

## BY-LAWS

### QUIÑENCO S.A.

The Company was incorporated under the name “Forestal Quiñenco S.A.” through a public deed dated January 28, 1957, granted before the Notary Public of Valparaíso Ms. Eliana Calderón Moreno, deputy of the Notary Public Mr. Carlos Calderón Cousiño, amended through public deed dated April 15, 1957, before the Notary Public of Valparaíso, Mr. Carlos Calderón Cousiño.

The existence of the Company and the approval of its By-laws were authorized through Decree N° 5,981 of the Ministry of Finance dated July 3, 1957, which was registered on page 624, N° 430, of the Record of Commerce of 1957 of the Registrar of Real Estate of Valparaíso, and it was published in the Official Gazette N° 23,806 of July, 27, 1957.

An excerpt of the By-laws was registered on the back of page 620, N° 429 of the Record of Commerce of 1957 of the Registrar of Real Estate of Valparaíso, and it was published in the Official Gazette N° 23,806 of July 27, 1957.

The By-laws have been amended on the following dates, as stated in the documents described below:

1. Public deed dated March 25, 1966, granted before the Notary Public of Valparaíso, Mr. Rafael Luis Barahone Stahr, amended through public deed dated April 13, 1966, granted before the Notary Public of Santiago, Mr. Eduardo González Abbott.

The amendment was approved through Resolution N° 383 of the Ministry of Finance, dated May 18, 1966, which was registered on page 634, N° 387 of the Record of Commerce of 1966 of the Registrar of Real Estate of Santiago and it was published in the Official Gazette N°26,481 of June 11, 1966.

An excerpt of the Amendment was registered on page 633 N° 386 of the Record of Commerce of 1966 of the Registrar of Real Estate of Valparaíso, on the back of page 3787 N° 1952 of the Record of Commerce of 1966 of the Registrar of Real Estate of Santiago and it was published in the Official Gazette N° 26,481 of June 11, 1966.

The purpose of the amendment was, among others, to change the Company’s address to Santiago city.

2. Public deed dated April 18, 1988, granted before the Notary Public of Santiago, Mr. Víctor Bianchi Pacheco, deputy of Mr. Andrés Rubio Flores. The amendment was approved through Resolution N° 618 of the Ministry of Finance, dated August 16, 1968.

An excerpt of it and the Resolution were published in the Official Gazette N° 27,132 of August 30, 1968, and they were registered on page 6241 N° 2699 and on page 6242 N° 2700, both of the Record of Commerce of 1958 of the Registrar of Real Estate of Santiago, respectively.

3. Public deed dated October 30, 1975, granted before the Notary Public of Santiago, Mr. Héctor Novoa Vásquez, deputy of Mr. Andrés Rubio Flores, as amended through public deed of February, 1975, granted before the Notary Public of Santiago, Mr. Andrés Rubio Flores.

The amendment was approved through Resolution N° 57-C of February 26, 1976, of the Superintendency of Open Stock Companies, nowadays the Superintendency of Securities and Insurances.

The corresponding certificate, issued but the Superintendency containing an excerpt of the amendment, was registered on page 1971 N° 1089 of the Record of Commerce of 1976 of the Registrar of Real Estate of Santiago and it was published in the Official Gazette N° 29,407 of March 16, 1976, all of the above being legalized before the Notary Public of Santiago, Mr. Andrés Rubio Flores, on March 29, 1976.

4. Public deed dated November 3, 1980, granted before the Notary Public of Santiago, Mr. Andrés Rubio Flores. The amendment was approved through Exempt Resolution N° 712-S dated December 18, 1980, of the Superintendency of Open Stock Companies, nowadays the Superintendency of Securities and Insurances.

The corresponding certificate, issued but the Superintendency containing an excerpt of the amendment, was registered on the back of page 19.807 N° 10.241 of the Record of Commerce of 1980 of the Registrar of Real Estate of Santiago and it was published in the Official Gazette N° 30,852 of December 30, 1980, all of the above being legalized before the Notary Public of Santiago, Mr. Víctor Bianchi Pacheco, Deputy of Mr. Andrés Rubio Flores, on January 19, 1981.

