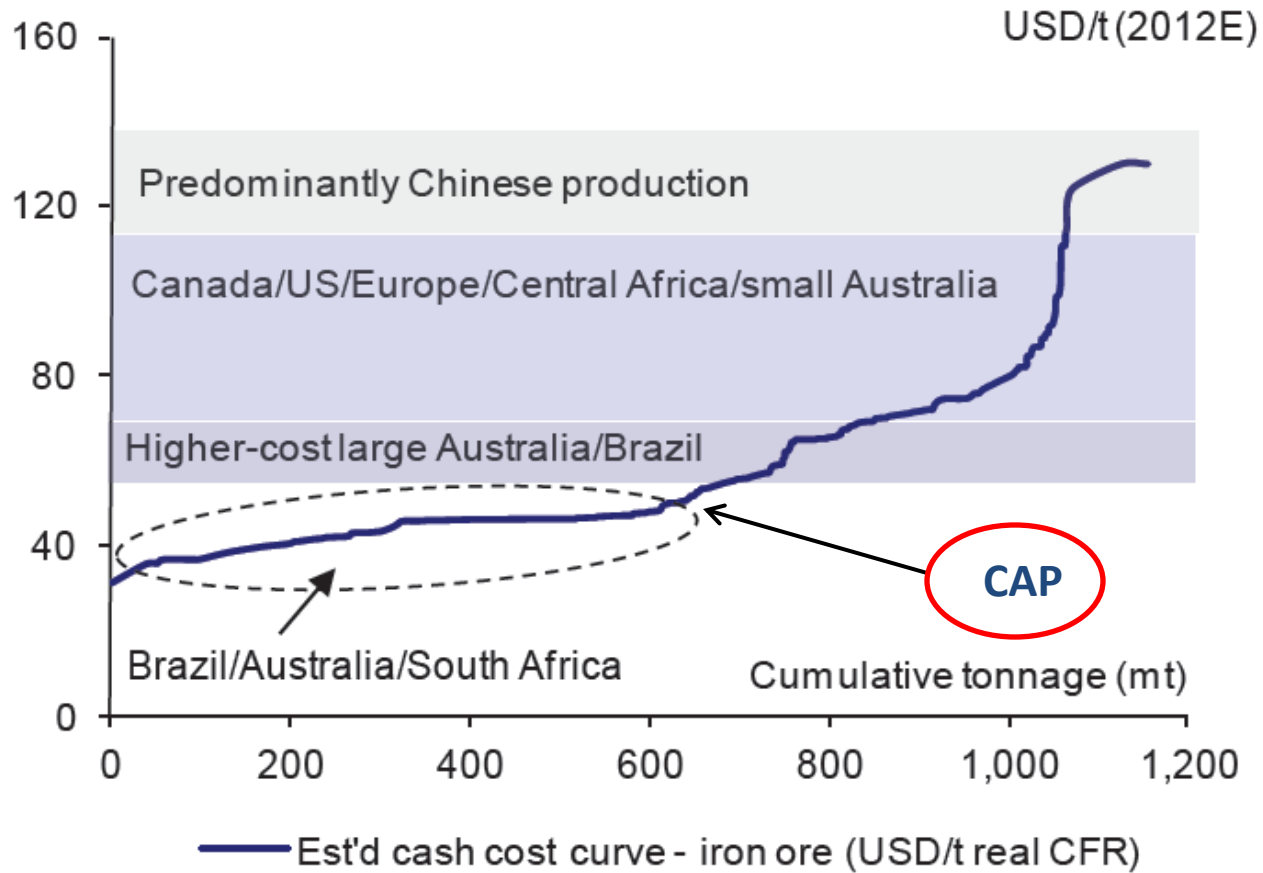


Iron ore spot prices

Iron ore Fines 62% CFR North China (US\$/t)



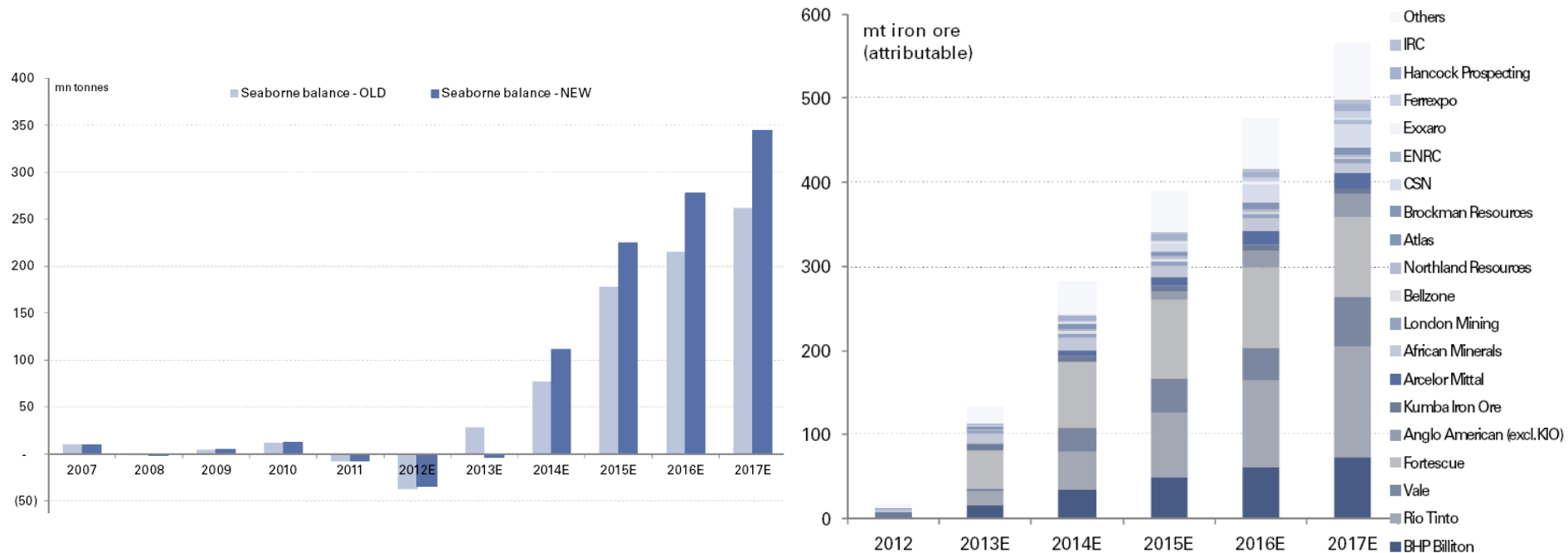
Iron ore cash cost curve



Seaborne iron ore supply - demand balance



68% (381 million MT) of total potential capacity addition comes from the Big 4 (Rio Tinto, Vale, BHP Billiton and Fortescue)



