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SOUTHERN COPPER CORPORATION

CORPORATE OFFICES

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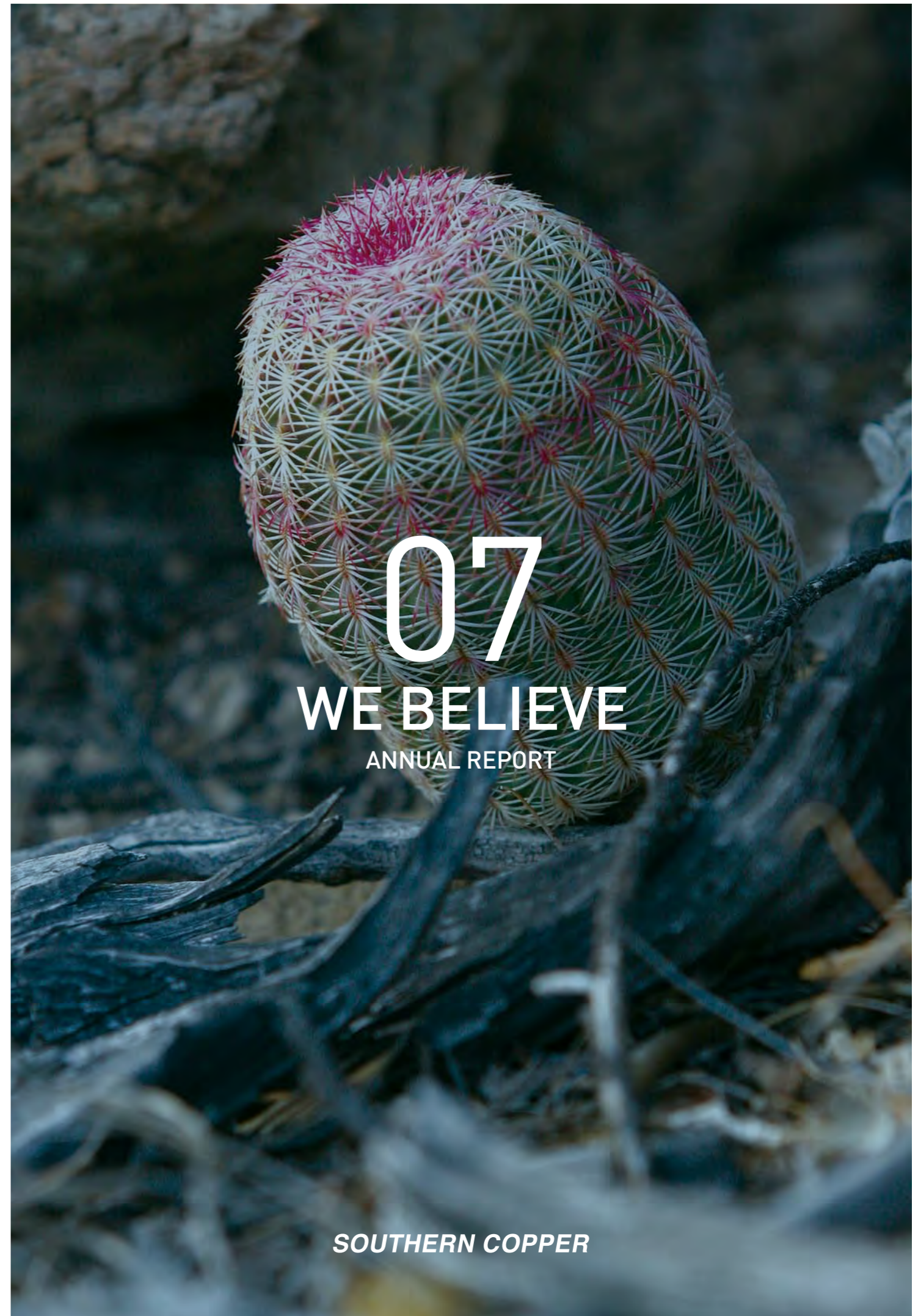
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07

WE BELIEVE
ANNUAL REPORT

SOUTHERN COPPER

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LETTER TO THE SHAREHOLDERS

2007 has been another extraordinary year for Southern Copper Corporation (SCC) in particular, and for the mining industry in general. Our sales reached a historic high of \$6,085.7 million, an increase of 11.5% over 2006, due to higher market prices for most of our products, especially copper and molybdenum, and despite some strikes during the year, which reduced copper sales volume. Net earnings for 2007 totaled \$2,216.4 million, an increase of 8.8%, as compared with 2006.

These results are due to maintaining an efficient mining operation with strict cost controls, where it is possible to maximize results, to reinvest to expand our operations and to reward our shareholders, who received \$2,002.3 million in dividends, 32.6% more than in 2006, that represented a return of 6.5% on the price of the stock.

Other factors that strengthen the Company position are the increase of \$181.5 million (5.0%) in the shareholders' equity, which by the end of 2007 reached \$3.9 billion. Property increased by \$244.5 million and cash and cash equivalents increased by \$386.5 million. The net debt (debt minus cash and cash equivalents) fell by more than 90%, from \$505.3 million at December 31, 2006 to \$40.5 million at December 31, 2007.

In 2007, average market prices for our main products increased significantly over 2006. The LME and COMEX average copper prices were \$3.23 and \$3.22, respectively, compared to \$3.05 and \$3.09, respectively, in 2006. The average retail price of molybdenum oxide as published in Metals' Week for 2007 was \$29.91, higher by \$5.53 than the 2006 average.

By the end of January 2007, the modernization of the copper smelter in Ilo, Peru was completed and it continues operating satisfactorily. At present, the plant operates at maximum capacity and is expected to smelt 1.1 million tons of concentrate in 2008. The average sulfur capture has been higher than 95%, above the 92% required by the Company's agreement committed with the Peruvian government in 1997, and it meets the requirements of international ecological norms. Considering the Ilo smelter along with our smelter in Sonora, Mexico, these are among the most modern and efficient treatment plants in the Americas.

In 2007, Southern Copper Corporation announced a new and ambitious investment program of \$2,108 million, with the purpose of increasing annual copper production by 270,000 tons by the year 2011, which represents an increase of 39% over the present production level. Investments are to develop the Tia Maria copper deposit in Peru, which should enter into production by the end of 2010 and will have a production capacity of 120 thousand tons of SX/EW copper. Also, production at our Cuajone and Toquepala mines will be expanded as well as processing capacity at the Ilo smelter and refinery to deal with the new concentrate production from the Cuajone and Toquepala mines.

Regarding exploration activities, pre-feasibility studies for Los Chancas project in Peru were completed, with the recommendation for construction of a concentrator with treatment capacity of 40,000 metric tons per day and a leaching plant with a treatment capacity of 15,000 metric tons per day. The Company also continued with its exploration program in Buenavista and Sierra de Lobos, in Mexico. In all the cases, drilling results indicate the presence of minerals such as zinc, gold, silver and molybdenum.

Southern Copper is also planning to extend its operations in El Arco, in Baja California, and Angangueo, in Michoacán, both in Mexico. Also, at the metallurgical complex La Caridad, Mexico, the gas handling project for the converters and the Teniente reactor is 85% complete.

Concerning mine safety, in line with international standards we have achieved excellent results in our operations. In Mexico, the System on Safety and Health Administration at Work (SIASST- by its acronym in Spanish), which systematizes the activities that tend to minimize unsafe conditions and health risks through the awareness of the importance of safety and hygiene in the workplace was implemented.

Regarding labor relations, collective agreements for the next three and six years were subscribed at our Peruvian operations, as well as the revision of most of the Mexican agreements, with increases higher than inflation and special one time bonuses, that allowed workers to share in the results of a good year, due to the high metal prices and, simultaneously, observing the necessary discipline to face the cycles of metal prices in the future. The Cananea mine, in Sonora,

Mexico, had an illegal strike, which began in the third quarter of 2007 and finished on January 11, 2008.

During 2007, more than 95% of the workers of nine mining and metallurgical units in Mexico voted to move to another union, which, we believe, represents and guarantees better their interests. The Taxco unit, in Guerrero, Mexico, closed its operations due to depletion of available reserves; its workers received severance payments.

The Company continues integrating aspects of its Peruvian and Mexican operations to achieve the best synergies and to obtain additional economic benefits.

The projects that Southern Copper is executing will consolidate even more its position among the main metal producers in the world, which we believe will give a more satisfactory economic return to our shareholders, a greater contribution for the countries and localities where we operate, as well as appropriate benefit for our workers.

On behalf of Southern Copper Corporation's Board, we express our thanks to all the personnel for their effort, work and dedication and to our clients for their continued trust and loyalty, and to you, our shareholders, for your permanent support.



CHAIRMAN OF THE BOARD



PRESIDENT AND CHIEF EXECUTIVE OFFICER

Xavier García de Quevedo
CHIEF OPERATING OFFICER

PRODUCTION STATISTICS

SOUTHERN COPPER CORPORATION AND SUBSIDIARIES

Five-year Production Statistics

	2007	2006	2005	2004	2003
Copper production Mines (tons)					
Mined Material (thousand)	406,059	409,625	426,951	386,364	356,600
Copper in concentrates	498,207	506,084	574,976	603,907	547,712
Copper SX/EW	93,976	99,575	114,953	114,100	118,744
Total Copper	592,183	605,559	689,929	718,007	665,916
Molybdenum in concentrates	16,208	11,837	14,803	14,373	12,521
Zinc in concentrates	121,013	136,592	143,609	133,778	128,760
Silver in concentrates	473,672	502,993	575,266	576,372	559,941
Smelter/refineries production					
Copper		591,794	629,353	594,278	537,501
Zinc	90,766	51,035	101,523	102,556	101,069
Silver	10,002	12,379	12,487	10,796	12,147
Toquepala					
Mined Material (thousand)	130,267	131,607	134,505	115,120	105,242
Copper in concentrates	140,868	151,775	157,456	160,852	142,373
Molybdenum in concentrates	6,228	5,813	5,324	6,004	4,153
Cuajone					
Mined Material (thousand)	116,438	112,410	109,855	101,265	97,471
Copper in concentrates	182,117	174,404	163,659	194,389	184,528
Molybdenum in concentrates	3,821	3,523	5,279	4,657	4,867
Smelter/refineries in Peru					
SX/EW	36,670	35,805	36,498	42,125	47,756
Smelt concentrates	846,245	1,107,458	1,206,252	1,213,030	1,182,870
Blister produced	9,342	30,756	325,623	320,722	314,920
Anode produced	232,901	298,354	0	0	0
Cathode produced	178,397	273,299	285,205	280,679	284,006

	2007	2006	2005	2004	2003
Mexicana de Cobre – Caridad					
Mined Material (thousand)	80,819	46,606	75,465	72,430	73,916
Copper in concentrates	102,259	58,071	122,317	110,385	107,236
Molybdenum in concentrates	6,159	2,501	4,200	3,712	3,501
Cananea					
Moved material (thousand)	74,672	114,595	102,508	93,160	75,692
Copper in concentrates	63,909	111,280	118,741	123,228	94,103
Smelter/Refineries in Mexico					
SX/EW	57,305	63,770	78,454	71,975	70,988
Smelt concentrates	684,806	723,984	894,735	820,459	629,505
Anode produced	204,354	242,410	282,412	250,890	199,033
Cathode produced	173,341	200,357	233,682	202,146	163,965
Rod produced	96,607	96,582	113,165	69,529	53,822
Underground					
Contents in concentrates (tons)					
Zinc	121,013	136,592	143,609	133,778	128,760
Lead	19,382	19,081	19,545	18,842	20,884
Copper	9,054	10,555	12,804	15,053	18,932
Silver (kilograms)	257,277	288,524	316,723	325,652	334,993
Gold (kilograms)	130	139	125	164	266

