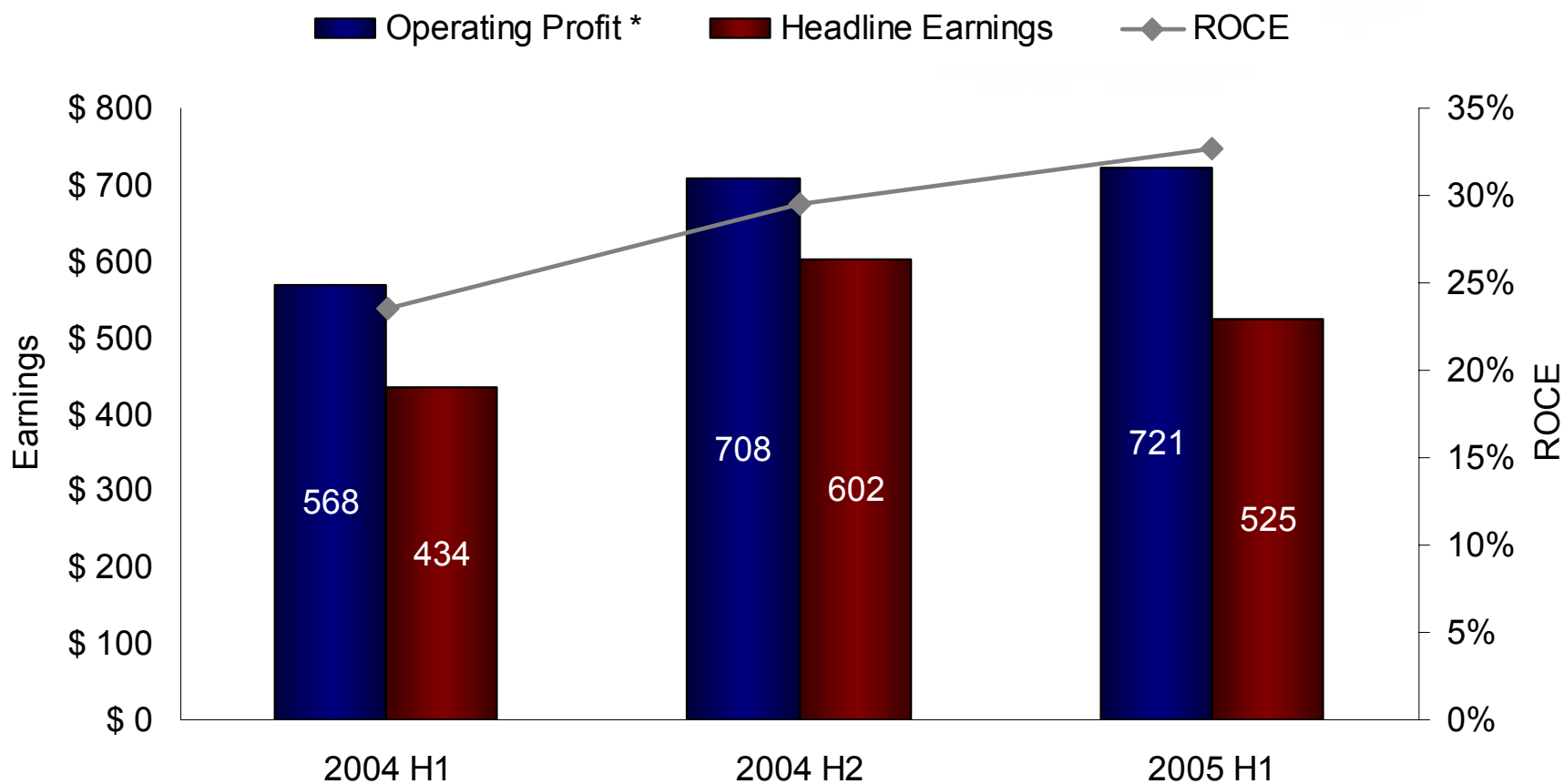


Interim Results 2005

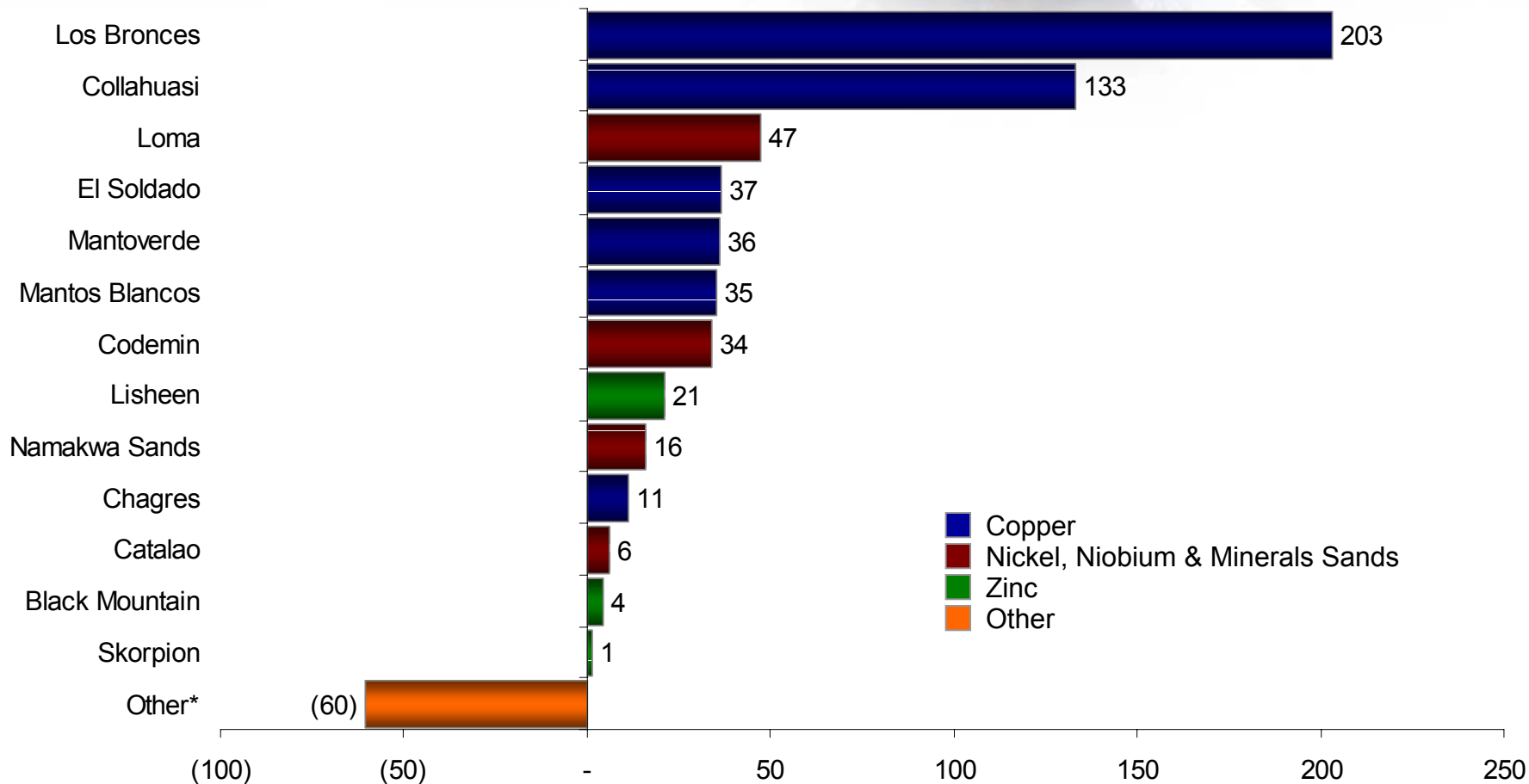


Summary Financial Results



* Before exceptional operating items

Headline Earnings by Asset



Operational Highlights

Collahuasi

- Mill motor failure
- Moly plant on schedule
- Conceptual study for further expansion underway