5. Public deed dated May 24, 1982, granted before the Notary Public of Santiago, Mr. Andrés Rubio Flores.

An excerpt of such deed was registered on page 10.027 N° 5.640 of the Record of Commerce of 1982 of the Registrar of Real Estate of Santiago and it was published in the Official Gazette N° 31,282 of June 5, 1982, and such publication was amended on Official Gazette N°31,288 of June 12, 1982, all of the above being legalized before the Notary Public of Santiago, Mr. Andrés Rubio Flores.

6. Public deed dated April 12, 1983, granted before the Notary Public of Santiago, Mr. Víctor Bianchi Pacheco, Deputy of Mr. Andrés Rubio Flores. An excerpt of such deed was registered on page 5629 N° 3069 of

the Record of Commerce of 1983 of the Registrar of Real Estate of Santiago and it was published in the Official Gazette N° 31,547 of April 21, 1983.

7. Public deed dated May 11, 1989, granted before the Notary Public of Santiago, Mr. Andrés Rubio Flores.

An excerpt of such deed was registered on page 11,559 N° 5,819 and its amendment was registered on page 11,864 N° 5,996, both of the Record of Commerce of 1989 of the Registrar of Real Estate of Santiago, being published in the Official Gazette N° 33,372 of May 15, 1989, and its amendment in the Official Gazette N° 33,373 of May 16, 1989, all of the above being legalized before the Notary Public of Santiago, Mr. Andrés Rubio Flores, on June 16, 1989, under N° 73.

8. Public deed dated January 31, 1994, granted before the Notary Public of Santiago, Mr. Andrés Rubio Flores.

An excerpt of such deed was registered on page 4,580 N° 3,781 of the Record of Commerce of 1994 of the Registrar of Real Estate of Santiago and it was published in the Official Gazette N° 34,808 of March 7, 1994, all of the above being legalized before the Notary Public of Santiago, Mr. Andrés Rubio Flores, on March 15, 1994, under N° 66.

9. Public deed dated June 27, 1996, granted before the Notary Public of Santiago, Mr. Félix Jara Cadot.

An excerpt of such deed was registered on page 17,125 N° 13,256 and on page 18,552 N° 14,408, both of the Record of Commerce of 1996 of the Registrar of Real Estate of Santiago and it was published in the Official Gazette N° 35,516 dated July 15, 1996, and N° 35,528 dated July 29, 1996, all of the above being legalized before the Notary Public of Santiago, Mr. Félix Jara Cadot, on August 7, 1996.

10. Public deed dated October 11, 1996, granted before the Notary Public of Santiago, Mr. René Benavente Cash.

An excerpt of such deed was registered on page 26,437 N° 20,473 of the Record of Commerce of 1996 of the Registrar of Real Estate of Santiago and it was published in the Official Gazette N° 35,602 dated October 29, 1996, all of the above being legalized before the Notary Public of Santiago, Mr. René Benavente Cash, on October 30, 1996.

11. Public deed dated February 19, 1997, granted before the Notary Public of Santiago, Mr. Andrés Rubio Flores.

An excerpt of such deed was registered on page 5,389 N° 4,222 of the Record of Commerce of 1997 of the Registrar of Real Estate of Santiago and it was published in the Official Gazette N° 35,707 dated March 4,

1997, all of the above being legalized before the Notary Public of Santiago, Mr. Andrés Rubio Flores, on March 10, 1997.

### **FILING WITH THE RECORD OF SECURITIES**

The Company was filed with the Record of Securities of the Superintendency of Securities and Insurances under N° 0597 on November 26, 1996.

## QUIÑENCO S.A.

### FIRST TITLE

#### NAME, DOMICILE, DURATION AND PURPOSE

First Article: A Stock Company is incorporated under the name “Quiñenco S.A.”.

Second Article: The domicile of the Company is Santiago city and the Company is entitled to establish offices, branches or agencies in other cities of the country or abroad, pursuant to the corresponding agreement of the Board of Directors.

Third Article: The Purpose of the Company is:

- a) The purchase and acquisition, sale and transfer of all kind of real estate and movable assets, either tangible or intangible, such as credits, bonds, commercial effects, shares, movable securities and any other kind, being entitled to manage them and to collect their profits.
- b) The investment in agricultural, agroindustrial, forestry, food, electric, mining, road infrastructure, sanitary and port activities, as well in the industrial and financial activities.
- c) The management, on its own account or as representative of third parties, of all kind of real estate and movable assets, either tangible or intangible, being entitled to collect their profits.
- d) The incorporation of companies of any kind, being entitled to make part of other existing ones.