COPPER RESERVES

SOUTHERN COPPER CORPORATION AND SUBSIDIARIES

Five-year Production Statistics

	Peruvian Operations Open Pit		Mexican Operations Open Pit		Total Open Pit	IMMSA
	Cuajone	Toquepala	Cananea	La Caridad		
Copper reserves (Thousands of tons)						
Sulfides	2,404,338	4,373,291	5,880,389	3,901,828	16,559,846	44,914
Average Grade: Copper	0.52%	0.44%	0.41%	0.23%	0.39%	0.46%
Average Grade: Molybdenum	0.02%	0.02%		0.03%	0.02%	
Leachable	19,448	1,597,583	1,903,965	983,286	4,504,282	
Average Grade: Leachable Material	0.45%	0.06%	0.15%	0.10%	0.11%	
Waste	7,054,709	13,011,062	5,997,906	1,136,333	27,200,010	
Total Material	9,478,495	18,981,936	13,782,260	6,021,447	48,264,138	
Stripping ratio	2.94	3.34	1.34	0.54	1.91	

SELECTED FINANCIAL AND STATISTICAL DATA

SOUTHERN COPPER CORPORATION AND SUBSIDIARIES

Five-year Production Statistics

For the years ended December 31 (in millions except per share and employee data)	2007	2006	2005	2004	2003
Consolidated Statement of O					
Net sales	\$ 6,086	\$ 5,460	\$ 4,089	\$ 3,097	\$ 1,577
Operating costs and expenses (1)	2,589	2,406	2,018	1,614	1,251
Operating income	3,496	3,054	2,071	1,483	326
Minority interest of investments shares					
in Income of Peruvian Branch	10	9	12	5	4
Net earnings	\$ 2,217	\$ 2,038	\$ 1,400	\$ 982	\$ 84
Per share amount					
Net earnings – Basic and diluted	\$ 7.53	\$ 6.92	\$ 4.76	\$ 3.33	\$ 0.29
Dividends paid	\$ 6.80	\$ 5.13	\$ 2.90	\$ 0.65	\$ 0.16
Consolidated balance sheet					
Total assets	\$ 6,503	\$ 6,376	\$ 5,688	\$ 5,319	\$ 4,491
Cash and marketable securities	1,528	1,303	876	756	352
Total debt	1,450	1,528	1,172	1,330	1,671
Stockholder's equity	3,848	3,667	3,326	2,814	2,023
Consolidated statement of cash flows					
Cash provided from operating activities	2,703	2,059	1,663	1,172	61
Dividend paid	2,002	1,509	854	191	45
Capital expenditures	316	456	471	228	65
Depreciation & depletion	328	275	277	193	177
Capital stock					
Common shares outstanding	294.4	294.4	294.4	294.4	294.4
NYSE Price – high	\$ 141.35	\$ 58.12	\$ 35.30	\$ 27.05	\$ 24.43
Price – low	\$ 50.52	\$ 34.65	\$ 20.82	\$ 13.27	\$ 7.21
Book value per share	\$ 13.07	\$ 12.45	\$ 11.30	\$ 9.56	\$ 6.87
P/E ratio	14.05	7.79	7.04	7.08	83.11
Financial ratios					
Current assets to current liabilities	2.84	2.84	2.15	1.70	1.88
Debt as % of capitalization	1.00%	12.10%	8.20%	18.00%	39.50%
Employees (at year end)	12,134	12,218	12,888	12,794	12,713

EXPANSION AND MODERNIZATION PROGRAM

El proyecto de modernización de la Fundición de Ilo se completó en enero de 2007 lo cual hace que SPCC incremente la captura de azufre por encima del 92%.



92%
INCREMENTO
CAPTURA DE AZUFRE



EXPANSION AND MODERNIZATION PROGRAM

MEXICO

All the projects in execution, with exception of the Quebalix III project, were suspended in June, 2007 as a result of the declaration of strike by the Union. Only the engineering and acquisitions for the Quebalix III project continued. This consists of the installation of a breaker and a set of movable and fixed bands, which will have a capacity of 3,200 tons per hour of crushed material that will be stored in dumps. The copper will be recovered by leaching process and used to feed plant ESDE III.

Lime Plant – Mexicana de Cobre

The project for the substitution of the present furnace by a new vertical furnace of double cask is being developed, detailed engineering has reached 53% progress, the furnace with its accessories is being imported, the acquisition of the peripheral equipment is being carried out and the construction of terracerías and foundations for the equipment are in process.

Metallurgical Complex La Caridad

The gas handling project for the converters and the Teniente reactor is 85% complete; facilities for the Pierce Smith converters are almost complete and 75% for the Teniente reactor, it is expected to finish the project in the middle of February of 2008.

Detailed engineering to improve the pneumatic transport for the copper concentrator was finished at the Teniente reactor and 65% of the equipment has been received.

The development of basic engineering for the modernization of the Instantaneous Fusion furnace is under evaluation.

Detailed engineering for the first stage of the project “The Treatment Plant for Dusts and Effluents” is underway and it has begun with the acquisition of the main equipment, with an advance of 20% in this first stage, we estimate completion in July 2008.

Chihuahua

This project consists of extending the capacity of mineral extraction, in the Santa Barbara unit, from the interior of the mine San Diego to the Tiro Segovidad II by means of a conveyor belt of 1,354 meters length. With this project, it will be possible to access to the reserves of San Diego mine, whose metallic contents are the largest in the entire unit. At present, the ramp has been completed and the foundations for the transporters and auxiliary equipment are under construction, 71% of the equipment is to be installed and the project is expected to be finished in August 2008.

The project for the installation of two Larox filters for zinc and lead concentrate are under way, the equipment has been acquired and received. The construction of the facilities is in process. It is expected that the project for the zinc concentrate filter will be finished by midyear 2008 and for the lead concentrate filter by the end of 2008.

Zacatecas

The deepening of the shot of the San Martin unit project, which consists of two phases to make deeper the shot of the unit and thus improve the use and the operation of the reserves and to reduce costs, is suspended due to the union strike.



IZQUIERDA
Horno actual.
Mexicana de Cobre, México.



DERECHA
Extracción de mineral y perforación
en la mina San Diego, unidad Santa
Bárbara.
Chihuahua, México.

42.5

MILLONES DE TONELADAS DE DESMONTE
COLOCADAS POR EL SISTEMA DE

PERU OPERATIONS

Concerning the expansion and modernization program that has been taking place in recent years, we note the following:

At Toquepala, the leach dumps, crushing and conveying project, was completed by the end of 2007. The overland conveyor system has a total length of 5.7 kilometers. The conveying system is operating and has positioned 42.5 million tons of waste material to build the ramp and has placed 28.5 million tons of leachable material. This equipment is being used to make the leaching dump formations at level 2890.

At the same time the new PLS dam construction project was completed. The dam project at Huanauquera includes the construction of sedimentation, PLS and storm water retention dams for the Toquepala leaching facility, as well as the addition of acid.

The tailings disposal project for Toquepala and Cuajone is in progress. This project will increase the height of the existing Quebrada Honda Dam to impound future tailings from the Toquepala and Cuajone mills. The procurement of the main equipment with long fabrication lead-time continues and part of the material has been received. Construction of the main civil works and some access roads for the main and lateral dams has been completed and our operations personnel are working on an additional access road. The first stage of this project will be under development until 2012.

The project has reached a progress of 66.6%.

We completed the installation work for a diversion conveying system to the Toquepala concentrator using the primary crushing for the leaching dumps to feed material to the concentrator; in order to avoid loss of production while maintaining the original concentrator crusher.

At Cuajone, construction of a new Phase III leaching pad for oxides minerals was completed and operating, this will allow us to operate for an additional five years.

TRANSPORTE DE MATERIALES PARA LA CONSTRUCCIÓN DE LA RAMPA EN TOQUEPALA



The Ilo Smelter Modernization Project. This project was completed in January 2007 and has allowed SPCC to increase sulfur capture over the 92% requirement established in our agreement with the Peruvian government. The nominal and design capacity for the new Isasmelt furnace was reached in less than 45 days; when compared with other smelting furnaces using this technology, the start-up of the Ilo smelter was achieved in the shortest time. Xstrata, the prime contractor for this project (IF PRIME CONTRACTOR IS NOT PROPER DESCRIPTION FOR XSTRATA CHANGE TO CORRECT DESCRIPTION), considered that the ramp up achieved by SPCC has been a world class accomplishment for a brown field smelter modernization. The average sulfur capture in 2007 was 95%. Performance tests are pending completion with the two major contractors, these are expected to be completed in the first quarter 2008. (HAS THIS BEEN ACCOMPLISHED IN 1ST QUARTER, IF SO SAY SO OTHERWISE CHANGE PREVIOUS SENTENCE) The final product of the new smelter is copper anodes, replacing blister bars which were previously produced.

Our environmental impact assessment (EIA) for the marine trestle, which will be used to load acid onto tankers for shipment to our customers, was approved in November 2007 and we are awaiting authorization from the National Port Authority in order to restart construction. Due to the lengthy stoppage we will need to restart the bidding process and may require additional funding, an evaluation of these additional needs is in progress.

The pre-feasibility study for Los Chancas project, a copper-molybdenum property in the southern part of Peru was completed by Amec and is being evaluated in order to determine our next steps for this project. The study recommends a concentrator with a treatment capacity of 40,000 metric tons per day and a leach plant with a treatment capacity of 15,000 metric tons per day.

A feasibility study for the Tia Maria project was completed by Bechtel in November. The new operating unit considers a daily mine mineral production of 100,000 metric tons per day and will begin production with the La Tapada deposit in order to produce 120,000 metric tons of copper cathodes per year. Metallurgical tests for Tia Maria and La Tapada, with larger 8 meter tall columns, were completed during November. The bidding process for the Dry Area (from the primary crusher to the ripeos deposit) is underway and proposals are expected by February 2008. Bidding documents for the Wet Area are being prepared. The EIA is in progress and the first public meeting was held in November with positive results. (THE DRY AREA – WET AREA AND RIPEOS DEPOSIT IS VERY CONFUSING. WHAT IS IT SAYING?)

ARRIBA

Horno actual.
Mexicana de Cobre, México.

ABAJO

Extracción de mineral y perforación
en la mina San Diego, unidad Santa
Bárbara.
Chihuahua, México.



EXPLORATION

Estamos comprometidos en un extensivo programa de exploraciones para ubicar yacimientos adicionales en México, Perú y Chile.



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MIL METROS EN ÁREAS
PERFORADAS



EXPLORATION

MEXICO OPERATION

In addition to exploratory drilling programs at existing mines, we are currently conducting exploration to locate mineral deposits at various other sites in Mexico. Following are some of the more significant exploration projects in Mexico:

El Arco. The El Arco site is located in the state of Baja California in Mexico. Preliminary investigations of the El Arco site indicate a mineral deposit of 846 million tons of sulfide mineralized material with average copper grades of 0.51% and 0.14 grams of gold per ton, and 170 million tons of leach mineralized materials with average copper grades of 0.56%. Currently we are in the process of identifying water sources for a leaching operation, and have finished the first test hole that indicates good water potential. **[USE WORDS FROM 10K, WHICH INDICATES FOUR TEST HOLES]**

Angangueo. The Angangueo site is located in the state of Michoacan in Mexico. A mineral deposit of 13 million tons of mineralized material has been identified with diamond drilling. Testing indicates that the mineral deposit contains mineralized material containing 0.16 grams of gold and 262 grams of silver per ton, and is comprised of 0.79% lead, 0.97% cop-



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MILLONES DE TONELADAS DE SULFUROS CONTIENE

per and 3.5% zinc. During 2005, we received the approval for our environmental impact study and we are in the process of obtaining land use approval. During 2007, we have continued negotiating with the state of Michoacan to purchase various properties essential to the operation.

