

INVESTMENT OPPORTUNITIES FOR MINING SUPPLIERS IN CHILE

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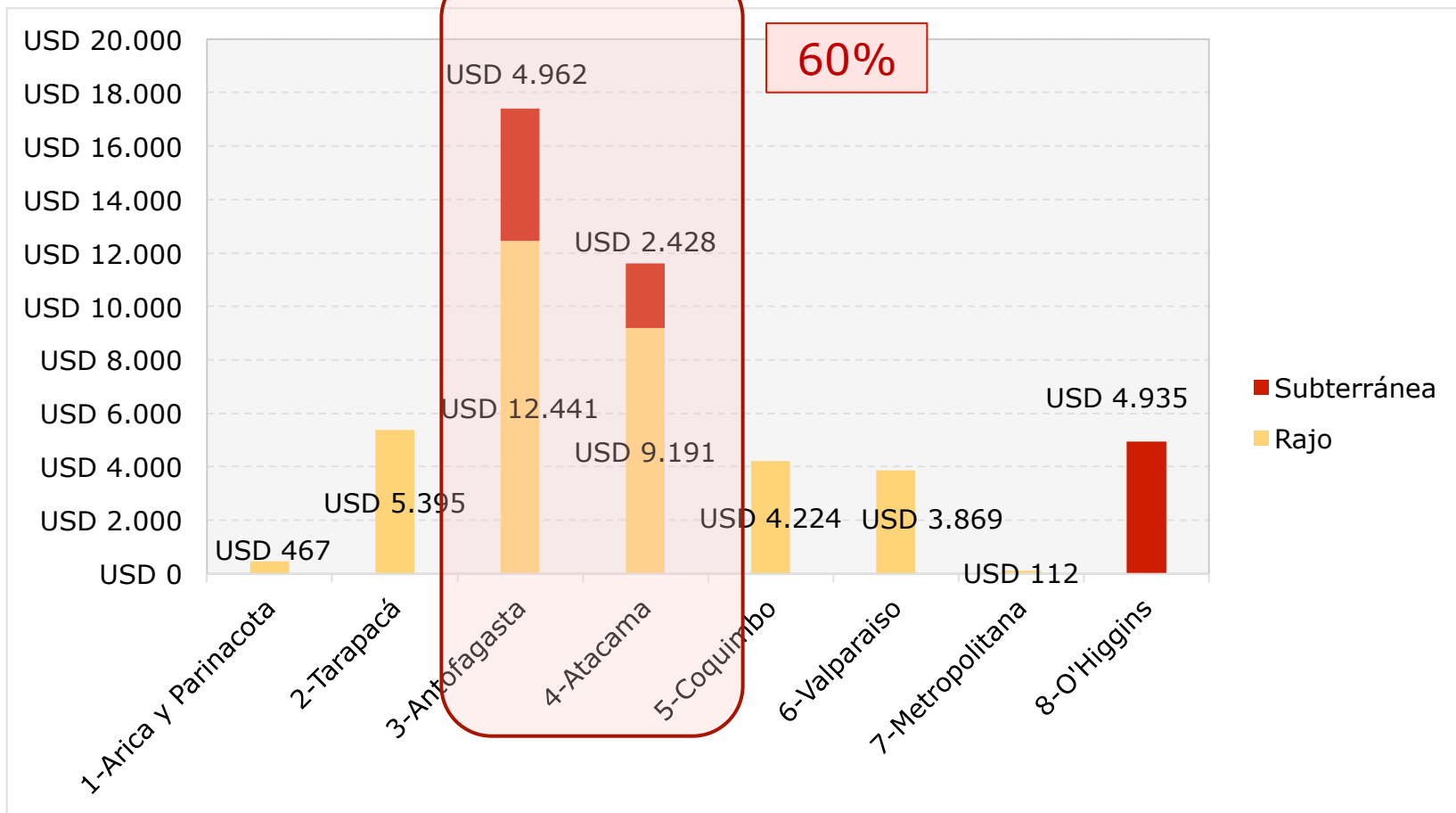
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Objective

To identify opportunities for mining suppliers along the value chain of the big mining companies in Chile.

- Interviews with 15 Supply, Plant and Operation managers.
- 38 interviews with big foreign suppliers with presence in Chile.
- Research and analysis of economic data with respect to the opportunities identified.

Chile: 2025 portfolio could reach **USD\$51 billion**; 37 projects; 11 under execution.