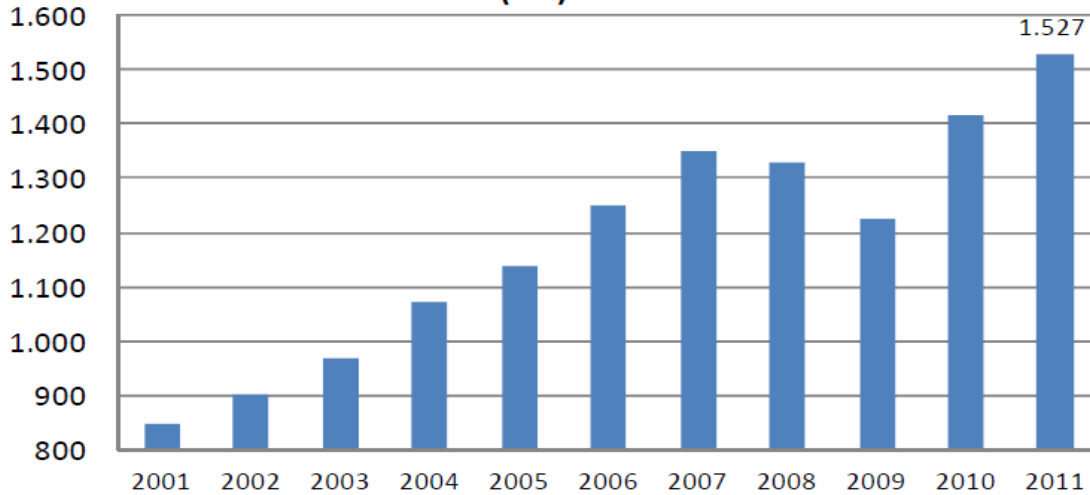
Steel production



Huachipato, Talcahuano, Chile

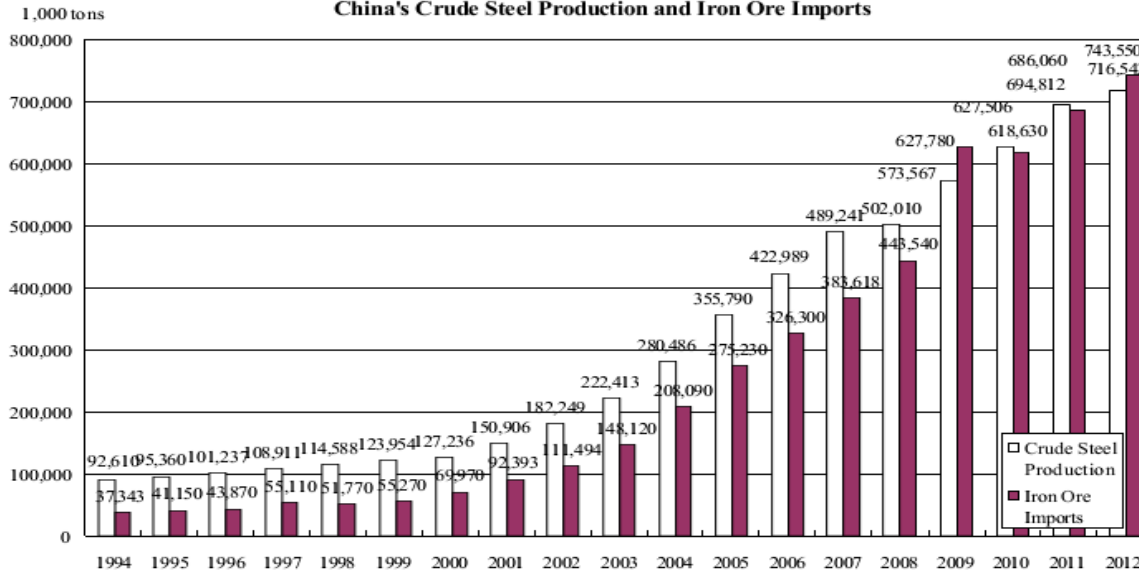
Growing world steel and China's production

World Crude Steel Production (Mt)



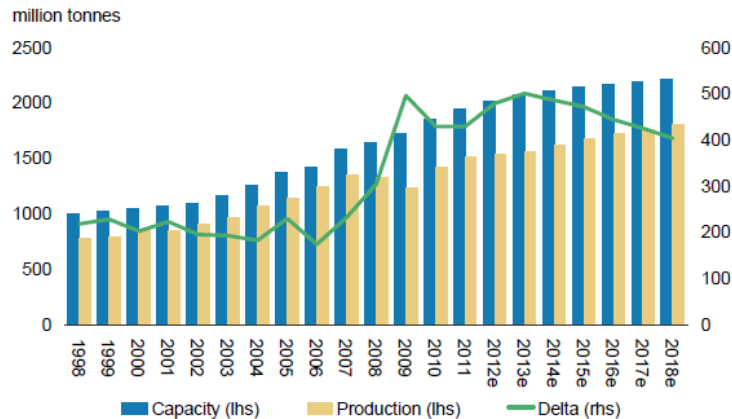
In 2012, the World Crude Steel production reached 1.549 MT, a 1.4 % growth over 2011

China's Crude Steel Production and Iron Ore Imports



In 2012, China crude steel production grew 3,2% and the iron ore imports grew 8,3%.

Steel capacity additions over the last couple of years



e = Morgan Stanley Research estimates Source: CRU, Company Data, Morgan Stanley Research

- As a result of the financial crisis started in 2008 and as a consequence of the above, nowadays the global steel market has approximately 24% of idle capacity

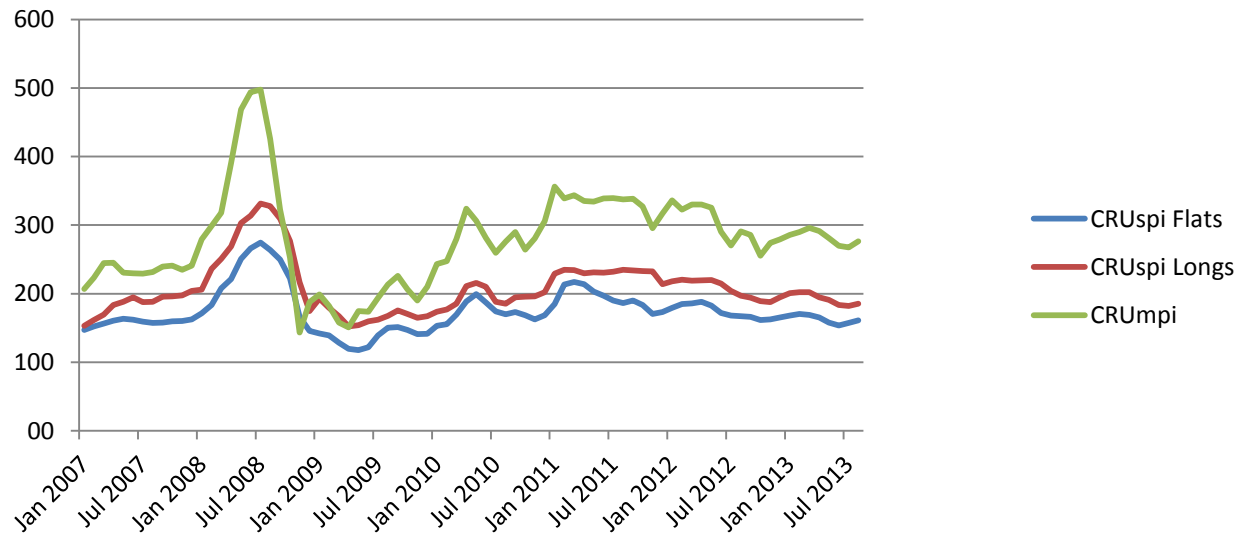
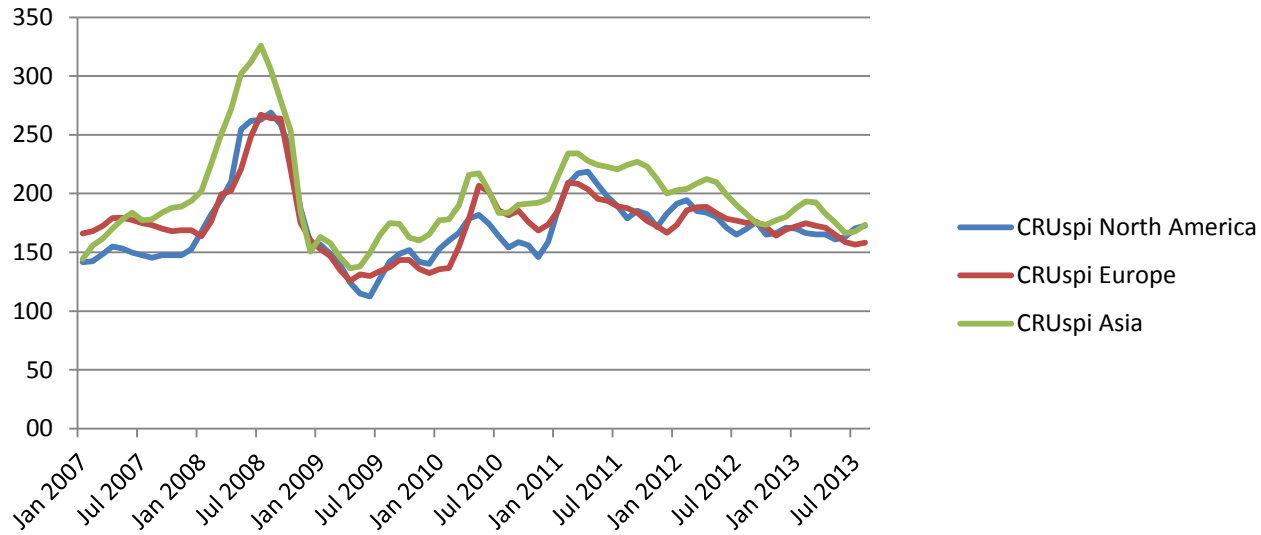
- Uninterrupted investment in construction of new steel mills, particularly in China