Buenavista. The Buenavista project site is located in the state of Sonora in Mexico, adjacent to the Cananea ore body. Drilling and metallurgical studies have shown that the site contains 36 million tons of mineralized material containing 29 grams of silver, 0.69% of copper and 3.3% of

IZQUIERDA
Horno actual.
Mexicana de Cobre, México.

DERECHA
Extracción de mineral y perforación
en la mina San Diego.
Chihuahua, México.

EL YACIMIENTO "EL ARCO" SITUADO EN BAJA CALIFORNIA, MÉXICO]

zinc per ton. A new "scoping level" study indicates that Buenavista may be an economical deposit. During 2007, 2,100 meters were drilled to upgrade the mineral resource s and to acquire material for metallurgical testing. Results confirm the previous geological interpretation of the mineralized areas.

Carbon Coahuila. In Coahuila, an intensive exploration program of diamond drilling has identified two additional areas, Esperanza with a potential for more than 30 million tons of "in place" mineralized coal and Guayacan with a potential for 15 million tons of "in place" mineralized coal, that could be used for a future coal-fired power plant. During 2007 along with 5,767 meters of drilling, 23 million tons of mineralized coal s resources were identified in our Nueva Rosita lease No 16 concession.

The Chalchihuites. The Chalchihuites project is located in the state of Zacatecas. It is a contact deposit with mixed oxides and sulfides of lead, copper, zinc and silver. A drilling program, in the late nineties, defined 16 million tons of mineralized material containing 95 grams of silver, 0.36% lead, 0.69% copper and 3.08% zinc per ton. Preliminary metallurgical testing indicates a leaching precipitating-flotation (LPF) recovery process that can be applied to this ore. During 2007, we continued with the evaluation of the ore body and we expect to conclude the metallurgical tests of the project in 2008.

Sierra de Lobos. This project is located in southwest of the city of Leon, Guanajuato. Our target is a copper and zinc deposit with grades between 0.5% and 1.0% copper and between 5% and 7% zinc, including a small contribution of gold and silver. In 2007, 7,338 meters have been drilled. Results confirm the presence of copper and zinc mineralization, but an economic deposit has not yet been identified.



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MIL HECTÁREAS ACTUALMENTE SON LAS

QUE TENEMOS CONTROL DIRECTO DE DERECHOS MINEROS]

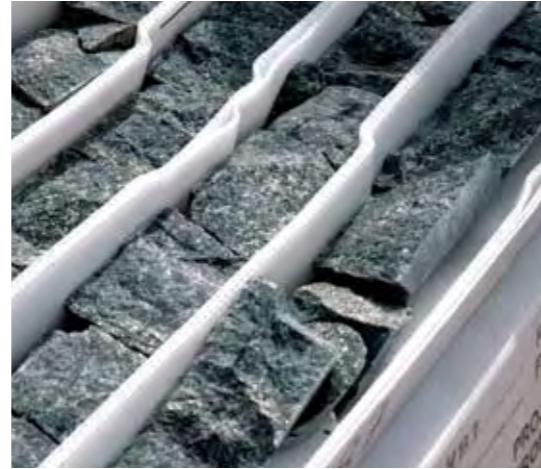
PERU OPERATIONS

We currently have direct control over 164,867 hectares of mineral rights.

Los Chancas (CONFORM TO 10k)

Los Chancas Project, a copper and molybdenum-deposit, is located in Apurímac, in the southern part of Peru.

Pre-feasibility studies were completed in 2007. Economic resources measured and determined after the preliminary design of the pit, are 375 million tons with a 0.62% Cu, 0.05% Mo. and 0.039 Au grs/Ton. We have planned to work on the feasibility study during 2008 in which we are considering complementary studies and an additional drilling program with the expectation to increase reserves in the deposit.



Tantahuatay. (CONFORM TO 10k)

Tantahuatay Project is located in Cajamarca, in the northern part of Peru. Estimated resource is 27.1 millions of tons with an average of 0.89 Au grs/Ton and 13.0 Ag grs/Ton. We have a 44.25% share in this project. We have started a feasibility study oriented to evaluate the possibility of extracting mineral from the upper part of the deposit, considering gold recovery. We continue working on community aspects.

Tia Marla (CONFORM TO 10k)

The Tia Maria Project, which includes the Tia Maria and the La Tapada deposits is located in Arequipa, in the southern coast of Peru. These are porphyritic copper systems. We have completed feasibility studies in 2007, covering 36,232 meters diamond drilling in Tia Maria and 73,085 in La Tapada. Estimated resources in Tia Maria show 193 million tons of oxide ore with a 0.302% Cu. For La Tapada, the estimated resources show 445 million ton of oxide ore with 0.434% Cu.

Construction and operation of the Tia Maria Project is under process.

Further perspectives in Peru (CONFORM TO 10K)

As part of the exploration program in 2007, we have drilled 14,352 meter in areas named as Corredor Tia Maria. Our 2008 program includes more intense



Cu exploration activity in the South and North parts of Peru, as well as Au exploration in Ayacucho, in the central part of Peru.

CHILE

In Chile we have control of 35,258 hectares of mining rights, and are currently developing different exploration programs.

El Salado (CONFORM TO 10K)

The El Salado prospect, located in the Atacama Region, is being explored for copper-gold. Through 2007, 4,448 meters of diamond drilling. Likewise, in the Sierra Aspera, a copper-gold prospect, located in the north of Chile, 1,528 meters of diamond drilling was performed.

Other Chilean Prospects

There are other prospects such as Esperanza (copper-molybdenum), located in the Atacama region. During 2007, we completed 2,538 meters of diamond drilling. We are also continuing with the exploration of the Resguardo prospect (gold-copper) in the Tarapaca region and the Catanave prospect (gold-silver) in the Arica region.

IZQUIERDA

Horno actual.

Mexicana de Cobre, México.

DERECHA

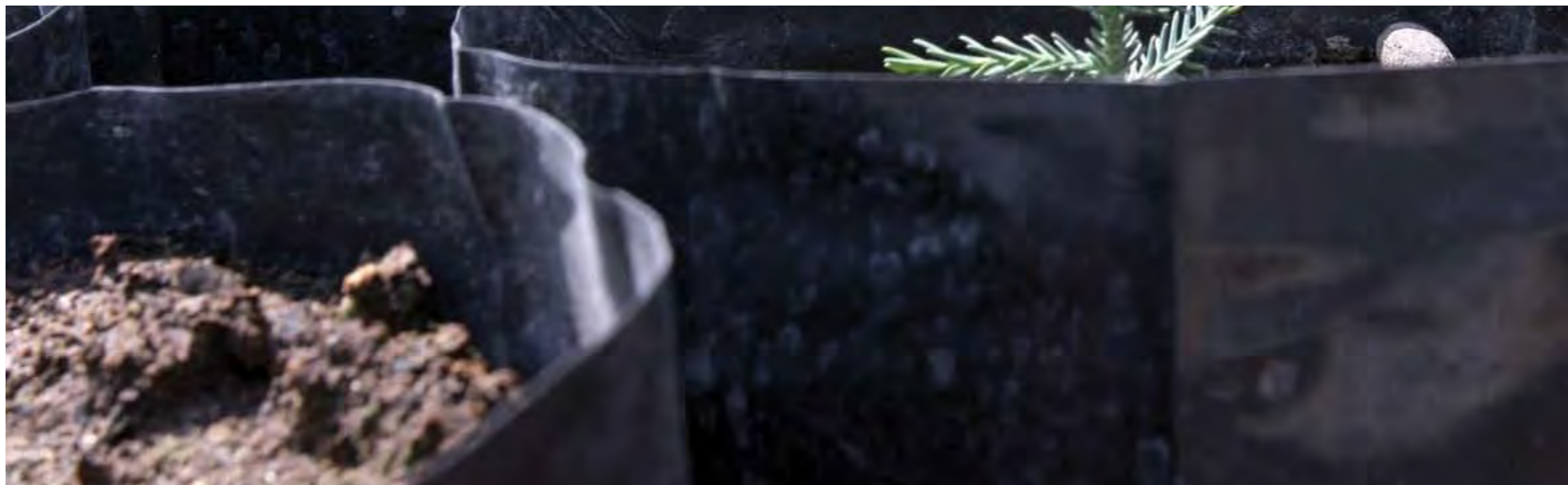
Extracción de mineral y perforación en la mina San Diego.

Chihuahua, México.



COMMUNITY OUTREACH

El Programa Integral de Desarrollo Huaytire tiene por objetivo mejorar el nivel socioeconómico de la población en los próximos cuatro años.



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MIL DÓLARES
PARA PROGRAMA INTEGRAL

COMMUNITY OUTREACH

MEXICAN Operations

IMMSA Division

The IMMSA Division actively participates in promoting environmental culture, by working with primary schools, where we give talks, workshops and courses, promoting recycling, ecologic creativity, ecologic journeys and camps aimed at educating environmental leaders to foster ecologic awareness.

The division coordinates with various institutions in the health sector to carry out educational and training activities, including talks, courses and campaigns concerning hygiene, nutrition, drug addiction among others. It also supports health sector institutions to carry out vaccination campaigns.

The Company is concerned with the education and development of the neighboring communities and donates or otherwise makes available cosmetics, sewing, manual works, first aid, computing, bakery, yoga courses and workshops, as well as informative sessions for health and environmental self-care, among others things.

In addition, the IMMSA division promotes sports activities among the local population, providing them with fields and facilities where more than 40 amateur soccer teams and more than 50 baseball and softball teams participate. Several educational institutions also hold their inter-institutional matches at IMMSA facilities. In neighboring towns we hold national day and charity activities. The Division also promotes the IMMSA Children Soccer League and participates in organizing and co-sponsoring several athletics events.

IMMSA also participates in paving streets and sidewalks, as well as city landscaping.

The Santa Barbara unit, located in the state of Chihuahua, in coordination with the local municipality, constructed basketball courts in the Benito Juarez primary school. The Company donated waste containers to schools in the region and the city councils of Santa Barbara and Parral, in the State of Chihuahua.

PARTICIPAMOS EN FORMA ACTIVA PROMOVIENDO LA CULTURA AMBIENTAL CREANDO CONCIENCIA ECOLÓGICA



Cananea and La Caridad Units

Cananea and La Caridad participate in promoting environmental culture and present forums on this matter, as well as to community non-governmental organizations.

Additionally, these units support the Hermosillo City Ecologic Center, located in the state of Sonora, which contributes to the conservation of the Mexican gray wolf, an endangered species.

The emergency brigades of both units support neighboring communities in the event of fire, natural disasters or environmental contingencies. In addition, the Cananea unit cooperates with the Volunteer Firefighter Body by performing preventive maintenance on their firefighting equipment.

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4

EQUIPOS CONTRA INCENDIOS DEL CUERPO DE BOMBEROS VOLUNTARIOS EN CANANEA CON LOS



The La Caridad unit organizes different socio-cultural activities such as manual work workshop, bakery, pottery, guitar and carpentry. It also organizes exhibits and talks on pre-school education, child development and personal achievement, among others.

On January 6, 2008 the La Caridad unit distributed toys to the low income children of Esqueda, in the state of Sonora.

The Cananea unit maintains the Cananea city public library, which is rated as the sixth best in the state of Sonora. This library provides free Internet service and workshops for children. Similarly, the city Museum is maintained by Cananea. The museum exhibits objects, documents, historical documents and photographs, as well as temporary exhibits.

QUE SE COLABORA

Both units frequently support different educational and social institutions of their community, facilitating transport for students and senior citizens to special events and activities.

These units develop sports programs for their workers where the community at large can also participate.

The La Caridad unit supports water supply organizations, providing tankers for distribution to the community during drought times, when there are water supply problems; similarly, when the community has problems with potable water pumping.

OPERACIONES EN PERU

Community Relations - Peru

Southern Copper works with the upper andean communities of Moquegua and Tacna, promoting sustainable development with these communities, respecting the laws, ethics, the local culture and tradition; furthermore it cooperates with Peru in the achievement of its objectives.