Fourth Article: The duration of the Company shall be indefinite.

### SECOND TITLE

#### CAPITAL AND SHARES

Fifth Article: The capital of the Company amounts to Ch\$ 401,819,849,636 divided into 1,119,077,742 shares of one series, without face value.

The shares are nominative and their ownership is registered at the Company’s Shareholders Record. The titles representing them shall be delivered to the Shareholders at their request, pursuant to the legal and regulatory standards governing them.

The Company neither acknowledges nor accepts fractions of shares consequently, in the event two or more persons have a participation in one share they shall appoint a common representative.

Sixth Article: A record shall be kept of all shareholders, including the shares owned by each of them and they will be entitled to exercise their rights only when appearing in such record. The transfer of shares shall be effected according to the stipulations of the Regulations for Stock Companies. In the event of transfer of shares by reason of death, the transferee shall have the shares registered under his/her name after proving their ownership by showing the corresponding inheritance documents, together with the payment of the related taxes, all of which shall be recorded at the Company. If the above documents comply with the legal requirements, the registration shall be made in the name of the requesting party and new titles shall be issued. The person acquiring shares of whatever nature shall have registered in the Shareholders Record his/her domicile, marital status and nationality, at the Company satisfaction.

Seventh Article: Whenever a Shareholder fails to pay within the term agreed all or part of the shares subscribed, the Company shall be entitled to exercise any of the faculties contained in Article 17 of Law 18,046 of 1981, without prejudice of its right to collect the payment by obtaining all the assets owned by the debtor.

### THIRD TITLE

#### MANAGEMENT

Eighth Article: The business affairs of the company shall be managed by a board of directors comprised of seven members. The directors shall hold office for a period of three years, at the end of which period all of their terms expire, and all or part of its members may be reelected.

Ninth Article: The Board shall be appointed during an Ordinary Shareholders Meeting and during its first meeting it shall appoint a Chairman and a Vice Chairman to replace him if necessary among its members. The General Manager or the person specially appointed for such purpose shall act as Secretary to the Board. In case of absence of the Chairman and the Vice Chairman the meetings will be headed by the Director appointed by the attending members.

Tenth Article: The Board shall hold ordinary and extraordinary meetings. The Ordinary Meetings shall be held once a month, without need of a previous summon, at the place, date and time indicated by the Board during the first meeting and such place, date and time may be amended afterwards. The Extraordinary Meetings shall be held whenever the Chairman specially summons them, either by himself or at the request of one or more Directors, having the Chairman previously analyzed the need to hold the meeting, except in the event it is requested by the absolute majority of the Directors, in which case the meeting shall be held necessarily without previous analysis. The summon to the extraordinary meetings of the Board of Directors shall be made

through registered letter sent to each of the Directors to their corresponding domiciles registered at the public record stipulated by Article 135 of Law 18,046, at least three days in advance to the date of the meeting. Such term may be reduced to 24 hours in the event the letter is personally delivered to the Directors by a Notary Public. The extraordinary meetings of the Board of Directors shall address only those subjects specifically indicated in the summon, which can be omitted in the event all the Directors of the Company attend the meeting.

Eleventh Article: At least four members of the board of directors shall constitute a quorum for the transaction of business at any board meeting. The act of the majority of directors present at a meeting at which a quorum is present shall be the act of the board of directors. In case of a tie, the chairman of the board shall cast the tie-breaking vote.

Twelfth Article: In the event there is a Director in disagreement with any of the actions or decisions of the Board, such disagreement shall be stated in the Minute of the meeting and it shall be reported by the person heading the next General Shareholders Meeting.

Thirteenth Article: The Directors shall not delegate their duties and these will be collectively exercised at a legally constituted meeting. The Board of Directors will be entitled to grant powers and to delegate part of its faculties to the Manager, to the Assistant to the Manager or to the attorneys of the Company, to a Director or to a Commission of Directors and, for specially determined purposes, to other persons.

Fourteenth Article: The Board of Directors will be the judicial and extrajudicial representative of the Company and, in order to fulfill the purpose of the Company (fulfillment not required to be certified to third parties), the Board will be endowed with all the managing and disposition faculties not stipulated by the Law or by these By-laws as pertaining to the General Shareholders Meeting, without need of any special power, including those actions or contracts where the Law requires such power. The above does not interfere with the representation faculties pertaining to the Manager, according to the stipulations of the Law or these By-laws.