Estimated utilization rates by region (2013e)

	2013e
EU (27)	69.3%
Other Europe	74.8%
CIS	73.8%
NAFTA	79.7%
Central/South America	72.9%
China	76.7%
Japan	84.9%
India	84.4%
South Korea	84.3%
Other Asia/Pacific	55.0%
Global utilization rate	75.8%

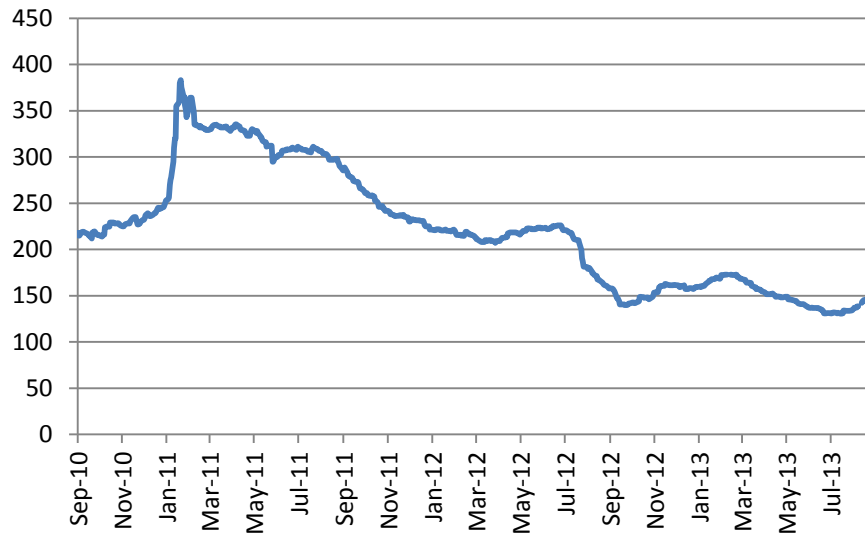
Source: CRU, Morgan Stanley Research estimates