Mantos Blancos

- Solid operating performance

Mantoverde

- Consistently good performance

Los Bronces

- Solid operating performance
- Optimisation/expansion conceptual study underway

Palabora

- Continuing operating difficulties but production improving

El Soldado

- Pit expansion project on schedule

Chagres

- Smelter expansion project on schedule
- Record production & unit costs

Operational Highlights

Loma de Niquel

- Good operating performance in difficult circumstances

Barro Alto

- Feasibility study underway

Catalão

- Consistent performance
- Boa Vista mine life extended

Namakwa

- Record production

Codemin

- Codemin II ramped up on schedule

Lisheen

- Bog zone project approved
- Underground paste fill issues being overcome

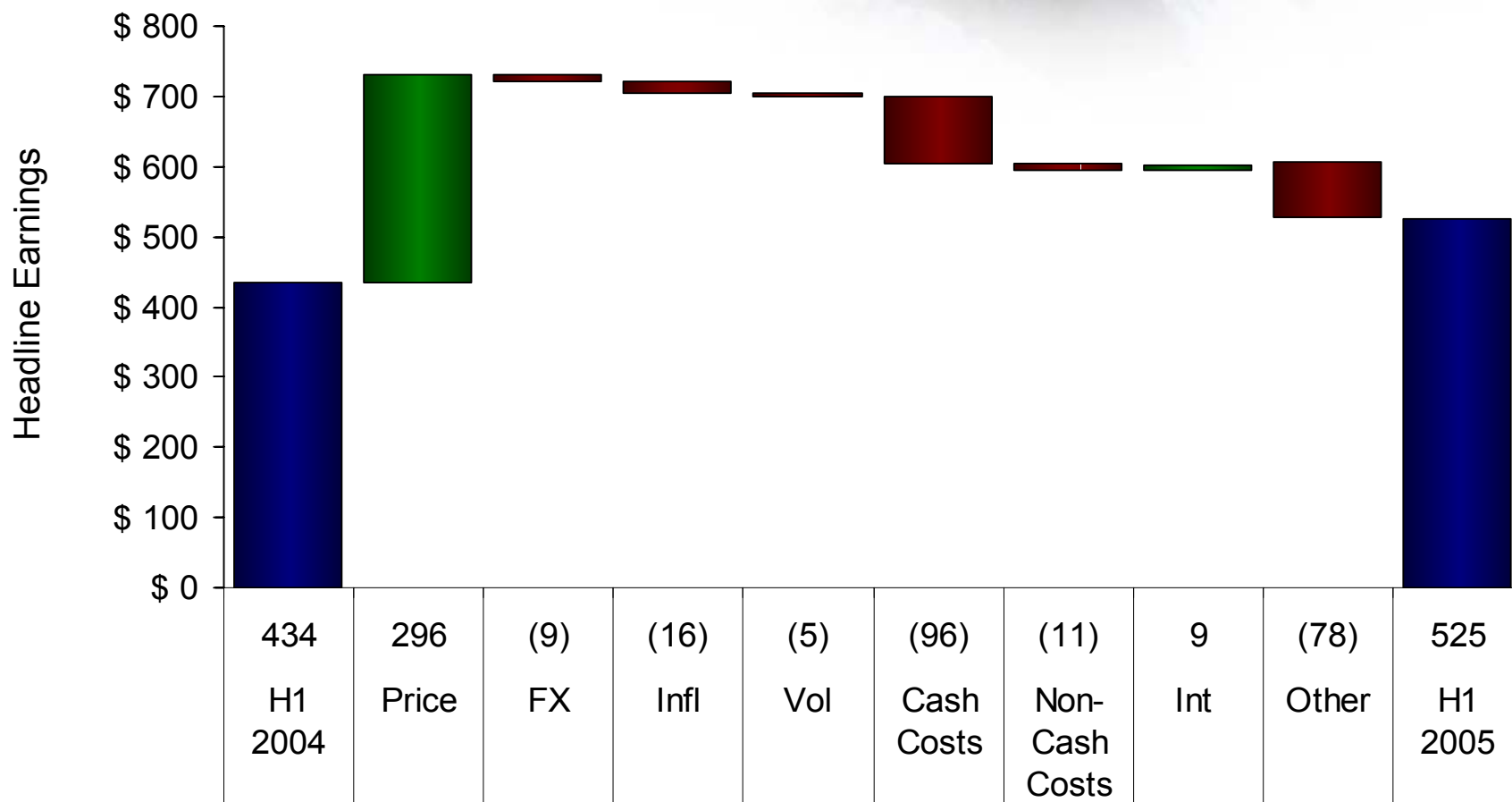
Skorpion

- Achieved 100% design capacity in June
- LTI free year to date

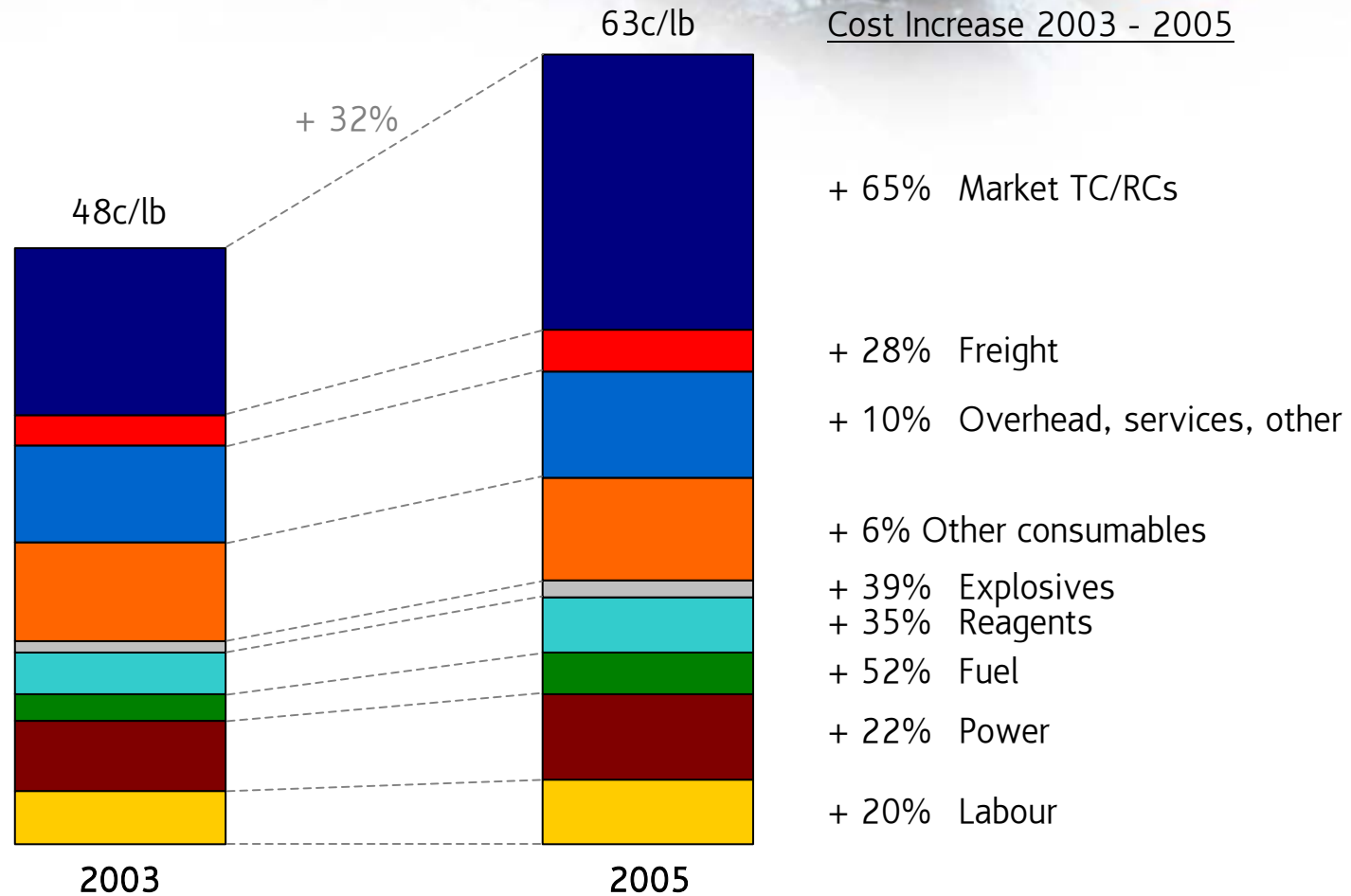
Black Mountain

- New shaft commissioned, accessing Deeps ore

Headline Earnings: H1 2005 vs H1 2004



Cost Pressures



N.B. Exchange rate accounts for 15% of local cost increases (labour, plus consumables and services) and 5% of the total.