Fifteenth Article: The Directors will be remunerated for their duties. The amount of their remuneration shall be annually stipulated by the Company's General Shareholders Meeting, without prejudice of the faculty of the Board to agree to a remuneration to a given Director, pursuant to the stipulations of Article 33 of Law 18,046, who has been appointed to perform any other position, commission, service or task different from the usual ones.

Sixteenth Article: In the event a Director's position becomes vacant for any reason, the Board shall temporarily appoint a person as replacement. The Director so appointed shall be in office until the next General Shareholders Meeting, during which the Board of Directors shall be renewed in the manner described in the Eighth Article of these By-laws.

Seventeenth Article: The matters discussed by the Board of Directors will be recorded in a Book of Minutes kept by the Company's Manager or Secretary. The minutes will be recorded in the Book in any manner that does not allow any additions, eliminations or amendments that could affect the authenticity of the minute, which will be signed by all Directors attending the Meeting and by the Secretary. The fact that any of the Directors attending the meeting dies or is impeded, by any reason, to sign the corresponding minute shall not affect the validity of the agreements, and the Secretary will record such impediment at the end of the minute. The minute will be approved as from its signature and certification by the Secretary, and the agreements referred to in it will enter in force as from that date. In the event a Director considers that a minute is inaccurate or lacks any information, he will be entitled to make the corresponding remarks before signing, but he will not be allowed to refuse to sign the minute.

The Chairman will be the head of the Board of Directors, of the General Shareholders Meeting and of the Company. In his absence or impediment he will be replaced by the Vice Chairman, being no proof of such absence or impediment required, and in the absence of both of them, he will be replaced by the person appointed by the Board of Directors or the Shareholders Meeting.

Eighteenth Article: The General Manager of the Company will be appointed by the Board of Directors, which will grant him some faculties that will be added to those described in these By-laws and to those granted by the Law. The General Manager will be the Secretary of the Board of Directors and of the Shareholders Meetings, except in the case a special Secretary is appointed. The position of General Manager is not compatible with the position of Director of the Company.

#### FOURTH TITLE

##### GENERAL SHAREHOLDERS MEETINGS

Nineteenth Article: The Shareholders will meet at General Ordinary and Extraordinary Shareholders Meetings.

Twentieth Article: The Ordinary Meetings will be held within the First Quarter of each year, and the matters to be discussed at them will be those stipulated in Article 56 of Law 18,046 on Stock Companies.

Twenty First Article: The Extraordinary Meetings may be held at any time, at the requirement of the Company, in order to decide on any matter informed by the Law or the By-laws to these Shareholders Meetings and provided that such matters are described in the corresponding summons.

The following are matters to be discussed at an Extraordinary Meeting:

- 1) The Company's liquidation;
- 2) The transformation, merger or division of the Company and the amendment of its By-laws;
- 3) The issuance of bonds or debentures convertible into shares;
- 4) The transfer of the fixed assets and liabilities of the Company, or of the total of its assets;
- 5) The granting of real or personal guarantees on third parties liabilities, except in the case they belong to subsidiaries, in which case the approval of the Board of Directors will suffice.
- 6) The rest of the matters that pursuant to the Law or to the By-laws are related to it or shall be discussed by the Shareholders Meeting. Those matters referred to in numbers 1,2,3 and 4 above will only be decided at a Meeting held in the presence of a Notary Public, who will certify that the minute is an accurate expression of the events and agreements of the Meeting.

Twenty Second Article: The Shareholders Meetings will be held after the first summons with concurrence of the absolute majority of the issued shares with voting right, unless the Law or the By-laws require a higher majority, or after the second summons with the total attending or represented shares, disregarding their number. The second summons notices will only be published when the Meeting called to with the first summons fails to be held and, in any event, the new Meeting will be held within the 45 days after such date.

The decisions and agreements of the Ordinary and Extraordinary Shareholders Meetings, including the agreements of the Extraordinary Shareholders Meetings that result into an amendment of the Company's By-laws, will be agreed upon at the first and second summons by the absolute majority of the shares with voting right, attending or represented at the Meeting, except in the case of agreements on matters for which the Law requires a special quorum.