Evolution of steel prices

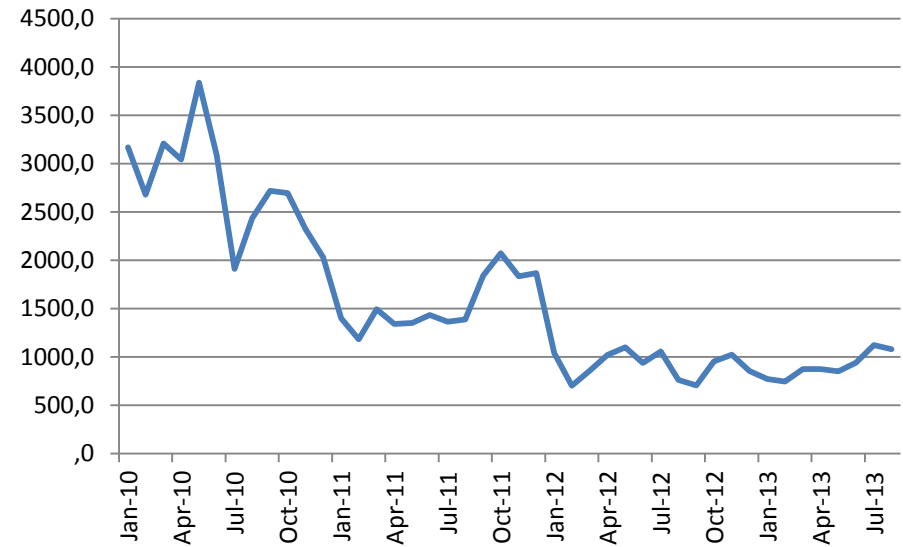


Evolution of key raw materials

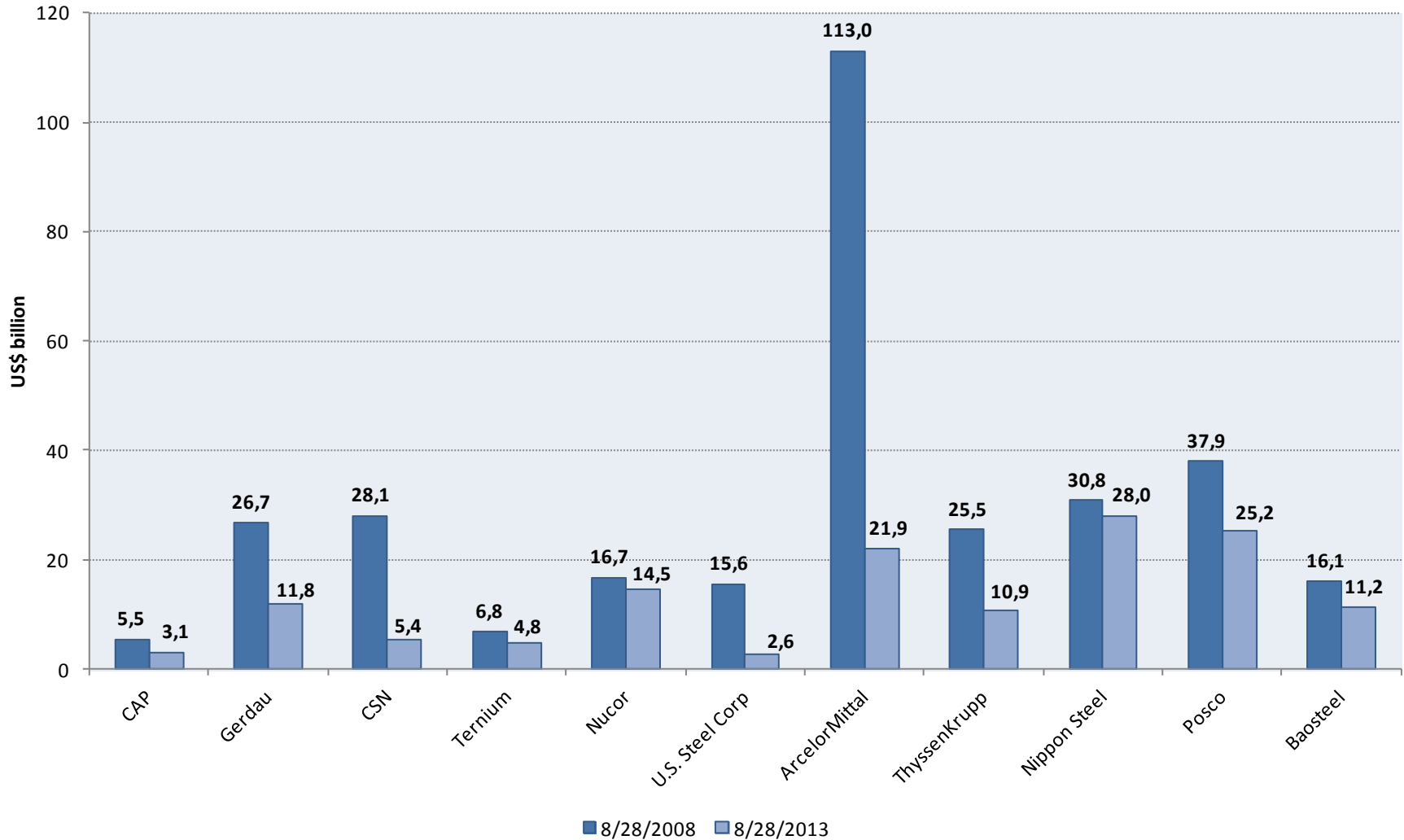
Metallurgical Coal (US\$/TM)



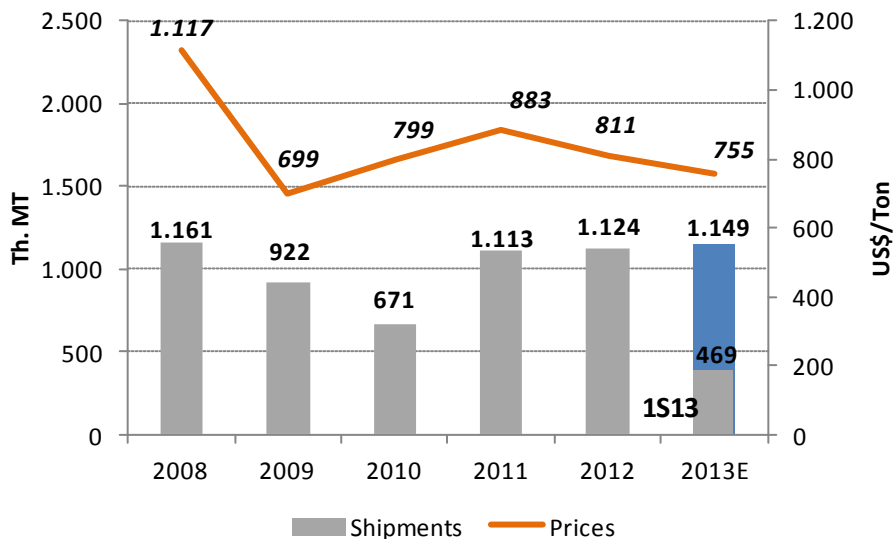
Baltic Dry Index



Market cap of global steel players



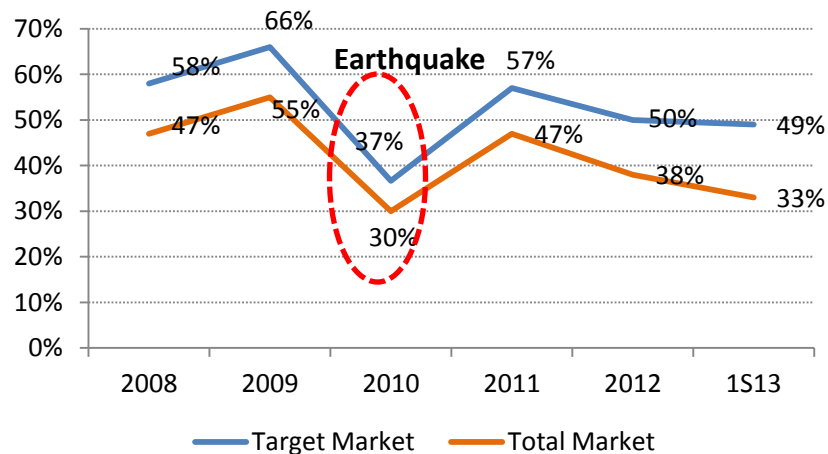
Shipments and prices



- The company has historically maintained a market share above 50% in its target market
- However, due to the growth in the domestic steel market and strong imports competition, it has reduced its percentage in the total steel market to a level close to 40%

- The largest steel producer in Chile
- 1.45 million tons of annual liquid steel production capacity
- Strong long term commercial relations with customers in Chile
- Product mix in 2012: 64% long, 36% flat

Market share



- 1.45 million tons of liquid steel capacity with two blast furnaces
- Reorientation of production strategy to long steel products to cover the demand of construction and mining sectors in Chile
- Reorganization of the plant to produce with one blast furnace only, at a capacity of approximately 700 thousand tons, which would be initially complemented with long steel imports
- As a consequence, the company is implementing a strong adjustment in its industrial processes and workforce
- CAP expects to achieve cash flow neutrality over the next quarters and in the long term foresees a structural global adjustment to reach supply - demand balance
- Thus, it contemplates to start again its second blast furnace to produce long steel products