During 2007, Southern Copper developed the following programs and/or projects:

- **Water Resources:** The Strengthening of Capacities Program in Torata began to achieve an efficient administration in the Irrigation Board of Users. In addition, an Integral Study of the Torata Valley was completed, which will allow for a better definition of the water supply and demand requirements in order to orient future water development projects. In Candarave [Tacna], infrastructure improvement jobs were completed, which benefited the irrigation committees of Huanuara, Candarave, Cairani and Quilahuani. In the Locumba valleys, work was completed on the infrastructure of minor irrigation projects. In Camilaca, we are executing the improvement of part of the principal canal: Tacalaya – Camilaca.

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Mexicana de Cobre, México.

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- **Agronomy:** The project for the of Improvement of Production and Transformation of Oregano was approved in Candarave, this project will improve the commercialization and to export of this product. The Weeds Control project has been is developed in co-participation with the district municipalities of Huanuara and Quilahuani. Also, we are continuing to strengthen the potato seed zones. In Torata, we are supporting the municipality in the production and commercialization of avocado trees, oregano and damascus.
- **Cattle:** We are providing technical veterinary assistance and animal sanitation in the zones of Ilubaya, and Aronday. In Candarave, we are providing technical assistance to the producers who request this support. In parallel, we continue working in the control of sarcosistiosis and the promotion of commercialization of camel meat. In Higuerani, (Ilabaya-Tacna), the Integral Development Plan is being executed, starting with the improvement of fruit trees, including avocado, apple and peach. Likewise, the development of productive projects is being supported in co-administration with the Ilabaya municipality. In Tacalaya, the Alpaca Genetic Improvement Project was started as well.
- **Basic Infrastructure:** The 12-kilometer highway that unites Huanuara with Candarave was completed and delivered.
- **Strengthening of Capacities:** Plans have been designed for the formation of promoters in the genetic and sanitation improvement of sheep, cattle and camels, in weed control, production and storage of forage; in the production of potato seeds and oregano sowing techniques, as well as business administration. Likewise, in Candarave, throughout a co-financing with Fondoempleo, the program for Improvement of Production Capacities in cereals through the Agronomy Development Foundation is being executed. This program trains the producers in the growth of forage oats, corn and wheat, with the objective of increasing their productive levels and life quality. In Tacalaya, the capacities are strengthened for the transformation and production of alpaca fiber hats.

Likewise, the Mining Program of Solidarity with the Town (Voluntary Contribution) is being executed, benefiting the neediest areas. For the year 2007, Southern Copper founded a local fund of **S/.10'382,009.00** and a regional fund of **S/. 41'528,037.00** for Tacna and Moquegua.

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In the first phase, the following items are executed:

Education Sector:

The sum of **S/. 16'839,711.16** has been invested in the rehabilitation and construction of educational infrastructure of 56 schools, that include classrooms, restrooms, laboratories, perimeter fences and sport areas; likewise they were given school transportation, blackboards, libraries and computers which will benefit directly 3,194 students of the district of Candarave, Cairani, Huanuara, Camilaca in the province of Candarave; and, Locumba and Ilabaya in the province of Jorge Basadre; and the districts of Tarata, Tarucachi, Susapaya and Ticaco in the province of Tarata and, in the districts of Sama and Tacna in the province of Tacna. Likewise, such jobs benefited the districts of Moquegua, Samegua, Torata and Carumas in the province of Mariscal Nieto; and the district of Ichuña in the province of Mariscal Sánchez Cerro.

Health Sector:

The Solidarity Program due to the cold wave in July and August 2007 was executed, and medical campaigns were carried out that included donations of medicine, food, clothing and blankets for the afflicted population of the upper-andean zones of Tacna, like Huaytire, Japopunco, Tacalaya, Turunturo, Calientes, Huiltavira, Calachupani and Calleraco.

An estimated investment of S/.4'866,633.61, benefiting 16,358 people was made and included the construction and rehabilitation of 27 health centers in the Moquegua and Tacna regions. These centers are located in the provinces of Mariscal Nieto, districts of Moquegua: Samegua, Torata, Carumas, Cuchumbaya and San Cristóbal; General Sánchez Cerro: Districts of Ichuña, as well as the province of Candarave, districts of Cairani, Camilaca, Candarave, Huanuara and Quilahuani.

Strengthening of Capacities:

Currently, the following projects are being developed:

Technical cooperation agreement with the PERCAN: This agreement allows the Regional Government of Moquegua to receive training from the World University Service of Canada. The Company made an investment of \$ 83,300.00.

Integral Development Program Huaytire (PIDH): This program has as an objective the improvement of the social economic level of the population over the next four years, through the implementation of six strategic axes.

During the first phase, work is done on the axes of education, cattle development and commercialization.

DEVELOPMENT PLAN HUAYTIRE - PHASE I – 2007

Item	Programs	CONTRIBUTORS [S/.]		Total Cost [S/.]	Total Cost [US\$]
		COMMUNITY	SPCC		
1	Cattle Development	4,500.00	278,300.00	282,800.00	91,226.00
2	Incentive on Education	-	44,800.00	44,800.00	14,452.00
3	Commercialization	-	14,000.00	14,000.00	4,516.00
4	Operative Expenses	-	10,410.00	10,410.00	3,358.00
Total Cost of Project Phase I		4,500.00	347,510.00	352,010.00	113,552.00

Water Infrastructure:

Work in Tacna:

Road project Ilabaya – Camilaca: Southern Copper pledged S/.2'500,000 for the execution of the Framework convention of inter-institutional Cooperation between the Transportation Ministry and the municipalities of Ilabaya and Camilaca, to improve the neighborhood highway of Ilabaya – Camilaca (Alto Camilaca), which connects the agro-cattle, mining and tourism zones that are distributed along the aforementioned provinces, integrating the regions of Moquegua and Puno.

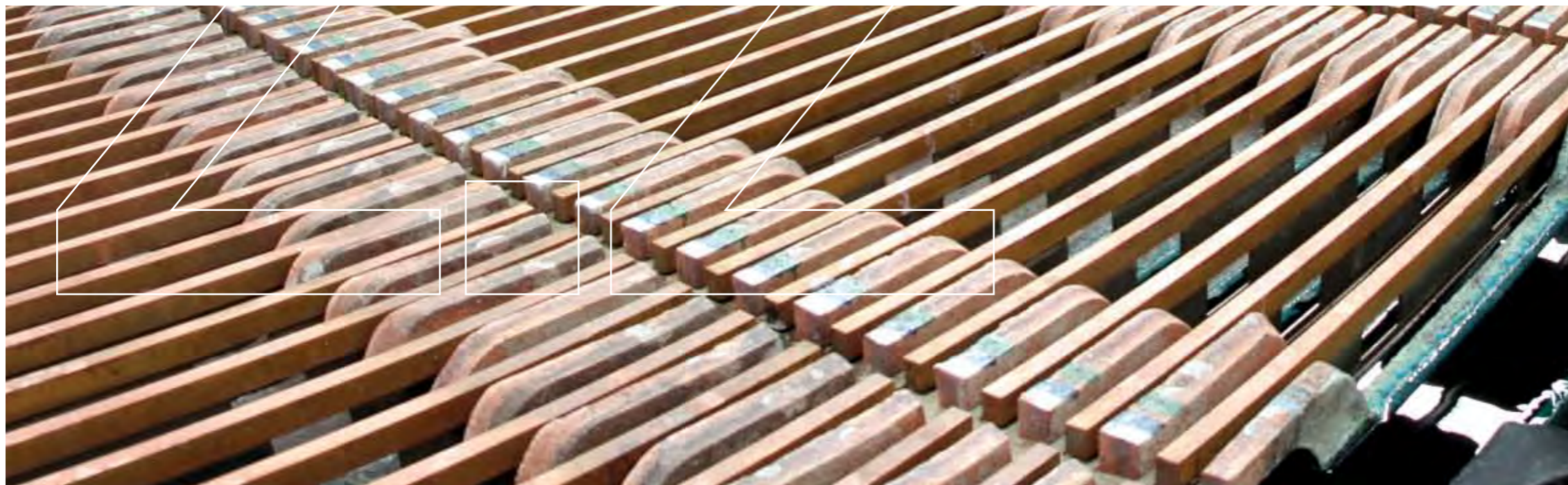
Geo-technical study of the Dique Cularjuira: Which will determine the potential extension of its storage capacity, for which has been assigned \$ 72,000.

Work in Moquegua:

Project: "Improvement and Extension of the Central Market of the City of Moquegua": For this job, Southern Copper donated S/.600,000 to the Municipal Province of Mariscal Nieto, which will benefit more than 50,000 people.

RESULTS OF OPERATIONS

En 2007, SCC declaró utilidades de \$2,216.7 millones ó utilidades diluidas de \$7.53 por acción, lo cual significa un incremento con relación a 2006 y 2005.



2.2
MILLONES
UTILIDADES GENERADAS

RESULTS OF OPERATIONS

FOR THE YEARS ENDED DECEMBER 31, 2007, 2006 AND 2005.

SCC reported 2007 net earnings of \$2,216.4 million or diluted earnings of \$7.53 per share, compared with net earnings of \$2,037.6 million or diluted earnings of \$6.92 per share in 2006 and \$1,400.1 million or diluted earnings of \$4.75 per share in 2005.

The increase in the Company's results in 2007 is mainly due to increased prices of most of the metals the Company sells and to the increase in the volume of molybdenum sold, which was partially offset by the loss of production, in the fourth quarter of the year, caused by the illegal strikes in the Cananea mine in Mexico.

During 2007, price of copper on the London Metal Exchange (LME) and the New York Commodity Exchange (COMEX), was \$3.23 and \$3.22 per pound, respectively, compared to \$3.05 and \$3.09 during 2006.

The increase in the price of molybdenum in recent years has had an important effect for the Company's traditional calculation of cash cost. SCC excludes from its calculation of operating cash cost, depreciation, amortization and depletion, exploration, workers participation provisions and other items of non-recurring nature.

The Company's operating cash cost, as previously defined, for the three years ended December 31, is as follows:

	2007	2006	2005
Cash cost per pound of copper produced	(0.167)	0.159	0.030
Cash cost per pound of copper produced, (excluding by-products revenue)	1.401	1.283	1.009

Net Sales: Net sales in 2007 were \$6,085.7 million, a historic record for the Company, compared with \$5,460.2 million in 2006 and \$4,089.1 million in 2005. Sales increased by \$625.5 million in 2007, an 11.5% increase over the previous year, mainly due to higher prices of copper, silver, gold and molybdenum and to higher molybdenum sales volume.

Prices: Sales prices for the Company's metals are established, mainly by reference to the prices quoted in the London Metal Exchange (LME) and The New York Commodity Exchange (COMEX), or Publisher in the Platt's Metals Week, for dealer oxide mean prices for molybdenum.

Price / Volume Data	2007	2006	2005
Average Metal Prices			
Copper (per pound – LME)	\$ 3.23	\$ 3.05	\$ 1.67
Copper (per pound – COMEX)	\$ 3.22	\$ 3.09	\$ 1.68
Molybdenum (per pound)	\$ 29.91	\$ 24.38	\$ 31.05
Zinc (per pound – LME)	\$ 1.47	\$ 1.49	\$ 0.63
Silver (per ounce – COMEX)	\$ 13.39	\$ 11.54	\$ 7.32

Sales Volume (in thousands)	2007	2006	2005
Copper (pounds)	1,330,557	1,386,199	1,540,043
Molybdenum (pounds) (1)	35,945	25,643	32,155
Zinc (pounds)	251,766	281,079	294,180
Plata (ounces)	18,311	19,776	19,750

(1) The Company's molybdenum production is sold in the form of concentrates. Volume represents pounds of molybdenum contained in concentrates.