Twenty Third Article: Every Shareholder or his representative will have the right to one vote per share owned or represented. During the elections held at the Shareholders Meeting the shareholders will be entitled to, either accumulate their votes in favor of only one person or to distribute them in the manner they deem convenient, and those persons having the highest number of votes during one and only voting process will be elected for the vacant positions. Notwithstanding the above, the attending Shareholders may unanimously agree not to proceed with the voting process and to make the election by acclamation. The Shareholders may be represented at a Shareholders Meeting by another person, even by somebody who is not a shareholder. The representation shall be stated in writing, for the total of the shares owned by the represented person on the date indicated in Article 62 of

Law 18,046. The text of the powers will be the one indicated in the Regulations on Stock Companies.

Twenty Fourth Article: The Meetings will be summoned by the Company's Board of Directors. The Board will summon the following Meetings:

- 1) Ordinary Meeting, to be held within the quarter following the date of the Balance Sheet, in order to discuss all those matters related to it according to the Law.
- 2) Extraordinary Meeting, whenever in its opinion the Company's interests so require.
- 3) Ordinary or Extraordinary Meeting, whatever the case, whenever requested by Shareholders representing at least 10% of the issued shares with voting rights, indicating in such request the matters to be discussed during the Meeting.
- 4) Ordinary or Extraordinary Meeting, whatever the case, whenever requested by the Superintendency of Securities and Insurances, without prejudice of its power to summon the Meeting directly.
- 5) The Meetings summoned at the request of the Shareholders or the Superintendency of Securities and Insurances shall be held within a term of 30 days as from the date of the corresponding request.

The summons to Shareholders Meetings will be made through a highlighted notice published at least three times on different dates in a newspaper of Santiago, which shall be determined by the Shareholders Meeting or, in case of disagreement after the determined newspaper ceases to appear, in the Official Gazette for the time, in the manner and under the conditions stipulated by the Regulations on Stock Companies. Also, pursuant to the Law on Stock Companies, such circumstance will be notified to the Superintendency of Securities and Insurances and a summons will be mailed to each Shareholder to the domicile registered in the Company's Shareholders Record, at least 15 days in advance of the date of the Meeting, containing a reference to the matters to be discussed.

Twenty Fifth Article: The discussions and agreements made at the Shareholders Meetings will be stated in a Book of Minutes, which will be kept by the Secretary, if any, or in his absence by the Company's General Manager. The minutes will be signed by those acting as Chairman and Secretary of the Meeting, plus three shareholders selected, or by all attending persons in case they are less than three.

The minute will be considered approved as from the moment of its signature by the persons indicated in the paragraph above and from such date the agreements related to it may be put into practice. In the event one of the persons appointed to sign the minute believes that it contains inaccuracies or

ommissions, he will be entitled to state, before signing, the corresponding remarks, but he will not be able to refuse to sign. The discussions and agreements of the Shareholders Meetings will be registered in the corresponding Book of Minutes, provided that no additions, eliminations or any other amendments may be made which could alter the accuracy of the minute.

## FIFTH TITLE

### BALANCE SHEET AND PROFITS

Twenty Sixth Article: As of December 31 of each year a Balance Sheet of the Company will be prepared, which will be submitted by the Board of Directors to the discussion of the General Ordinary Shareholders Meeting, together with an Annual Report on the Company's position during the last Fiscal Year, the Statement of Profit and Loss and the report on the subject delivered by the external auditors.

Twenty Seventh Article: The Ordinary Shareholders Meeting will decide the distribution of the profits of each Fiscal Year. The manner in which the Meeting shall make the distribution, together with the amount, manner, opportunity and type of payment of mandatory and additional dividends, distribution of free shares and optional dividends will be the one stipulated by the Law on Stock Companies and its regulations. Nevertheless, the minimum mandatory dividend to be distributed among the shareholders in money, except otherwise unanimously agreed by the Company's issued shares, will be 30% of the net profits of each Fiscal Year.

## SIXTH TITLE

### SUPERVISION

Twenty Eighth Article: The Ordinary Shareholders Meeting will yearly appoint Independent External Auditors to review the Company's accounting, inventory, Balance Sheet and other Financial Statements and to report, in writing, their conclusions to the next Shareholders Meeting.

## SEVENTH TITLE

### TERMINATION AND LIQUIDATION

Twenty Nineth Article: The Company will be terminated and liquidated by agreement of the General Extraordinary Shareholders Meeting and in the rest of the cases stipulated by the Law.

Once the Company is terminated, its liquidation will be effected by a Liquidation Commission appointed by the Shareholders Meeting, which will also stipulate its remuneration. Unless otherwise unanimously agreed by the

Company's issued shares with voting rights, the Liquidation Commission will be formed by three liquidators.