Steel processing

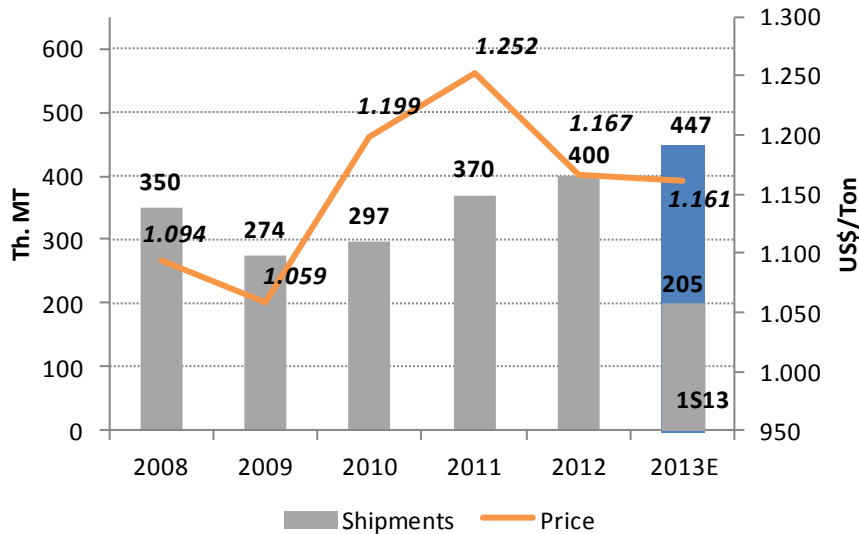


Strip center, Santiago, Chile

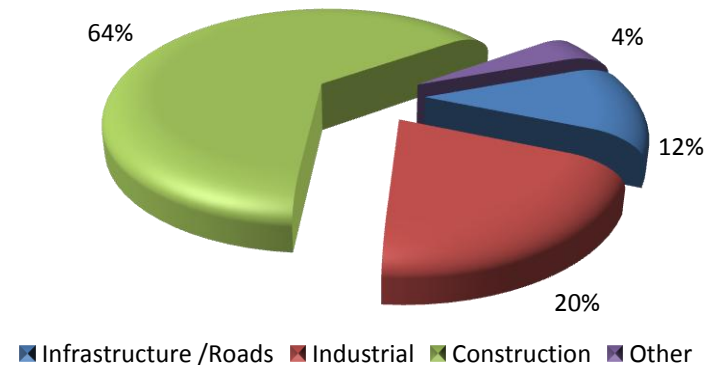
- Creates value-added solutions for the construction, industry and infrastructure sectors in Chile, Peru and Argentina
- Chile is Latinamerica's most advanced user of steel in construction
- Seeks to promote steel consumption



Shipments and prices



Sales by Sector



Financial Performance



Bolsa de Santiago, Santiago, Chile

Financial evolution

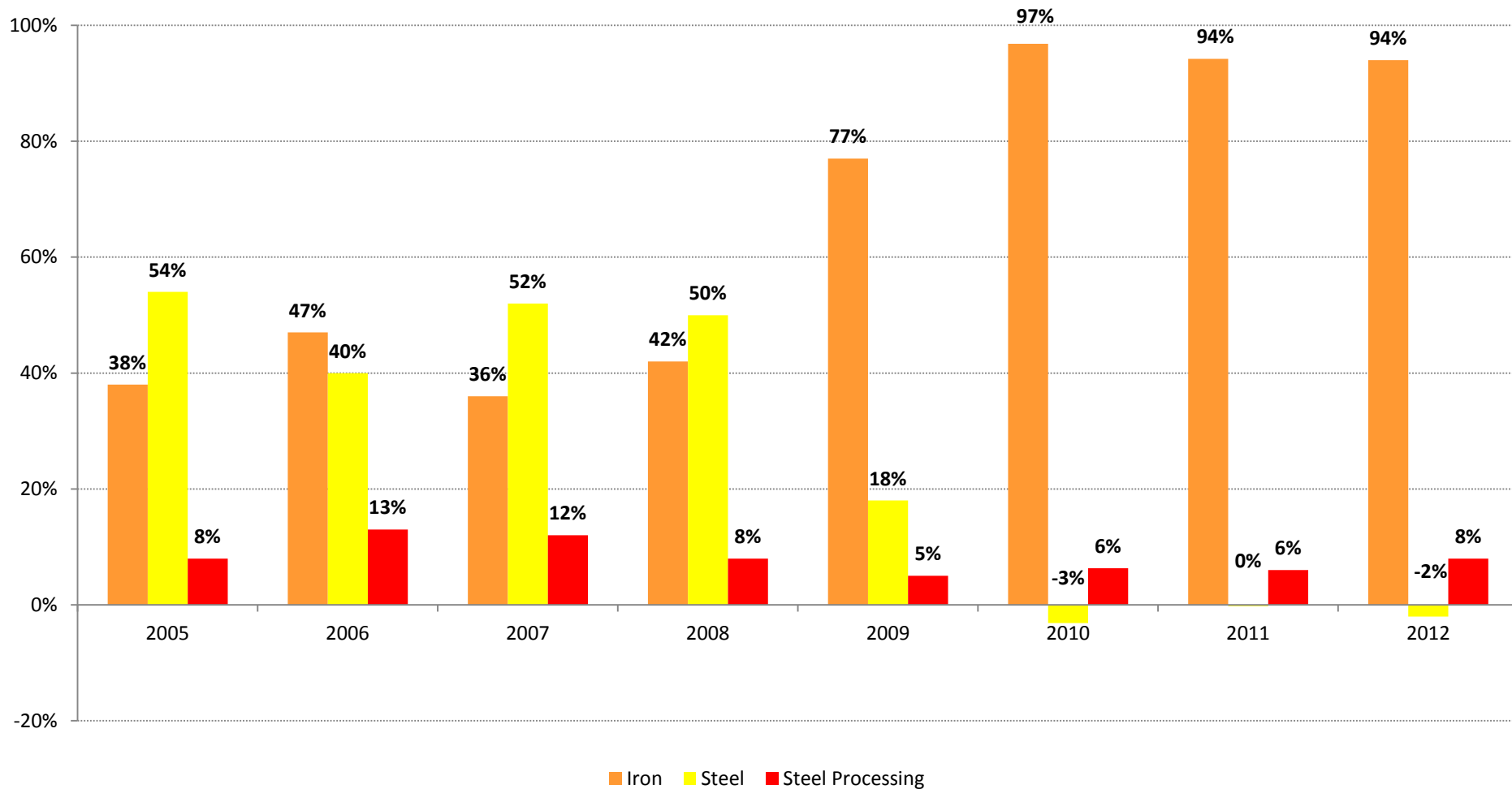


USD Million	2008	2009	2010	2011	2012	1S13
Sales	1.972	1.375	1.994	2.787	2.470	1.058
EBITDA	534	128	740	1.184	764	295
<i>EBITDA Margin</i>	<i>27,1%</i>	<i>9,3%</i>	<i>37,1%</i>	<i>42,5%</i>	<i>30,9%</i>	<i>27,9%</i>
Net Income	291	25	590	442	231	82*
Cash	379	393	981	883	711	554
Gross Financial debt	880	907	1.001	628	719	780
Net Financial debt	501	514	20	-255	8	226
Net Financial Debt /EBITDA	0,94	4,01	0,03	-0,22	0,01	0,77
Capex	161	142	207	282	777	507**