ENVIRONMENTAL AFFAIRS

Estamos comprometidos en un extensivo programa de exploraciones para ubicar yacimientos adicionales en México, Perú y Chile.



1.5
MILLONES DE ÁRBOLES
PRODUCCIÓN ANUAL EN PLANTA NACOSARI

ENVIRONMENTAL AFFAIRS



MEXICAN OPERATIONS

The Company's operations are subject to applicable Mexican federal, state and municipal environmental laws, to Mexican official standards, and to regulations for the protection of the environment, including regulations relating to water supply, water quality, air quality, noise levels and hazardous and solid waste. Some of these laws and regulations are relevant on matters related to the Company's facilities in San Luis Potosi.

The main law applicable to the Company's Mexican operations is the federal Ley General del Equilibrio Ecológico y la Protección al Ambiente (the General Law of Ecological Balance and Environmental Protection, or the Environmental Law), which is enforced by the Procuraduría Federal de Protección al Ambiente (Federal Bureau of Environmental Protection or the PROFEPA). The PROFEPA monitors compliance with environmental legislation and enforces Mexican environmental laws, regulations and official standards and, if warranted, the PROFEPA may initiate administrative proceedings against companies that violate environmental laws, which in the most egregious cases may result in the temporary or

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permanent closing of non-complying facilities, the revocation of operating licenses and/or other sanctions or fines. Also, according to the Código Penal Federal (Federal Criminal Code), the PROFEPA must inform corresponding authorities regarding environmental non-compliance.

Mexican environmental regulations have become increasingly stringent over the last decade, and this trend is likely to continue and has been influenced by the environmental treaty entered into by Mexico, United States and Canada in connection with N AFTA in February 1999. However, the Company's management does not believe that continued compliance with the Environmental Law or Mexican State environmental laws will have a material adverse effect on the Company's business, properties, result of operations, financial condition or prospects or will result in material capital expenditures. Even though the Company considers that all of its facilities comply with applicable environmental, mining and other laws and regulations, the Company cannot assure that a stricter provisions or that the existing laws and regulations or the adoption of new laws and regulations will not have an adverse effect in the business of the Company, properties, operation results, financial condition or prospects of the Company.

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Chihuahua, México.*

Due to the proximity of some of the facilities of our Mexican operations subsidiaries to urban areas, the authorities may implement some measures that could impact or restrict the operation of said facilities. Any use of force to close any facility may have an adverse effect in the relevant subsidiary's operational results.

For the Company's Mexican operations, environmental capital expenditures were \$10.5 million and \$7.5 million in 2006 and 2005, respectively. Approximately \$3.9 million has been budgeted for environmental capital expenditures in 2007, to complete the current environmental programs in the Mexican operations.



3.9
MILLONES HAN SIDO PRESUPUESTADO PARA LOS GASTOS

The Company has instituted extensive environmental conservation programs at its mining facilities in Mexico and Peru. The Company's environmental programs include water recovery systems to conserve water and minimize impact on nearby streams, reforestation programs to stabilize the surfaces of the tailings dams and the implementation of scrubbing technology in the mines to reduce dust emissions.

IMMSA Division

- At the zinc refinery located in the San Luis Potosi state, we requested the Environment and Natural Resources Secretariat (SEMARNAT), to start a procedure to declare the areas around the refinery as an "Intermediate Safeguard Zone" (ZIS). ZIS is defined as a safety area located within a land stretch that is a buffer between some establishments and nearby population centers.

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Environmental Improvement Plan was concluded; it is a commitment established by the Company with federal and state authorities, which reduced emissions from the San Luis Cobre Plant; as well as construction, rehabilitation and improvement of walking spaces, streets, gardens, drainage, paving and spaces for recreation of the Morales Pirules, Infonavit, Green Rustic and Stores colonies.

- The San Martin Unit, located in the state of Zacatecas, started the certification process as a Clean Industry.

Mexicana de Cobre and Mexicana de Cananea

- In 2006, we started the "Clean Industry" certification process, program promoted by the National Forestry Commission (CONAFOR), which reports to Semarnat, and represents the voluntary process for these plants to be audited, up to date we got the Certification for the Natural Gas Transportation System (Gasoducto Douglas - Nacoziari) facilities, the Wire Rod Plant and the Precious Metals Refinery, these three plants correspond to the Metallurgical Complex of Mexicana de Cobre; likewise, the certification

DE CAPITAL RELACIONADOS CON EL AMBIENTE EN 2007

- In the state of San Luis Potosi, there is a tree nursery, from which more than 40,000 trees were distributed for the IMMSA division properties, as follows; employers and laborers division; community support; schools; the Environment and Natural Resources Secretariat and other governmental agencies.
- The Santa Barbara Unit, located in the state of Chihuahua, is in the process of obtaining the "Clean Industry" certificate under the Federal Environment Protection Attorney's Office (PROFEPA).



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Horno actual.
Mexicana de Cobre, México.*

*DERECHA
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en la mina San Diego, unidad Santa
Bárbara.
Chihuahua, México.*

process for the Hydrometallurgy Concentrator and Molybdenum Plants of Mexicana de Cobre is under way, also for the Copper Refinery, the two Sulfuric Acid Plants and the three Oxygen Plants of the Complex. Certifications for the Guaymas Unit and the Lime Plant are under process. The certification for the Concentrator Plant of Mexicana de Cananea is also under process.

- We concluded the internal reforestation in Cananea, these companies and 13 municipalities around our units were reforested with 1,374,000 trees, being the company, at national level, contributing with more trees to the program currently promoted by the Comisión Nacional Forestal (CONAFOR). At the moment, they have in production phase more than a million and a half of trees for cycle 2008, being native species and of little water consumption. Minera Mexico has two breeding grounds in Sonora, one in Guaymas Unit with a production of approximately 40.000 trees per year and a breeding ground in the Nacozari Smelter with a capacity of more than 1,5 million trees per year; additionally, we participate directly in the management of the breeding ground of Conafor in Cananea, with a capacity of almost 70.000 trees per year. Additionally, Minera Mexico participates with Conafor within the CAMIMEX-CONAFOR Agreement, signed in November, 2006, by which CAMIMEX is committed to plant 2 million trees per year, and we contributed with 85% of that amount. The plantations have taken place with the collaboration of Educational Institutions, SEDENA and the technical support of CONAFOR.



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CIUDADES DEL ESTADO DE SONORA EN

- We took part in the “Clean Community” programs by participating in talks given at primary and secondary schools and by handing out garbage collecting containers. These activities took place in 12 cities in the state of Sonora. also participate technicians of the National Commission of Protected Natural Areas of the Garlic Area in the mountains of Sonora.
- Currently, we actively participate in the Technical Advisor Council and the Task Force for protecting and preserving the Valle de los Cirios flora and fauna in Baja California. The Reserve Management Plan was concluded for “El Arco”, the Company received the authorization that permits mining activities.
- The recycling program of paper and cardboard (refreshments, water, milk, juice packages, etc.) promoted by PET is going on. Receipts obtained are donated for social and assistant institutions that participate in this program. In the 2007 Environment World Day the Governor of Sonora distinguished Minera Mexico as the private company that recycles more plastic in this State, receiving it the Environmental Merit 2007.

The Company participates in the Advisory Technical Council for protecting natural areas in Ajos Bavispe, in the north of the State of Sonora.

- The Company participates in a commission which promotes new environmental regulations, supervised by SEMARNAT, as well as in the Commission of Normatividad in Water Matters, headed by CNA.
- Minera Mexico continues participating in the meetings and binational commitments between Mexico and the USA, in the border strip, in matters related to emissions to the atmosphere, handling of hazardous waste, reforestation, etc.
- During 10 consecutive years, the Environment Seminary of Minera Mexico has been carried out with the presence of recognized lecturers in environmental matters, authorities of the three levels, mining companies, etc. With the intention of sharing successful experiences of actions taking care of the atmosphere.



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MÉXICO FUERON COORDINADAS EN LOS PROGRAMAS DE “COMUNIDAD LIMPIA”



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PERUVIAN OPERATIONS

The Company’s operations are subject to applicable Peruvian environmental laws and regulations. The Peruvian government, through its Ministerio de Energía y Minas (the Ministry of Energy and Mines, or “MEM”) conducts annual audits of the Company’s Peruvian mining and metallurgical operations. Through these environmental audits, matters related to environmental commitments, compliance with legal requirements, atmospheric emissions and effluent monitoring are reviewed. The Company believes that it is in material compliance with applicable Peruvian environmental laws and regulations.

In accordance with Peruvian regulations, in 1996 SCC submitted its *Programa de Adecuación y Manejo Ambiental* (the Environmental Compliance and Management Program, known by its Spanish acronym, PAMA) to the MEM. A third-party environmental audit was conducted in order to elaborate the PAMA. The PAMA applied to all current operations that did not have an approved environmental impact study at the time.

SCC’s PAMA was approved in January 1997 and contained 34 mitigation measures and projects necessary to (1) bring the existing operations into compliance with the environmental standards established by the MEM and (2) identify areas impacted by operations that were no longer active and needed to be reclaimed.

95.1%

PROMEDIO DE CAPTURA DE AZUFRE EN EL PERIODO DE FEBRERO A DICIEMBRE DE 2007,

In 2007, the two pending PAMA projects were related to the slag remediation program and the smelter modernization project. Both were completed by January 31, 2007.

With the smelter modernization project, the Company increased sulfur recapture over the 92% requirement established by the PAMA. The new smelter will maintain production at current levels and will use advanced technology to drastically reduce sulfur emissions, in order to achieve the main goal of the project.

The fusion process uses a new stationary 17-meter high smelting furnace (Isasmelt), with a nominal capacity to treat 165 tons of copper concentrate per hour has been installed as part of the modernization project. The furnace uses Isa technology which is proven throughout the world. Additionally, two rotary holding furnaces (RHF) have been installed to separate the slag. The matte (62% copper) from the RHF is then sent to Peirce-Smith converters to produce 99.3% copper. Two 400-ton anode furnaces receive the copper from the converters and with the use of two casting wheels 99.7% pure copper anodes are produced.

As part of the smelter modernization project, a new 1000-ton per day oxygen plant, as well as a new 800,000 tons per year sulfuric acid plant, two desalination plants, and two effluent treatment plants have been constructed.

In 2003, the Peruvian Congress published a new law announcing future closure and remediation obligations for the mining industry. The law was amended in May 2004 and again in May 2005. The current modification establishes that mining companies submit their mine closure plans within one year of publication of final regulations. On August 16, 2005 final regulations were published and the Company initiated the preparation of the required mine closure plan. This plan, in its final form, will include the estimated cost required for the Peruvian operations, including cost at the Ilo smelter and refinery, tailings disposal, and the dismantling of the Toquepala and Cuajone concentrators, shops and auxiliary services.

As the law requires that the mine closure plan be prepared by an independent consulting entity, the Company engaged Walsh Peru S.A., a Peruvian subsidiary

SUPERANDO LOS REQUERIMIENTOS LEGALES Y LOS ASUMIDOS POR LA COMPAÑÍA



ARRIBA

Horno actual.

Mexicana de Cobre, México.

ABAJO

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of Walsh Environmental Scientists and Engineers, Inc. (Boulder, Colorado), and the Mines Group Inc (Reno, Nevada) independent consulting entities to prepare the mine closure plan. The conceptual plan, without costs, was submitted to the MEM in August 2006. On November 2, 2007, SCC received preliminary observations from the MEM, which should be raised by the end of the first trimester of 2008. This document is then subject to approval by MEM and open to public discussion and comment in the area of Company operations. The Company believes the liability for these asset retirement obligations cannot currently be precisely measured, or estimated, until the Company has completed its final mine closure plan and is reasonably confident that it will be approved by MEM in most material respects. However, the Company has made a preliminary estimate of this liability and has recorded such amount in its financial statements. As of December 31, 2007, the Company has recorded \$6.4 million for this liability. The Company believes that this estimate should be viewed with caution, pending final approval of its mine closure plan.