The Liquidation Commission will appoint a Chairman among its members, who will represent the Company judicially and extra judicially.

The liquidators will remain in office for a term of three years and they can be re-elected only once. The liquidators will start their duties once all the formalities required by the Law to terminate the Company are complied with. In the meantime, the last Board of Directors will continue in charge of the Company's administration.

## EIGHTH TITLE

### ARBITRATION

Thirtieth Article: The differences and problems arising among the Shareholders or between them and the Company or its administrators, either during the validity of the Company or during its termination, shall be submitted to the decision of an arbitrator appointed by common agreement by the parties, and his decision will be accepted without further discussion. In case of disagreement, or in the event the parties do not agree on the appointment of only one arbitrator, each of them will appoint one arbitrator and these will appoint a third one. Otherwise, the Ordinary Justice will appoint the arbitrator, who shall be a former or current Minister or attorney member of the Supreme Court or the Court of Appeals of Santiago. Without prejudice of the above, in the event a conflict arises the claiming party will be entitled to submit such conflict to the decision of the Ordinary Justice instead of to the arbitrator's.

Thirty First Article: Whenever these By-laws do not contain any stipulation regarding any given matter, the Law and the Stock Companies Regulations shall govern.

First Transitory Article: The capital of the Company amounts to Ch\$463,046,289,397 divided into 1,119,077,742 shares without face value, being Ch\$ 297,846,289,397 fully paid and subscribed, divided into 924,495,881 shares without par value as approved during the Extraordinary Shareholders Meeting held on September 30, 1996. During an Extraordinary Shareholders Meeting held on January 22, 1997 it was agreed to decrease by Ch\$61,226,439,761 the fully subscribed and paid capital in order to use the decreased portion, that is Ch\$ 61,226,439,761 to absorb the negative reserves generated in the Company's Equity, without distributing any funds to the Shareholders. For this purpose, the General Manager was authorized to make the accounting operations necessary to reflect the decrease in the Company's books. As a consequence of the approved capital decrease the Company's capital became \$401,819,849,636, divided into 1,119,077,742 shares without face value, being Ch\$ 236,619,849,636 fully paid and subscribed, divided into 924,495,885 shares without face value.

Regarding such capital, the following must be stated:

- a) It is hereby stated that the registration with the Superintendency of Securities and Insurances of Quiñenco S.A. shares corresponding to Northern Mines Sociedad Contractual Minera, Antofagasta (Chili) and Bolivia Railway Company PLC, Anaconda South America Inc., The Andes Trust Limited, Inversiones Lota Schwager S.A. e Inversiones Tronco Alto S.A. as shareholders by reason of the merger agreed at the Extraordinary Shareholders Meeting held on September 30, 1996, is still under process. Each of the said companies is the owner of the following amount of Quiñenco S.A. shares:

Northern Mines Sociedad Contractual Minera	33,571,898 shares
Antofagasta (Chili) and Bolivia Railway PLC	329,185,298 shares
Anaconda South America Inc.	97,670 shares
The Andes Trust Limited	9,767 shares
Inversiones Lota Schwager S.A.	90,323,177 shares
Inversiones Tronco Alto S.A.	71 shares

Once the registration process is completed, the corresponding exchange of titles representing shares will be effected, as agreed during the Extraordinary Shareholders Meeting held on September 30, 1996.

- b) The Ch\$ 165,200,000,000 balance will be subscribed and paid through the issuance and placing of 194,581,861 shares without face value, at the price stipulated by the Board of Directors, within the 120 days after the Extraordinary Shareholders Meeting of January 22, 1997, that is, until May 21, 1997. The Board of Directors is also empowered to issue and place these shares during one or several stages, at the price determined by it within the indicated term and, in any event, the shares shall be paid in cash.

In order to renew the aforesaid term, an Extraordinary Shareholders Meeting shall be summoned to extend its duration for other 120 days.

The payment shares that are the subject of the capital increase referred to in point b) of this First Transitory Article will be preemptively offered to the Shareholders in proportion to the shares registered under their names at the Shareholders Record on the fifth working day prior to the date of notice of the corresponding subscription offer.