Continuous Improvement

	Total Cost Savings	Volume/Profit Improvements	Total US\$m
2001	16	8	24
2002	23	0	23
2003	37	11	48
2004	47	67	114
2005 H1	17	35	52

Copper Outlook

- Average price in 2005 H1 151c/lb
- Smelter 'bottleneck' has eased with spot TC/RCs now on the retreat
- Market very tight
 - Lowest LME stocks for over 30 years
 - Record prices on LME and Comex
- Global demand growth has slowed from 9% in 2004 to estimated 2.5% in 2005
 - China projected to slow from 18% in 2004 to 12% in 2005
 - No growth expected in MECs
- Price decline tempered by very low stock levels
 - Supply likely to overtake demand in 2005 H2
 - 400 kt surplus projected for 2006
- Longer-term: Supply side constrained by weak pipeline of advanced quality projects – but not shortage of resources
- Downside risks: Uncertainties over China growth & sustained recovery in European and US demand

Nickel Outlook

- Average price in 2005 H1 of \$7.20/lb
 - Tight market conditions
 - Historically low inventories
 - Nickel supply unable to keep pace with underlying demand
- MEC demand flat but China 2005 H1 growth ~ 50%!
- Risks are price-induced substitution and increased scrap availability
- No major new projects before 2007 due to lack of project development in recent years
- Increase in supply post 2007 well signalled
 - Mounting list of projects – Voisey's Bay, Ravensthorpe, Goro etc
 - Vermelho the latest to be given go-ahead

Zinc Outlook

- Average price in 2005 H1 of 59c/lb
 - Market remains in deficit though not as tight as Cu and Ni
 - Stocks are trending down but still well above critical levels
- Global demand slowing from ~ 7% in 2004 to an estimated 4 to 5% this year
 - Modest 2% projected for the MECs (little or no growth in Europe)
 - China growth could halve to around 10%
- Short- to medium-term outlook remains positive
- Longer-term outlook influenced by significant mine depletion and limited new investment
- Upside opportunities
 - Strength of demand rebound in 2006
 - Smelter output limited by continuing concentrate tightness (low TCs)
- Downside risks
 - Excessive reactivations and expansions in response to higher prices (increased mine production already being seen from China)

Project Update

- Skorpion – ramp up
 - Achieved 100% design capacity in June 05
- Codemin II – life extended to 30 years
 - Commissioned Dec 04 below budget, ramp up on schedule
- Chagres – expansion
 - On schedule for commissioning in Dec 05
- Collahuasi – Moly plant
 - Commissioning scheduled to commence Q1 06
- Black Mountain – Deeps
 - Main shaft commissioned Q1 05, development scheduled to finish mid 06
- El Soldado – life extended to over 20 years
 - Stripping commenced on schedule
- Barro Alto – Greenfield project
 - Feasibility study being updated, due for completion mid 2006

Exploration

■ Near mine resource additions

- Los Bronces 560mt @ 0.75% Cu
- El Soldado 24mt @ 0.8% Cu
- Catalao 6mt @ 1.5% Nb₂O₅

■ Exploration projects

- Morro Sem Bone, Brazil Est. resource 47Mt @ 1.76% Ni. Conceptual study
- Jacare, Brazil and Est. resource 430Mt @ 1.33% Ni. Independent review and new technology initiative
- Boyongan, Philippines Est. resource 219Mt @ 0.81% Cu eq. Consolidating ground holdings
- Mosku, Finland NiS mineralisation
- West Raglan, Canada NiS/PGM mineralised zones

Interim Results 2005