For the Company's Peruvian operations, environmental capital expenditures were \$ 21.6 million, \$161.0 million and \$235.1 million in 2007, 2006 and 2005, respectively.



GENERAL INFORMATION

INFORMATION RELATED TO ITS CONSTITUTION AND THEIR INSCRIPTION IN THE PUBLIC REGISTRY:

See: "Brief historical review from the constitution of the Company" on page XX.

Brief Description: Southern Copper Corporation (SCC) is a copper, molybdenum, zinc and silver integrated producer. All our mining, melting and refining facilities are located in Peru and Mexico, and we carry out exploration in said countries and in Chile. Our activities make us the largest mining company in Peru and Mexico. We are the fourth mining company that quotes in stock market in the world, based on our mining production of the 2005. This is in agreement with the publication "Copper Industry and Markets Quarterly Information - October 2006 of CRU International."

Our operations in Peru comprise mining, milling and flotation of minerals to produce copper and molybdenum concentrates. The smelting of copper concentrates produces copper anodes which are treatment in the refinery to produce cathodes. We also produce copper cathodes by using SX/EW technology. We operate the Cuajone and Toquepala mines in the heights of the Andes, approximately 984 kilometers southeast of the city of Lima, Peru. We also operate a smelter and refinery west of the mines in Toquepala and Cuajone, in the city of Ilo, Peru.

Our operations in Mexico are carried out by Minera Mexico S.A. de C.V., a subsidiary we bought on April 1, 2005. Minera Mexico mainly develops in mining and processing of copper, zinc, silver, gold, lead and molybdenum. Minera Mexico operates through subsidiaries that are grouped in three separate units. Mexicana de Cobre S.A. de C.V. (together with its subsidiaries, "Mexcobre Unit"), it operates an open pit mine, a copper concentrator, a SX/EW plant, a smelter, two refineries and an wire rod plant. Mexicana de Cananea S.A. de C.V. (together with its subsidiaries, "Cananea Unit") operates an open pit mine located in one of the areas with more copper reserves in the world, a copper concentrator and two SX/EW plants. Industrial Minera Mexico S.A. de C.V. ("Immsa") and Metales del Norte S.A. (together with Immsa and its subsidiaries, "Immsa Unit") operates five underground mines producing zinc, lead, copper, silver and gold, and a coal and coke mine and several industrial processing facilities for zinc and copper.

We use advanced mining and processing methods, including global positioning systems (GPS) and computing mining system. Our operations are highly integrated vertically, which permits us to manage the whole production process, from mining to refined copper and others production, as well as transportation and logistics, by using our own facilities, employees and equipments.

Economic Group

SCC, indirectly, makes part of "Grupo Mexico S.A.B. de C.V." who owns 100% of Americas Mining Corporation ("AMC") shareholding.

Name of the company	Location	Inscription in the RPMV	%
SEVERAL ACTIVITIES			
1 Grupo Mexico, S.A.B. de C. V.	Mexico		
2 Grupo Mexico Servicios, S.A. de C.V.	Mexico		100.0
3 Mexico Proyectos y Desarrollo, S.A. de C.V.	Mexico		99.9
4 México Constructora Industrial	Mexico		99.98
RAILROAD ACTIVITIES			
5 Infraestructura y Transportes Mexico, S.A. de C. V.	Mexico		100.0
6 Grupo Ferroviario Mexicano, S.A. de C.V.	Mexico		74.0
7 Ferrocarril Mexicano S.A. de C.V.	Mexico		100.0
8 Intermodal Mexico, S.A. de C.V.	Mexico		100.0
MINING ACTIVITIES			
9 Americas Mining Corporation ("AMC")	USA.		99.99
10 ASARCO USA Inc.	USA.		100.0
11 Southern Copper Corporation (SCC)	USA.	√	75.1
12 Americas Sales Company, Inc.	USA.		100.0
13 Minera Mexico, S. A. de C. V.	Mexico		99.95
14 SDG Mexico Apoyo Administrativo, S.A. de C.V.	Mexico		100.0
15 Industrial Minera Mexico, S.A. de C. V.	Mexico		99.99
16 Mexicana de Cananea, S.A. de C. V.	Mexico		99.99
17 Mexicana de Cobre, S.A. de C. V.	Mexico		99.97
18 Mexicana del Arco, S.A. de C.V.	Mexico		100.0
19 México Compañía Inmobiliaria, S.A.	Mexico		100.0
20 Minerales Metalicos del Norte, S.A.	Mexico		100.0
21 Minera Mexico Internacional, Incorporated	USA.		100.0
22 Servicios de Apoyo Administrativo, S.A. de C.V.	Mexico		100.0
23 Western Copper Supplies	USA.		100.0
24 Global Natural Resources, Inc.	USA.		100.0
25 Logistics Services Incorporated (LSI)	USA.		100.0
26 Multimines Corporation	USA.		100.0
27 Southern Peru Limited	USA.		100.0
28 Southern Peru Copper Corporation, Chile Agency	Chile		100.0
29 Southern Peru Copper Corporation, Sucursal del Peru	Peru	√	99.291
30 Compañía Minera Los Tolmos, S.A.	Peru		97.31

NOTA:

1. Includes 82.69% of patrimony and 16.60% of common shares.

Corporate Capital and Common Stock		shares
The authorized number of shares		320'000,000
Issues an Paid Capital: Common Shares		294'465,650
Nominal Value of Common Shares		US\$ 0.01
Total number and percent of shares	Shares	Interest
Americas Mining Corporation	221'113,178	75.1%
Common Shares	73'352,472	24.9%
Total	294'465,650	100.0%

Authorizations Obtained for the Development of the Business OPERACIONES EN MEXICO

Mexican Operations

La Caridad Mine

"La Caridad Concentrator" started operating in June 1979, with a milling capacity of 72,000 tons per day.

"La Caridad Concentrator" expanded its capacity in 1986, to 90,000 tons per day. "Molybdenum Plant" started operating in June 1982, with a capacity to produce 2000 tons of Copper-Molybdenum Concentrate per day.

"La Caridad SX/EW Plant" started operating in May 1995, with a capacity of 60 tons per day.

La Caridad Metallurgic Complex

La Caridad Smelter started operating in July 1986, with a production capacity of 493 anode tons per day.

La Caridad Smelter expanded its capacity in March 1997, to 932 tons of anodes per day.

"La Caridad Refinery" started operating in July 1997, with a production capacity of 493 tons of cathode copper per day.

"La Caridad Refinery" expanded its capacity in January 1998, to 822 tons of cathode copper per day.

"La Caridad Precious Metals Plant" started operating in May 1999, with a production capacity of 43,836 silver ounces per day, 247 gold ounces per day, and 342 selenium kg per day.



“La Caridad Wire Rod Plant” started operating in April 1998, with a production capacity of 300 tons of wire rod per day.
 “La Caridad Wire Rod Plant” expanded its capacity in March 1999 to 411 tons of wire rods per day.

Cananea Mine

“Cananea Concentrator” started operating in September 1986, with a capacity of 62,500 tons per day.
 “Cananea Concentrator” expanded its capacity in 1988, to 70,000 tons per day.
 “Cananea Concentrator” expanded its capacity in 1998, to 76,700 tons per day.
 “Cananea SX/EW I Plant” started operating in 1980, with a capacity of 30 tons per day.
 “Cananea SX/EW II Plant” started operating in 1989, with a capacity of 60 tons per day.
 “Cananea SX/EW II Plant” expanded its capacity in 2001, to 120 tons per day.

Underground Mines

1. The Santa Barbara Unit has milling capacity of 6,000 tons of ore per day.
2. The Santa Eulalia Unit has a milling capacity of 1,500 tons of ore per day.
3. The San Martin Unit has a milling capacity of 4,400 tons of ore per day.
4. The Charcas Unit has a milling capacity of 4,000 tons of ore per day.
5. The Taxco Unit has a milling capacity of 2,000 tons per day.

*Horno actual.
 Mexicana de Cobre, México.*

*Extracción de mineral y perforación
 en la mina San Diego.
 Chihuahua, México.*

*Extracción de mineral en la mina.
 Chihuahua, México.*

6. The Coquizadora Coal Plant, in Coahuila Unit, has a capacity of 100,000 tons of Coke per year
7. The Zinc Refinery has capacity to produce 285 refined zinc tons per day.
8. The San Luis Potosi Copper Smelter has a production capacity of 66 blister copper tons per day.

PERUVIAN OPERATIONS

Toquepala

1. Toquepala Concentrator: Authorized by Directorial Resolution No.455-91-EM/DGM/DCM dated July 5, 1991 approved the operation of the Toquepala Concentrator. The resolution granted 240 hectares of surface land and authorized a throughput of 39,000 Metric Tons/Day. Based on Report No. 413-97-EM/DGM/DPDM dated July 7, 1997 the “Director General de Minería” authorized the expansion of the Toquepala Concentrator to a 43,000 Metric Tons/Day throughput. Based on Report N° 547-2002-EM/DGM/DPDM, dated November 6th, 2002, the “Director General de Minería” authorized the expansion of the Toquepala Concentrator to a capacity of 60,000 TM/Day.
2. Toquepala Leaching Plant (SX/EW): Authorized by Directorial Resolution No. 166-96-EM/DGM dated May 7, 1996 approved the operation of the Toquepala

Based on Report No. 663-98-EM/DGM/DPDM dated November 10, 1998 the “Director General de Minería” authorized the expansion of the Toquepala SX/EW Plant to 18,737 Metric Tons/Day throughput.

Directorial Resolution dated May 19, 2003, based on Report No. 291-2003-EM-DGM/DPDM, authorized the operation of the SX/EW Plant to a throughput of 18,737 Metric Tons/Day.

Cuajone

1. Botiflaca Concentrator in Cuajone: Authorized by Directorial Resolution No. 150-81-EM/DCM dated August 14, 1981 approved the operation of the Cuajone Concentrator. The resolution granted 56 hectares of surface land. Based on Report No. 266-99-EM/DGM/DPDM dated July 20, 1999 the “Director General de Minería” authorized the expansion of the Cuajone Concentrator to 87,000 Metric Tons/Day throughput.
2. Cuajone Leaching Plant (LX/EW): Authorized by Directorial Resolution No. 155-96-EM/DGM dated May 6, 1996 approved the operation of the Cuajone Leaching Plant. The resolution granted 400 hectares of surface land and authorized a throughput of 2,100 Tons/Day. By recourse No. 1733227, dated November 7, 2007, registered in the DGM of the Mining Ministry, the expansion of the Toquepala SX/EW Plant was requested, from 2100 to 3100 TM per day.

Ilo

1. Ilo Smelter: Authorized (definitely) by Directorial Resolution No. 0078-69-EM/DGM dated August 21, 1969 approved the operation of the Ilo Smelter. The resolution authorized a production of 400 Short Tons/Day of blister copper. Based on Report No. 204-2000-EM-DGM-DPDM dated June 20, 2000 the “Director General de Minería” authorized the expansion of the Ilo Smelter to a 3,100 Metric Tons/Day throughput of copper concentrates.