The shares that are not subscribed in due term by the Shareholders entitled to do so, those fractions resulting from the pro rata distribution among Shareholders and the shares corresponding to options waived by those Shareholders entitled to subscribe them may be offered to third parties by the Board of Directors, in the manner and under the conditions stipulated by the Law, the Regulations on Stock Companies and the instructions to this effect given by the Superintendency of Securities and Insurances.

It was agreed to state that it is the intention of the Board of Directors to offer the placing of the portion of capital increase unsubscribed by the Shareholders as indicated above to third parties within the domestic market, and within the international market through the mechanism of American Depositary Receipts (ADRs).

Such placing with third parties will in no event be made under conditions or prices better than those of the preemptive offer to the Shareholders entitled to it.

The Board of Directors is entirely empowered to determine the opportunity, the manner, the conditions and the rest of the details of this shares issuance, within the context of the previous agreements and being obliged to comply with all the legal standards and regulations related to this capital increase.

The total capital increase described in this point b) will be entirely subscribed and paid within a term of 3 years, as from the date when the Extraordinary Shareholders Meeting approved such capital increase, that is, September 30, 1996.

Second Transitory Article: For all the purposes provided for in Articles 69 and 71 of the Taxation Code, the absorbing company, Forestal Quiñenco S.A., nowadays Quiñenco S.A., is jointly responsible for all the taxes of any nature due by the companies absorbed by reason of the merger referred to in the preceding transitory article. Also, it undertakes to pay the corresponding taxes according to the results of the Balance Sheets of the companies absorbed, which must be prepared according to the standards contained in Decision N° EX 2301 dated October 7, 1986, of the Internal Revenue Service, published in the Official Gazette of October 20, 1986.

Third Transitory Article: It is expressly stated that pursuant to the stipulations of Article 99 of Law 18,406 on Stock Companies and as a consequence of the merger that included Inversiones Andes Trust (Chile) S.A.; Inversiones Anaconda Chile S.A. and Inversiones Rimac S.A. in Forestal Quiñenco S.A., nowadays Quiñenco S.A., agreed during Extraordinary Shareholders Meeting dated September 30, 1996, all the assets and liabilities, and consequently all the rights and obligations of the absorbed companies shall become part of Forestal Quiñenco S.A., nowadays Quiñenco S.A., as from September 30, 1996, all of the above in accordance with the inventory and Balance Sheet as of December 31, 1995, of Forestal Quiñenco S.A., nowadays Quiñenco S.A., and the Balance Sheets as of August 31, 1996, of Inversiones Rimac S.A. and as of September 6, 1996, of Inversiones Andes Trust (Chile) S.A. and of Inversiones Anaconda Chile S.A., all of them duly audited by Price Waterhouse, and included in the Expert's Report prepared for this purpose by Messrs. Alan Mackenzie Haynes and Francisco Gastón Scollari Travisanoy of September 5 and 6, 1996, which were duly approved as stated in the agreements of the Extraordinary Shareholders Meetings of the companies merged. Also, the absorbing company becomes in charge of the operations of the absorbed companies as from the date of the merger's public deed. As a

result of the above, the absorbing company, nowadays Quiñenco S.A., becomes the owner of all the cash in the offices and at the banks, sundry debtors, inventories, movable assets, real estate, investments and all the rest of the assets described and detailed in the said inventories, including the prohibitions and liens affecting them. The absorbing company becomes also in charge by reason of the merger of the liabilities belonging to the absorbed companies, that is, liabilities with banks, financial institutions, creditors in general, provisions and withholdings, credits and the rest of the liabilities accounts without limitation.

It is stated that the list of the assets transferred to Forestal Quiñenco S.A., which will operate under its new name Quiñenco S.A., and the assets and liabilities being acquired appear in the aforesaid documents and inventories, which will be legalized when the merger is completed through a public deed.

It is also stated, as it appears in the reports issued by Messrs. Alan Mackenzie Haynes and Francisco Gastón Scollary Travisany dated September 5 and 6, 1996, approved by the mentioned Extraordinary Shareholders Meeting, that for the merger operation described in the First Transitory Article of the Company's By-laws, Inversiones Andes Trust (Chile) S.A.; Inversiones Anaconda Chile S.A. and Inversiones Rimac S.A. deliver to Forestal Quiñenco S.A., which operated under the name Quiñenco S.A., all its assets and liabilities as of September 30, 1996, at their taxation values, which appear in the Statement of Position included as an annex in the mentioned experts reports. On the date of completion of the merger, as indicated above, Forestal Quiñenco S.A., operating under the name Quiñenco S.A., will record the assets and liabilities received at the book value they had in the original companies as of September 30, 1996, as they appear in the experts reports issued by Messrs. Alan Mackenzie Haynes and Francisco Gastón Scollari Travisany dated September 5 and 6, 1996, respectively as approved by the mentioned Extraordinary Shareholders Meeting. The above record will be made according to the stipulations of the Internal Revenue Service contained in its official letter N° 0267 dated January 17, 1994, as published in the IRS bulletin of March, 1994.