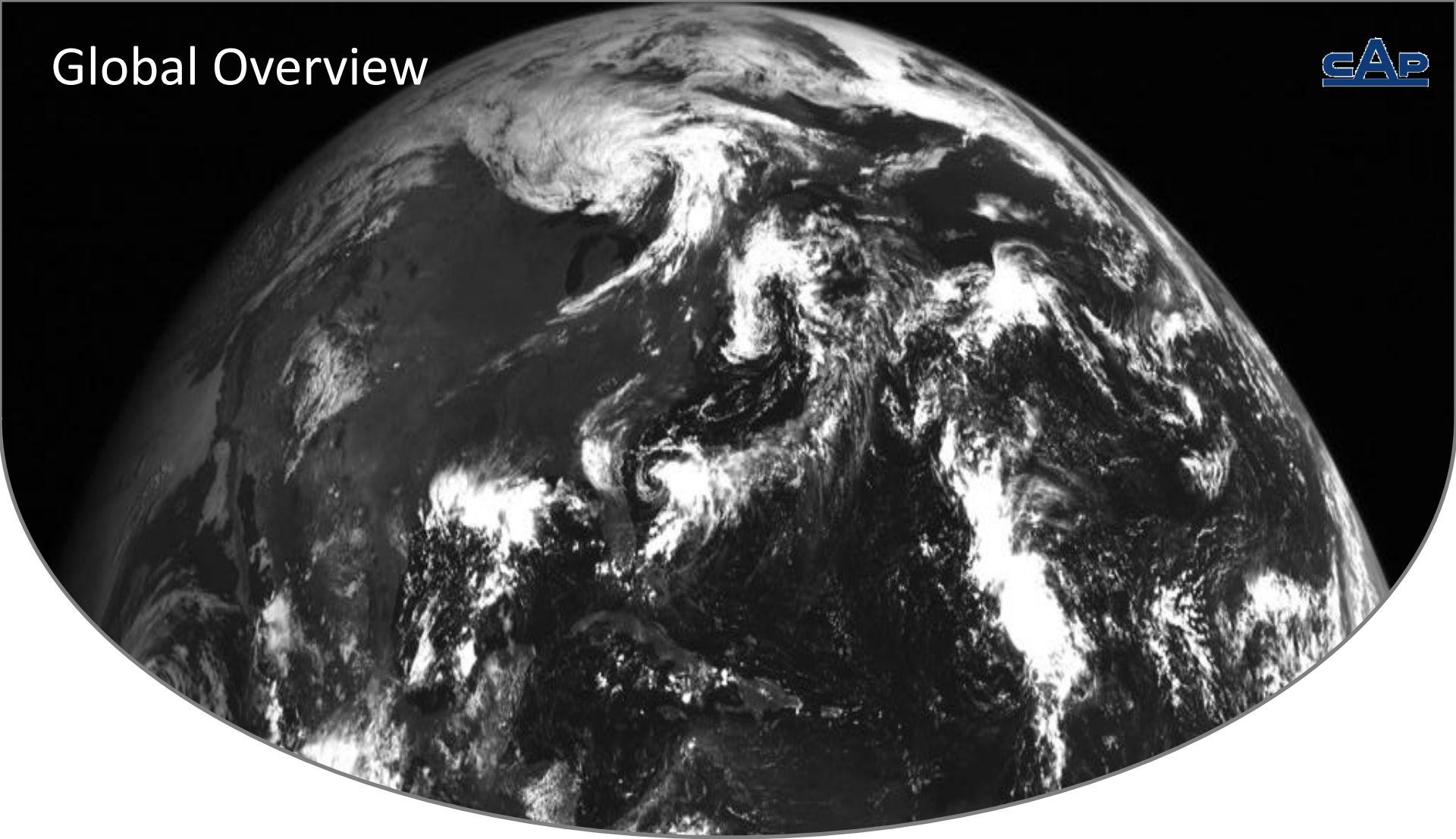
* Includes a provision for US\$ 13.6 million, net of deferred taxes