2. Ilo Refinery: Authorized by Report No. 056-94-EM/DGM/DRDM dated May 27, 1994 the “Director General de Minería” authorized the operation of the Ilo Copper Refinery at 190,000 Metric Tons/Day throughput of blister copper. Based on Report No. 506-98-EM/DGM/DPDM dated September 2, 1998 the “Director General de Minería” authorized the expansion of the Ilo Copper Refinery to a capacity of 658 Metric Tons/Day throughput of blister copper. Based on Report N° 080-2002-EM-DGM/DPDM, dated March 13th, 2002, the “Director General de Minería” authorized the expansion of the Ilo Copper Refinery to a capacity of 800 TM/Day.
3. Sulfuric Acid Plant: Authorized by Directorial Resolution No. 024-96-EM/DGM dated January 19, 1996, approved the operation of the Sulfuric Acid Plant, installed at the Smelter, at a production rate of 472 Metric Tons/Day. Based on Report No. 313-98-EM/DGM/DPDM dated May 18, 1998 the “Director General de Minería” authorized the expansion of the Ilo Sulfuric Acid Plant to a capacity of 300,000 Metric Tons/Year production.
4. “Coquina Wash Plant and Sea shell Concentrates” authorized to operate by Directorial Resolution N° 110-93-EM/DGM of August 3, 1993. The plant processes 2068MT/day of raw material (coquina) recovered from nearby mines. Seashell is produced separating sand and other materials from the coquina using sea water washing screens.

IZQUIERDA
Horno actual.
Mexicana de Cobre, México.

DERECHA
Extracción de mineral y perforación
en la mina San Diego, unidad Santa
Bárbara.
Chihuahua, México.





DESCRIPTION OF OPERATIONS AND DEVELOPMENT REGARDING THE ISSUING ENTITY

Purpose

The purpose of Southern Copper Corporation (SCC) is to engage in activities allowed by the laws of the State of Delaware. Its main activity is to extract, mill, concentrate, smelt, treat, prepare for market, manufacture, sell, exchange and, in general, to produce and negotiate for sales of copper, gold, silver, lead, zinc, iron and any other class of minerals and materials or other materials, effects and goods of any nature or description; as well as to explore, exploit, sample, examine, investigate, recognize, locate, appraise, buy, sell, exchange, etc., mining concessions and mining deposits. SCC belongs to the CIUU 1320 group.

The term of duration of the Company is indefinite.

Brief historical review from the constitution of the company

The Company was organized on December 12, 1952, according to the Laws of the State of Delaware of the United States of America, under the original denomination of Southern Peru Copper Corporation (“SPCC”), which was renamed on October 11, 2005, to Southern Copper Corporation (SCC).

In 1954, SCC established a Branch in Peru to carry out mining activities in this country. The Branch was established under public instrument certified by Public Notary from Lima, Dr. Ricardo Fernandini Arana, on November 6, 1954.

The Branch is registered in the Electronic Record N° 3025091 of the Juridical People of the Registry Office of Lima and Callao.

Actions following company incorporation:

Capital increase:

By Public Deed dated May 31, 1995, signed before notary public of Lima, Dr. Carlos A. Sotomayor Bernos, the Branch capital increase was formalized. It was made through money contribution by the Company in favor of its Peru Branch and by the owners of labor shares, pursuant to Legislative Decree No. 677. The capital contribution made by the Company was aimed at increasing the capital allotted to the Branch by the headquarters and registered in Peru. The capital contribution made by the Labor Shares (today Investment Shares) owners was assigned to the Labor Shares account of the Branch for issuing new Labor Shares.

Part of the money contribution made by the Company in favor of its Branch and by the Labor Shares owners was applied as a capital premium to the Resident account as Additional Capital.

Exchange of Labor Shares for Common Shares:

Dated September 7, 1995, “Southern Peru Copper Holding Company” was also incorporated pursuant to the Laws of the State of Delaware, aiming at acting as a holding company that owns all Southern Peru Copper Corporation shares, and at performing an exchange of the shares that were then called “Labor Shares” (today Investment Shares) issued by the branch in Peru, delivering the owners of labor shares a certain number of common shares issued by SPCC in the United States. As a consequence of this share exchange, ex-owners of Labor Shares acquired 17.31% of SPCC’s Capital, and this company acquired ownership of 80.77% of Labor Shares (today Investment Shares).

On January 1, 1996, Southern Peru Copper Corporation changed its corporate name for “Southern Peru Limited”, and “Southern Peru Copper Holding Company” changed its corporate name to Southern Peru Copper Corporation.



As a consequence of this corporate name change, the mining activities of the company in Peru started being performed under the name of Southern Peru Limited, Peru Branch (SPL).

On December 31, 1998, the merger between Southern Peru Copper Corporation and Southern Peru Limited was agreed. The first company absorbed the second one and assumed all its assets and liabilities, including the Branch in Peru. This merger did not imply any change to the share percentage in the corporate capital or in the Net Worth Share Account (investment shares), which were kept the unchanged.

As a consequence of the merger, the mining activities of the corporation in Peru were again carried out under the name of Southern Peru Copper Corporation, Peru Branch, or the abbreviated name of "Southern Peru" and/or the acronym SPCC.

Change of Economic Group:

In November 1999, Grupo Mexico S.A.B. de C. V., a firm incorporated pursuant to the Laws of the Republic of Mexico, acquired in the United States 100% of ASARCO Incorporated, the main shareholder of Southern Peru Copper Corporation at that time. In this way, SPCC became a subsidiary of Grupo Mexico, who keeps its shareholding through Americas Mining Company (AMC).

Acquisition of Minera Mexico, S.A. de C.V. ("MM") and other corporate changes: SCC shareholders, in a shareholder extraordinary meeting dated March 28, 2005, approved issuance of Common Shares and required actions related to the acquisition of MM, a firm incorporated pursuant to the Laws of the Republic of Mexico. This transaction was approved for more than 90% of the stocks and circulating capital of SCC. To acquire MM, SCC issued 67,207,640 shares in exchange for MM shares. Once the shares related to the acquisition were issued, Americas Mining Corporation increased its share in SCC from 54.2% to approximately 75.1%.

Change in the Certificate of Incorporation:

On March 28, 2005, following Board of Directors recommendations, SCC shareholders approved in an extraordinary meeting the amendments to the Articles

of Incorporation Deed, changing the composition and obligations of some Board committees.

Special Independent Director:

The changes to the Articles of Incorporation Deed require the Board to include a certain number of special independent directors. A special independent director is a person who (i) complies with the independence standards of the New York Stock Exchange (or any other stock exchange or association in which Common Shares are listed) and (ii) is appointed by the Special Appointment Committee of the Board. A special independent director may only be removed from the Board upon a justified cause.

The number of special independent directors in that Directory at any time shall equal (a) the total number of directors in the Board multiplied by (b) the percentage of Common Shares all the shareholders (that are not Grupo Mexico and its affiliates) have, rounding up to the following integer number. Notwithstanding the abovementioned, the total number of people appointed as special independent directors (not belonging to Grupo Mexico) cannot be less than two or more than six.

Special Appointment Committee:

To appoint people as candidates for the election of special independent

directors and cover special independent directors vacancies, the Deed amendment requires the firm to make up Special Appointment Committee. The Special Appointment Committee must be made up by three SCC directors, two (2) of which are currently Mr. Luis Miguel Palomino and Mr. Carlos Ruiz Sacristan (each one an "Initial Director" and, together with their successors, the "Special Appointees") and any other director, who was initially Mr. Oscar Gonzalez Rocha and is now Mr. Xavier Garcia de Quevedo Topete, as appointed by the Board or (the "Person Appointed by the Board"). The Person Appointed by the Board will be annually selected by the Board. The Special Appointees will be annually selected by the member of the Board who are special independent directors or Initial Directors. Only the special independent directors can cover vacancies in the Special Appointment Committee. Any member of the Special Appointment Committee can be removed at any time by the Board with a justified cause. The unanimous vote of all the members in the Special Appointment Committee will be necessary to adopt any agreement or to take any action.

Notwithstanding the abovementioned, the Special Appointment Committee to name special independent directors is subjected to the shareholders right to appoint pursuant to the bylaws.

The Deed amendment provisions referring to the special independent directors may be modified only with the favorable vote of most of the Common Shares owners (calculated without applying qualified majority voting right) that are not Grupo Mexico and its affiliates..

Transactions with affiliates:

Amendments to the Deed also prohibit the Company to commit in important transactions with the affiliates, except if the transaction has been revised by a committee of at least three Board members, each one of which will comply with the New York Stock Exchange (or any other stock exchange or association in which Common Shares are listed) independence regulations. An important transaction of the affiliate is defined as an important transaction, commercial negotiation or financial share in any transaction, any series of transactions between Grupo Mexico or one of its affiliates (different from the Company or any of the subsidiaries), on the one hand, and to the Company or one of the subsidiaries, on the other hand, comprising a total consideration of more than US\$10,000,000.00.

Extracción de mineral y perforación en la mina San Diego, unidad Santa Bárbara. Chihuahua, México.

The Company submitted the Amendment of its Articles of Incorporation Deed to the Secretary of State in the State of Delaware, and it came into effect as from March 31, 2005 at 11:59 P.M.

Change of corporate name and other corporate changes:

On September 20, 2005, by written consent instead of an extraordinary shareholder meeting, the majority shareholder approved the corporate name change of Southern Peru Copper Corporation to Southern Copper Corporation or SCC. The change was adopted because the new corporate name reflects more precisely the Company's operations reach outside the Republic of Peru after its acquisition by Minera Mexico and the latter's presence in the Republic of Chile through the acquisition of some mining exploration concessions.

Additionally, on the same date, the majority shareholder approved an amendment of our Articles of Incorporation Deed to remove others' provisions in our Deed related with our Class A Common Shares that were formerly in circulation, which were converted to Common Shares on May 19, 2005, and to change the number of Corporate directors from fifteen to a number that will be regularly established following agreement of most of Board members stipulating the number of directors will not be less than six or more than fifteen.

The Deed amendment was submitted to the Secretary of State of the State of Delaware, and came into effect on October 11, 2005.

Peru Branch Name:

Generally, the change of headquarters corporate name should comprise the corresponding name of the ancillary organizations linked to it, as is the case of the Peru Branch through which the Corporation develops its mining activities in Peru.

After consulting with Peruvian lawyers, the Board of Directors, taking into consideration the net worth and assets importance of the Branch, the need to continue acknowledging the position of the Peruvian Branch with its local and international copper clients, the need to preserve its proceeds and its position in good name in the copper market, and the need to prevent any possible client loss, as well as to guarantee the revenue flow from sales, its financial and economic revenues and its solvency, the Board of Directors agreed to maintain the original corporate name to the Peru Branch, that is, Southern Peru Copper Corporation, Peru Branch, or the abbreviated name "Southern Peru" and/or the acronym SPCC.

Changes in the Certificate of Articles of Incorporation and Bylaws:

Dated January 26, 2006, the Board approved amendment to Southern Copper Corporation's bylaws (i) aiming at removing the provisions related to Class A Common Shares among other changes.(ii) adding a new provision for advance notice to shareholders seeking to nominate directors or to propose other business at annual or special meetings of the Common Stockholders (as applicable) (iii) substitute Grupo Mexico for ASARCO Incorporated in the "Change in control" definition in the Corporation's by-laws (iv) and eliminate the 80% supermajority vote requirement for certain corporate actions. The modification of the Modified Certificate of Incorporation increased the capital stock from 167,207,640 shares to 320,000,000 shares. These modifications were submitted for approval of the shareholders at the shareholders annual meeting held on April 27, 2006 which was adjourned and reconvened for May 4, 2006, and later on adjourned and reconvened for May 11, 2006.

At the annual meeting, on April 27, 2006, the proposal to amend the by-laws to eliminate certain extraneous provisions relating to the retired series of Class A Common Stock had an affirmative vote of 79.85% of the required votes. Because the required

vote for the approval of this proposal was 80% and because there were still votes that needed to be tabulated, the annual meeting for this proposal was adjourned until May 4, 2006. On May 4, 2006, at the adjourned and reconvened meeting the stockholders approved the proposal with an affirmative vote of 80.61% of the required votes.

On April 27, 2006, stockholders approved (i) the amendment to the by-laws to introduce a new provision for advance notice to shareholders seeking to nominate directors or to propose other business at annual or special meetings of the Common Stockholders (as applicable); (ii) the amendment to the by-laws to substitute Grupo Mexico for ASARCO Incorporated in the "Change in control" definition in the Corporation's by-laws; (iii) the amendments to the Amended and Restated Certificate of Incorporation to increase the number of shares of Common Stock, which the Corporation is authorized to issue from 167,207,640 shares to 320,000,000 shares; and (iv) the selection of the independent accountants.