Forestal Quiñenco S.A., that as from now on will operate under the name Quiñenco S.A. by reason of the aforesaid merger, will be the successor and legal continuer of Inversiones Andes Trust (Chile) S.A.; Inversiones Anaconda Chile S.A. and Inversiones Rimac S.A., as from the date of the public deed containing the completion of the merger.

Also, it is herein stated that, by reason of the referred merger, the absorbed companies Inversiones Andes Trust (Chile) S.A., Inversiones Anaconda Chile S.A. and Inversiones Rimac S.A. are terminated without liquidation, pursuant to the stipulations of Article 99 of Law 18,046 on Stock Companies.

Finally, it is herein stated that in the public deed containing the completion of the merger referred to in this clause and in the preceding Transitory Articles of the Company's By-laws all the corresponding references will be made and

all the necessary requirements will be complied with in order to formalize the transfer to the absorbing company Forestal Quiñenco S.A., which will operate under the new name Quiñenco S.A., of all the assets and liabilities of the absorbed companies, so that all the legal effects are put into practice. Such deed will be granted by all the companies involved in the merger, within a 180-day term as from the date of the Extraordinary Shareholders Meeting where the merger was approved, held on September 30, 1996, consequently the term ends on March 29, 1997.

Fourth Transitory Article: For the purposes of the signature, materialization and compliance with the agreements made at the Extraordinary Shareholders Meeting of Forestal Quiñenco S.A., which will operate under the new name Quiñenco S.A., held on September 30, 1996, the shareholders attending unanimously agreed to request the Company's Board of Directors to empower Messrs. Fernando Silva Lavín, Gustavo Delgado Opazo and Luis Fernando Antúnez Bories to separately and individually declare the merger completed by signing, as representatives of the absorbing company Quiñenco S.A., previously Forestal Quiñenco S.A., the public deed containing the merger and to make all the necessary arrangements in order to formalize the approved merger and the rest of the agreements made at the Extraordinary Shareholders Meeting, being able to grant all the authorizations and powers they deem necessary to comply with the decisions made at the Meeting, in order to fulfill all the legal requirements. The mandataries will be entitled to enter into all the agreements and contracts, as well as to perform all the actions juridically needed to definitely transfer to the absorbing company the ownership on the assets of any nature of the absorbed companies, as well as all the contracts and transfers related to any kind of liabilities or debts that are part of the liabilities of the absorbed companies, for which the absorbing company becomes responsible as a result of the merger, and to enter into or to release mortgage, pledge or other kind and nature of guaranties, and to enter into obligations of any kind and type. The Board of Directors is also entitled to issue the shares that will be delivered to the shareholders of the companies absorbed by Quiñenco S.A., formerly Forestal Quiñenco S.A. and to restamp or to replace the titles of the old shares, whatever the case. For all the purposes the Board of Directors will have all the faculties, without limitation, to grant to the persons it authorizes or to whom it grants powers different from the already mentioned persons, all the faculties contained in the Law so that the merger and transfer of all the assets and liabilities of the absorbed companies to the absorbing company are completed. The merger must be completed within a 180-day term as from the date of the Shareholders Meeting previously mentioned in this clause. Nevertheless, if after the indicated process is completed there are arrangements, transactions or actions of any nature to be done either to finalize the merger or to correct mistakes, misunderstandings or blanks that may have occurred, the Board of Directors will be entitled to appoint persons to correct such mistakes, misunderstandings or blanks, and to finalize the merger.

Fifth Transitory Article: At the Extraordinary Shareholders' Meeting held on November 5, 2004, shareholders agreed to reduce the number of board

members from nine to seven, modifying Article Eight of the company's by-laws. The term of the board members elected at the Extraordinary Shareholders' Meeting will expire on the date of the next General Ordinary Shareholders' Meeting, and a new board shall be elected at that time.