**Expected CAPEX for approximately US\$ 1,1 billion in 2013

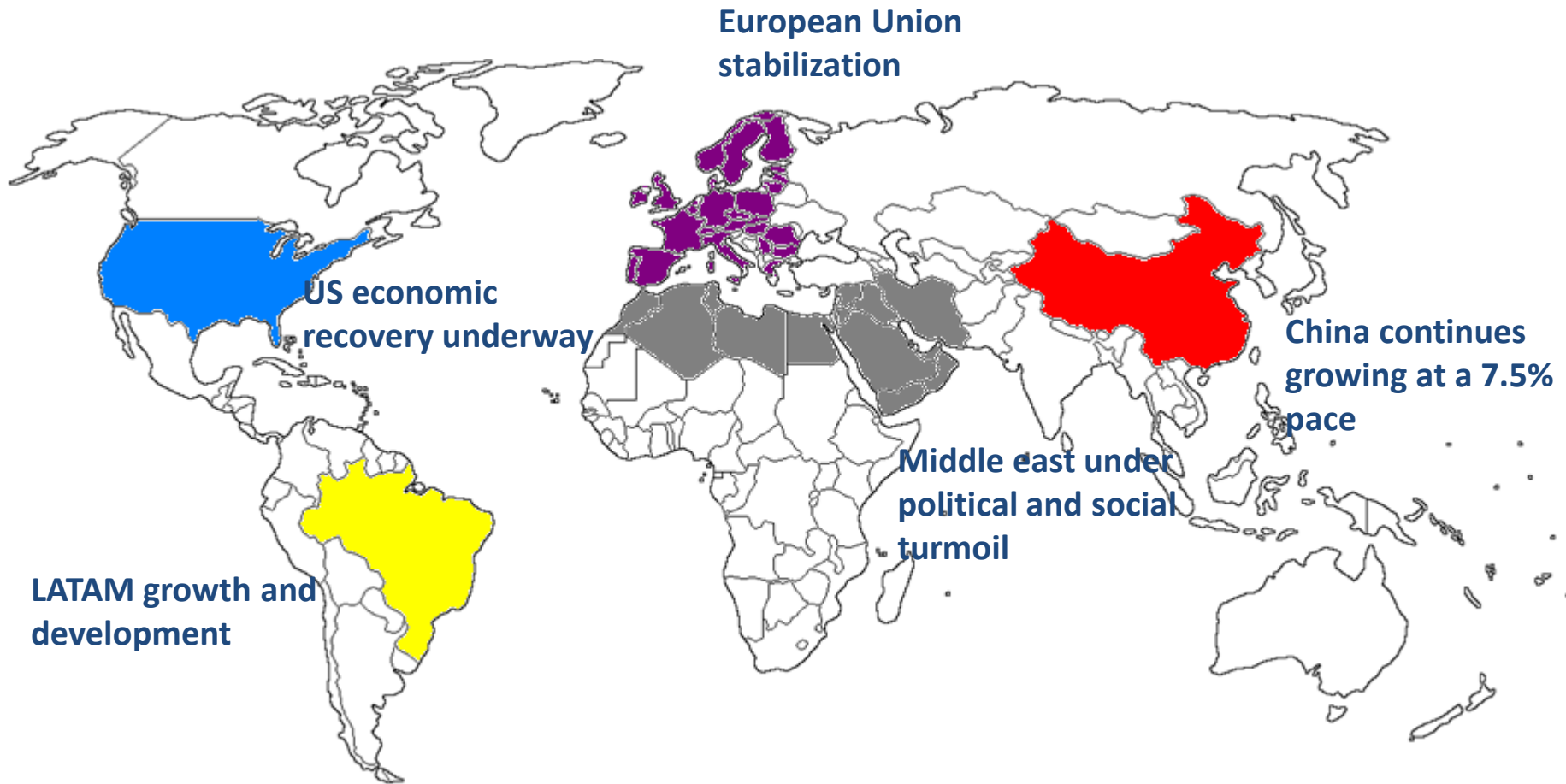
EBITDA contribution by business



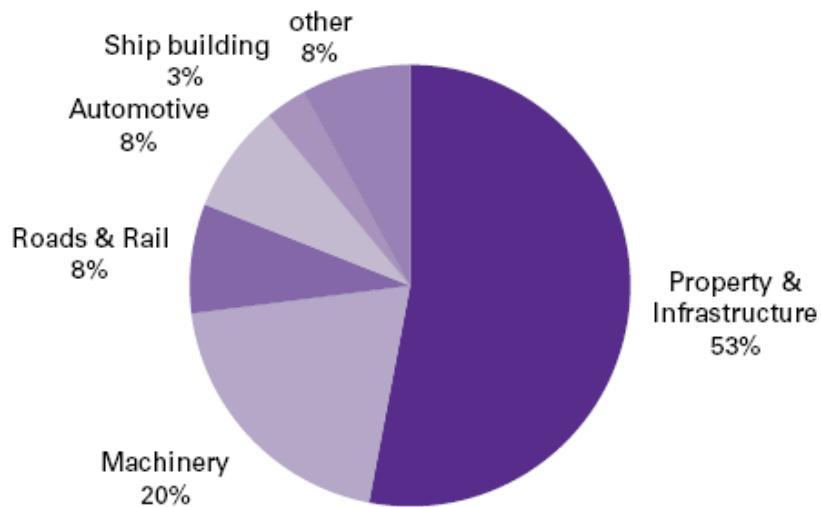
Global Overview



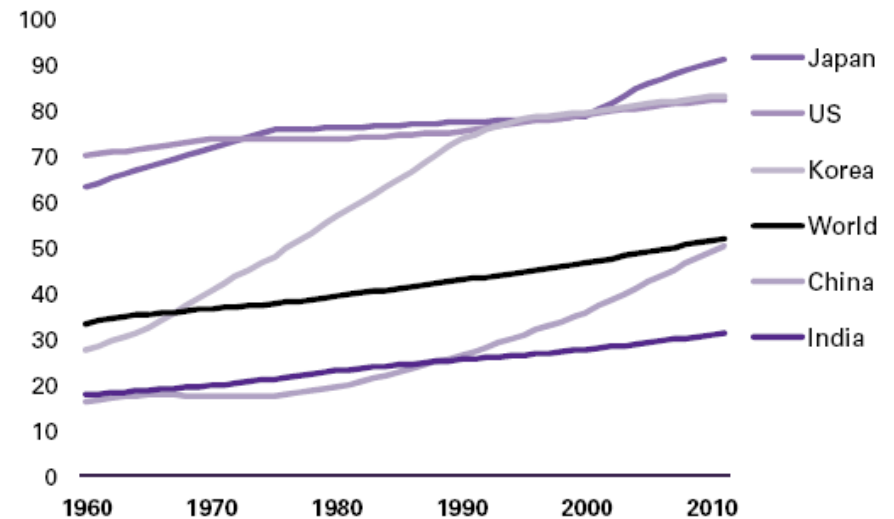
Areas to watch



China steel consumption by end use

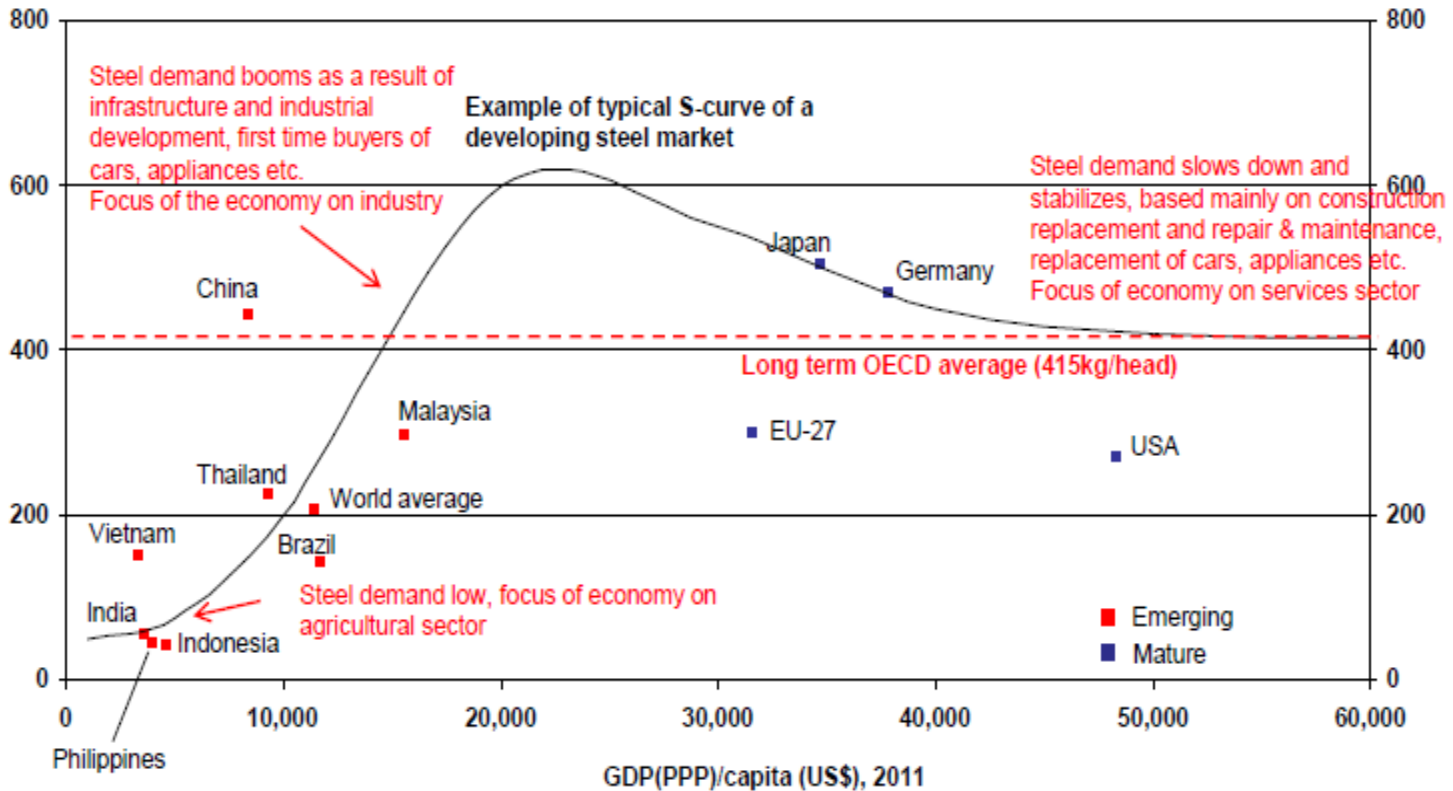


Urban population (% of total)