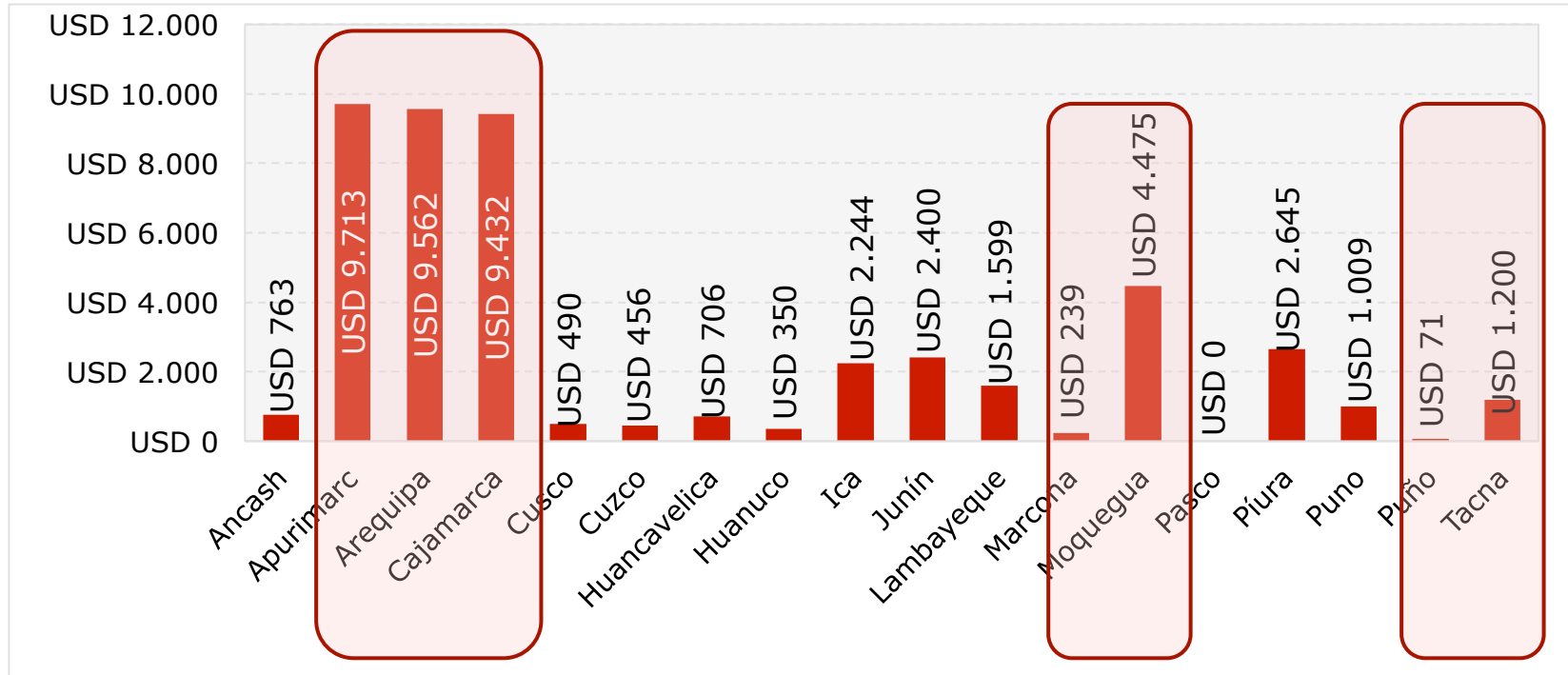


Future purchases

Total purchases 2014	→	USD18 billion
Big Suppliers 2014	→	USD6.3 billion

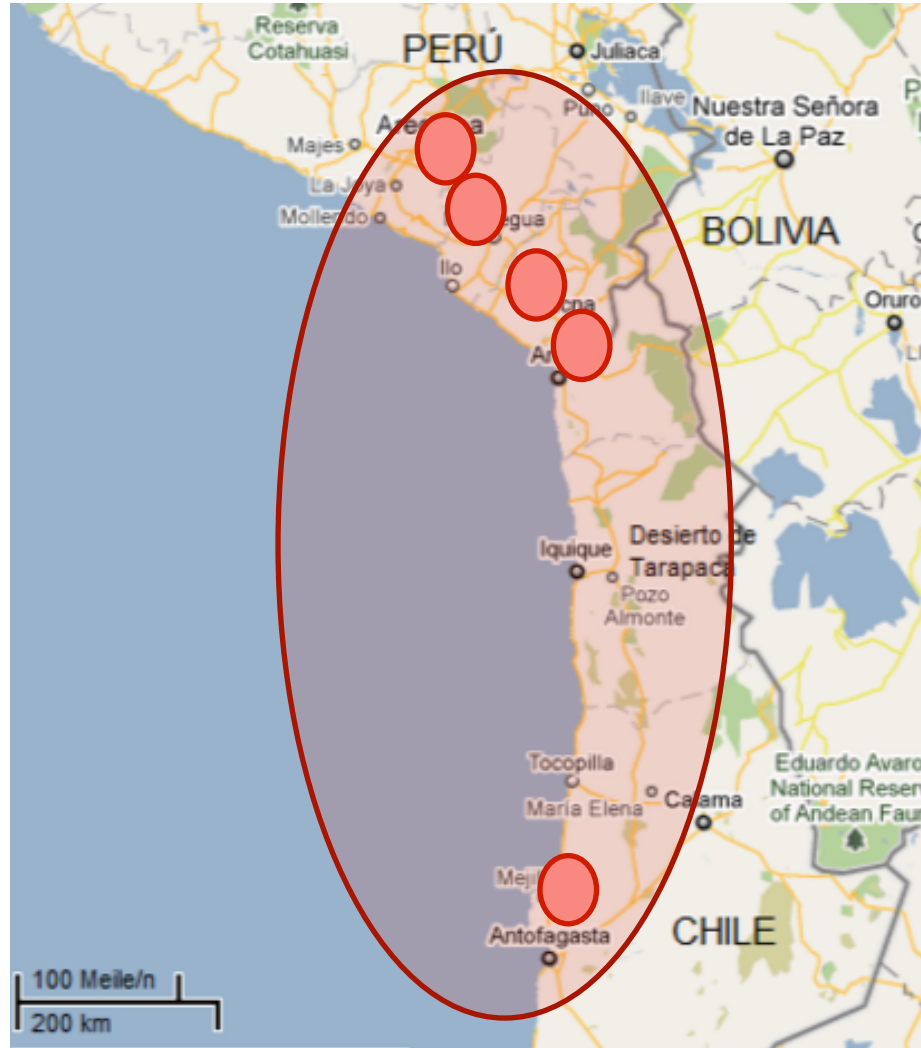
Year	Estimated total amounts (billion USD)	Estimated big suppliers (billion USD)
2021	20.7	7.2
2027	18.3	6.4

Peru: 2035, **USD\$47.4 billion** distributed among 46 projects. 6 under execution. 52% in the southern area of Peru



Chile + Peru
USD\$95.4
billion 2035

N Chile + S
Peru
USD\$54 billion



Opportunity 1 (Peru+Chile)

Maintenance and repair hub of high-selling components in Antofagasta

Size of the market towards 2025: USD\$3.97 billion

- **Mine:** shovels, off-road trucks and support equipment (dozers, wheel loaders)
USD\$2.17 billion
- **Plant:** SAG and ball mills, flotation cells, thickeners and crushers
USD\$1.8 billion

Drivers: reduced maintenance & repair times

Shovel: USD\$45,3 million for 1 hour

400-ton truck: each load = USD\$133.000.

Opportunity 2 (Chile)

New business in underground mining (USD\$12.3 billion 2025)

i) Optimization of the mine's loading systems (automation)

Equipment	Current market (units)	Potential markets (units)	Total (units)
Jumbo drillers	251	163	414
LHD Loaders	268	148	416
UM Trucks	79	0	79

Opportunity 2 (Chile)

New businesses in underground mining

ii) Higher demand in equipment and fans

Equipment	Current market (units)	Potential market (units)	Total (units)
Fans	63	227	290
Jumbo drillers	251	163	414
LHD loaders	268	148	416

Opportunity 3 (Chile)

New solutions: monitoring, control and ICTs

Drivers:

- Productivity
- Safety

McKinsey&Co (Nov 2015): global potential impact of automation, control & monitoring can reach USD \$350 billion.

Chile: USD 99.2 billion

Opportunity 4

Mine closure and sustainability (2052-2057 USD9.4 billion)

Process	% of the total cost	USD Projected (billions)
Tailings	37%	1.6
Concentrator plant	13%	0.9
Smelting and refining	12%	0.5
Mine closure	19%	3.3

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