Sustained growth of steel consumption

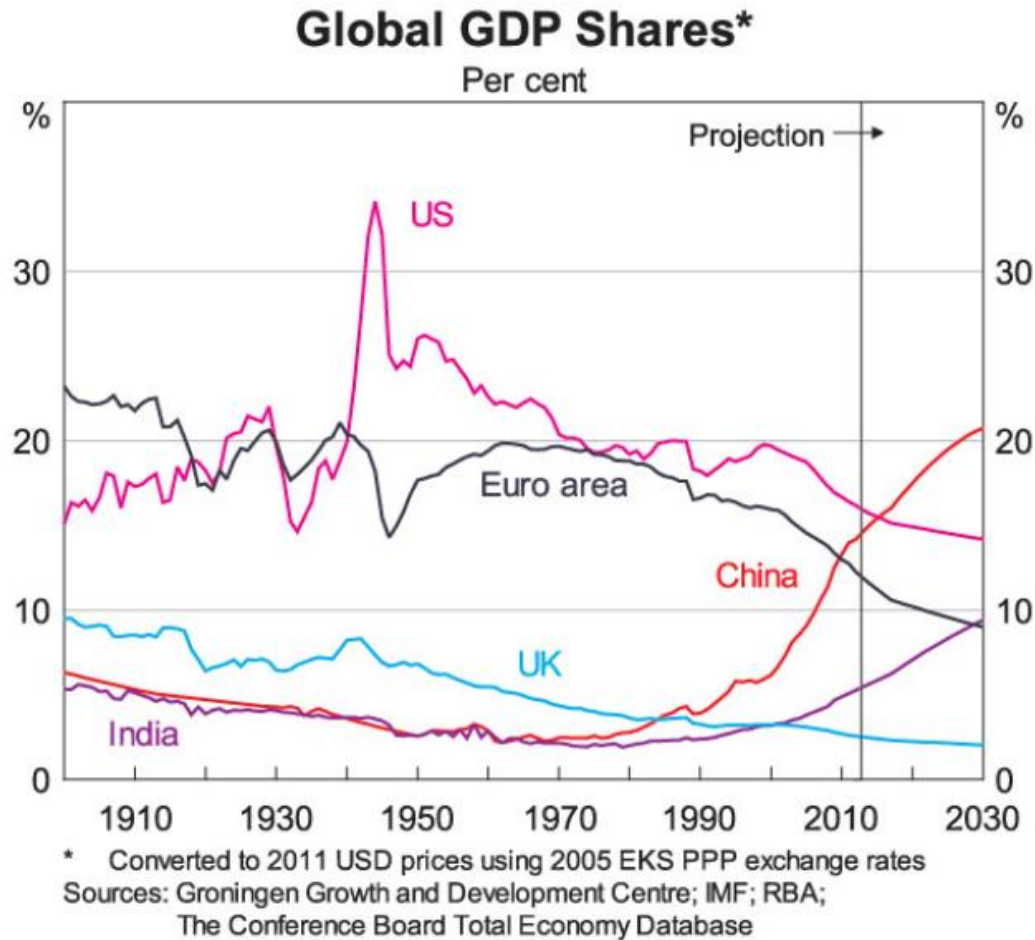
Finished steel consumption/capita (kg), 2010



Source: WSA, CIA, Tata Steel Construction Centre NL, SteelConsult

February 2013

Potential participation of China in the global economic activity



Mining

- Final stages of its expansion efforts in Los Colorados and Cerro Negro Norte to reach 18 million tons capacity
- Further expansion to 30 – 40 million tonnes possible through iron ore development projects currently under consideration

Steel Production

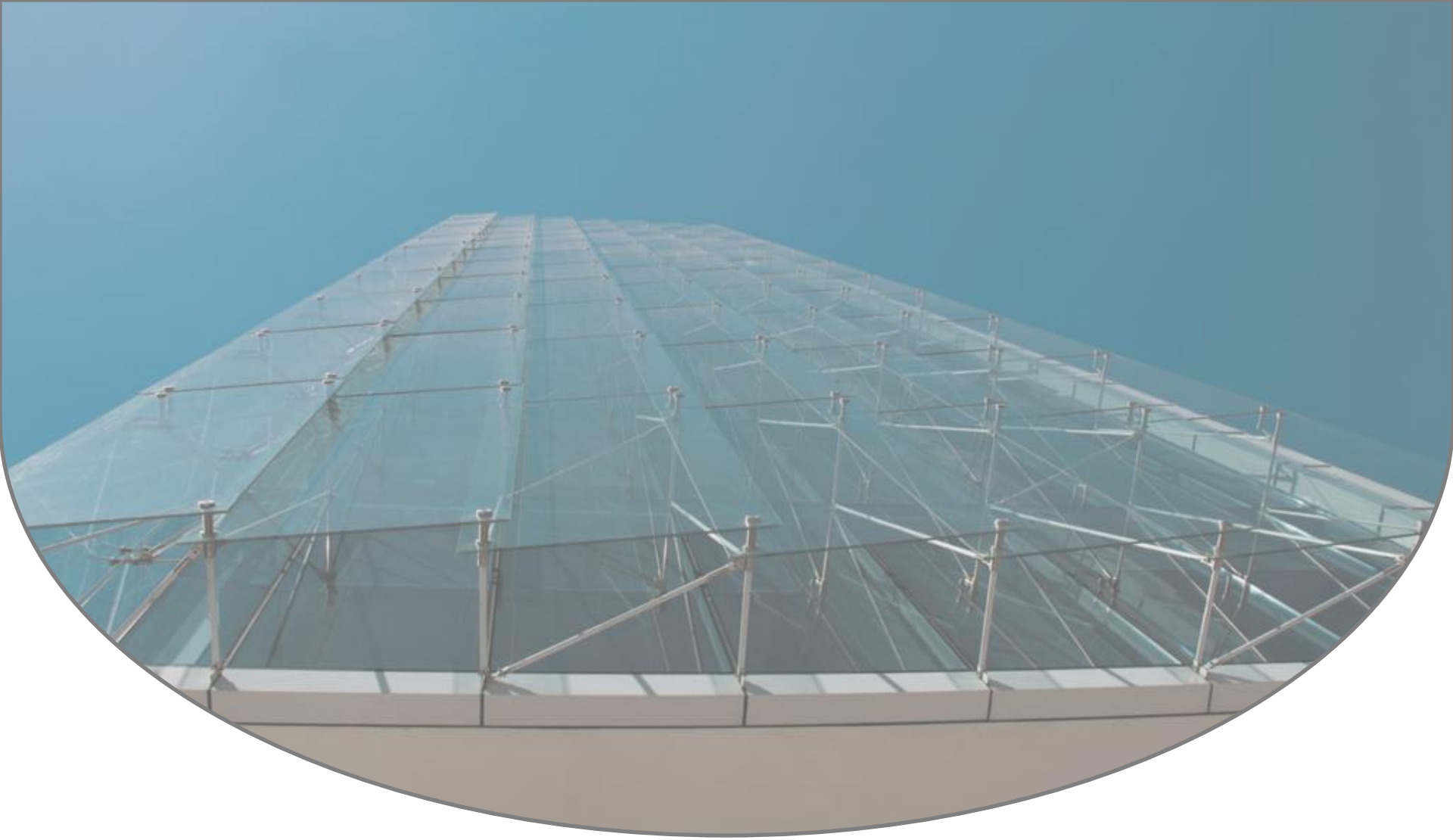
- Demand for long steel in Chile exceeds that for flat steel, due to the dynamism in construction and mining industries
- Optimization of its steel production capabilities, through a reorientation towards long steels
- Operational focus in cost efficiency to reach neutral cash flow performance
- Main goal is to serve the domestic market with tonnages of CAP's own steel and/or alternatively imported material

Steel Processing

- Main focus is to supply the construction, industry and infrastructure sectors
- Chile is Latin America's most advanced user of steel in construction
- Operating at full capacity in Chile since 2010, following the country's GDP and growth focus in Peru

Strong financial position provides viability to growth objectives

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