On April 27, 2006, the proposal to amend the by-laws to eliminate the

80% supermajority vote requirement for certain corporate actions had received preliminary votes, representing an affirmative vote of 78.35% of the required votes. Because the required vote for the approval of this proposal was 80% and because there were still votes that needed to be tabulated, the annual meeting for this proposal was adjourned first until May 4, 2006, and subsequently until May 11, 2006. On May 11, 2006, at the adjourned and reconvened meeting stockholders did not approve the proposal having received an affirmative vote of 79.61% of the required votes.

SCC forma parte, indirectamente, de "Grupo Mexico S.A.B. de C.V." quien es propietaria del 100% del accionariado de Americas Mining Corporation ("AMC"), titular de 75.1% de Acciones de SCC.

Information about plans and investment policies

See Expansion and Modernization Program on page XX.

Relationship between the Issuer and the Government

On November 20th, 1996, SCC and the Peruvian Government (Ministry of Energy and Mines) signed a contract that will remain effective until the year 2010 and guarantees the tax stability and the availability of exchange to foreign currency of the Branch's earnings related to the operation of the SX/EW plant at Toquepala and the Solvent Extraction (SX) operation in Cuajone. Also, on April 18th, 1995, SCC and the Peruvian Government (CONITE) signed a contract that guarantees the availability of foreign currencies, free remittance of dividends to the exterior, among other guarantees related to the acid plant of the Ilo Smelter.

SCC obtains revenues for tax credits in Peru for the general sales tax (IGV) paid in connection with the acquisition of capital goods and other goods and services used in its operations, counting these credits as a paid expense in advance. By virtue of this refund, SCC is entitled to credit the amount of the IGV against its Peruvian tax obligations or to receive a refund.

Mining Safety:

MEXICAN OPERATIONS

In Southern Copper - Minera Mexico, safety is first and is an essential part of our operations, likewise, we are committed with the well being of all our personnel; towards this, the SYSTEM ON SAFETY AND HEALTH ADMINISTRATION AT WORK (SIASST) is being implemented.

The purpose of the SIASST is to comply with, and respect the normative framework in this matter, which seeks the care of life and the integrity of the workers and their families. In this sense, it complies with the principles of Southern Copper - Minera Mexico in the matter of safety and health.

The objective of SIASST is to systemize the activities that tend to minimize the unsafe conditions and the health risks to which are exposed the workers that are performing their jobs, through the awareness of the importance of safety and hygiene in the workplace. Additionally, complying with the current national regulations.

Different phases will be carried out for the implementation of the SIASST, consisting principally in making the personnel sensible to this matter, as well as training, documentation and evaluation of the system by an auditor.

The implementation of the SIASST brings the following benefits:

1. The assurance of conditions and factors for the personal well being of the workers, customers, and in general, any person who is within the company.
2. Improves the working conditions.
3. Promotes a culture of prevention in the subject of safety and hygiene in the workplace.

The implementation of the SIASST will positively influence the better management of the safety and hygiene procedures; likewise, it will allow the integration of new programs and the update of the existing ones, with the goal of depressing accidents and maintaining them at "ZERO".

The responsibility of the implementation of this system involves the highest management levels to the most simple position currently held. Likewise, the consciousness of all workers will be of great importance in order to obtain the expected results.

During 2007, the implementation of the SIASST showed positive results, decreasing the number of: frequencies in 17%, severity in 1% and accidentality in 18%; derived from a reduction on the number of total accidents of 157 and the incapacitating accidents of 127, equivalent to 26% with respect to 2006. There has been less number of accidents of similar nature than in 2006. The reduction in fatalities agrees with the safety philosophy of "zero" fatal accidents.

Mexican operations

PERUVIAN OPERATIONS

SAFETY

In the year 2007 the open-pit mining operations of the mines Toquepala and Cuajone, as well as the operations that are carried out in the metallurgic complex of Ilo that includes Smelting and Refinery; with respect to Mining Safety and Hygiene, these achieved excellent results in Safety Indicators: the Frequency Index was 1.6 which represents an improvement of 30.43 % with respect to the year 2006, the Severity Index was 168.7 representing an improvement of



49.47 % and the Accidentality Index reached the value of 0.3 representing an improvement of 62.5 %, finally there was an improvement in the reduction of incapacitating accidents of 33 %.

Generic Description of Main Assets

MEXICAN OPERATIONS

CANANEA

1. The Cananea production unit has 46 mining concession titles with a total area of 13,282 hectares. 2. The Cananea concentrator plant, with a milling capacity of 76,700 tons per day, consists of 2 primary crushers, 4 secondary crushers, 10 tertiary crushers, 10 primary mills, distributed control system, 5 mills for re-grinding, 103 primary flotation cells, 10 column cells, 70 exhaustion flotation cells, 77 conveyor belts, 5 trippers, 18 feeders, 7 thickeners, 3 ceramic filters, 36 pozos de agua and a presa de jales.

- There are 44 Trucks for ore hauling with individual capacities that go from 240 to 360 tons.
- For ore loading there are 8 Shovels with individual capacities that go from 39 to 70 tons.

Extracción de mineral y perforación en la mina San Diego. Chihuahua, México.

- The mine auxiliary equipment has 8 Drillers, 7 Front Loaders, 5 motor graders and 24 Tractors.
- In the Solvents Extraction and Electrowinning (SX-EW) I and II Plants of Cananea, breaker system No.1 has a capacity of 32,000 tons per day and a 120" plate feeder, a 54"x79" breaker, a belt feeder, a 7-belt system and a distributor car. System No.2 has a capacity of 48,000 tons per day and has one 60" x 89" Breaker, a belt feeder, 3 conveyor belt systems and distributing car. The Leaching System consists of 3 irrigation systems (Kino, Quebalix 1 and Quebalix 2) and are the 7 represos of rich solution in copper PLS. Plant I has 3 solvent extraction tanks with a nominal capacity of 960 m³/hr of PLS, and 52 electrowinning cells. Plant I has a daily production capacity of 30 tons of copper cathodes with 99.999% purity. Plant II has 5 trains of solvent extraction with a nominal capacity of 3,300 m³/hr of PLS and 216 cells distributed in two bays. Plant II has a daily production capacity of 120 tons of copper cathodes with 99.999% purity.

LA CARIDAD

1. La Caridad Production Unit has 51 mining concession titles with a total area of 86,529.26 hectares.
2. La Caridad concentrator plant with a milling capacity of 90,000 tons per day consists of 2 primary crushers, 6 secondary crushers, 12 tertiary crushers, 12 ball mills, a master primary crushing system, a master fine crushing system, a master milling control system, 140 primary flotation cells, 4 re-milling mills, 96 flushing flotation cells, 6 thickener de jales, 6 drum filters, 2 Copper-Molybdenum thickeners, 1 copper thickener and one Copper-Molybdenum separadora Plant and 2 mills for lime extinguishing.
3. There are 32 trucks for ore hauling with individual capacity that go from 170 to 240 tons.
4. For salvage ore and ore loading there are 8 Shovels with individual capacities that go from 16 to 40 cubic yards.
5. As for mine ancillary equipment there are 6 Drillers, 4 Front Loaders, 4 motor grader and 21 Tractors.
6. "La Caridad Solvent Extraction and Electrowinning (SX-EW) Plant" has 9 irrigation systems for the dumps and 2 dams of PLS – pregnant rich solution, a pile of heads that permits to combine the solutions of both dam and feed the Solvent Extraction plant with a more homogenous concentration. The plant has 3 trains of solvent extraction with a nominal capacity of 2,070 m³/h, and 94 electrowinning cells distributed in one single electrolytic bay. The plant has a daily production capacity of 60 copper cathodes tons with 99.999% purity.
7. Lime Plant, located in the Agua Prieta city in the State of Sonora, with a production capacity of 132,000 tons per year.

LA CARIDAD METALLURGIC COMPOUND

1. "La Caridad Copper Smelter" Work Plant, with a fusion capacity of 1,000,000 tons of concentrate per year, it has a flash type Concentrates Drier, a Steam Drier, an Outokumpu Flash Kiln, and "El Teniente" Modified Converted Kiln, 2 Electric Kilns for the cleaning of slag, 3 Peirce Smith type Converters, 3 raffinate Kilns and 2 Molding Systems.

2. "La Caridad Copper Refinery" Working Plant, is an electrolytic plant with a production capacity of 300,000 annual tons of copper cathodes with 99.999% percent of purity. It has an Anode Preparation Machine, an Electrolytic Cell House with 1,115 Cells and 32 Releaser Cells, 2 Cathode Stripping Machines, and a Worn Anode Flushing Machine.
3. "La Caridad Precious Metal Refinery" Work Plant has a Hydrometallurgic Stage and a Pyrometallurgic Stage, besides a Steam Drier, Dore Molding System Kaldo Kiln, 20 Electrolytic Cells in silver refinery, Induction Kiln for Silver, Silver Ingot Molding System, 2 Reactors for obtaining fine Gold.
4. "La Caridad Wire Rod Transformation Plant" has a production capacity of 150,000 annual tons of copper wire rod, an it consist in an ASARCO Vertical Furnace, Retention Furnace, a Molding Machine, a Laminating Machine, a Coiling Machine and a Coil Compacter.
5. Two Sulfuric Acid Plants, the first with an annual capacity of 2,625 tons sulfuric acid production at 100%, and the second one with a 2,135 tons sulfuric acid production capacity at 100%.
6. Three Oxygen plants with a production capacity of 100,000 tons per year each one.
7. Two power Turbogenerators that profit from the kiln residual heat, the first with an 11.5 Mw capacity and the second with a 25 Mw capacity.

UNDERGROUND MINES (IMMSA)

1. The Underground Mines (IMMSA) Production Unit consists of 5 mining economic units: Santa Barbara, Santa Eulalia, San Martin, Charcas, Taxco and Pasta de Conchos. In total, the Underground Mines (IMMSA) Production Unit has 367 mining concession titles with a total area of 77,633 hectares.
2. The Santa Barbara Mining Unit has 15 Jumbo drilling equipments, and 2 Simba drilling equipments, 36 Scoop Tram types equipment for mucking and loading, 12 Trucks and 11 Locomotives for ore internal haulage, 7 907 tons Trucks for external haulage and 6 winches. For treating the ore, there are 4 Primary jaw crushers, one Secondary and 2 Tertiary, 3 Mills and 3 Flotation Circuits. The unit's concentrator plant has a milling capacity of 6,000 tons of ore per day.

3. The Charcas Unit works with 11 Jumbo types drilling equipments, 19 Scoop Tram type equipments for mucking and loading, 4 Trucks and 3 Locomotive for ore internal haulage and 3 winches. For treating the ore, there are 2 Primary Breakers, one Secondary, one Tertiary, 4 Mills and 3 Flotation Circuits. The Unit's concentrator plant has a milling capacity of 4,000 daily ore tons.
4. In the San Martin Mining Unit, there are 8 Jumbo type drilling equipments, and one Simba type drilling equipment, 14 Scoop Tram type equipments for mucking and loading, 13 Trucks for Ore Internal Haulage and 3 Malacates. For treating the ore, there are 2 Primary jaw crushers, 1 Secondary and 2 Tertiary, 2 Mills and 3 Flotation Circuits. The unit's concentrator plant has a milling capacity of 4,400 tons of ore per day.

5. The Taxco Unit has 4 Jumbo type drilling equipments, 10 Scoop Tram type equipment for mucking and loading, 5 Trucks and 3 Locomotives for ore internal haulage and 3 winches. For treating the ore, there are 2 Primary Breakers, one Secondary, 2 tertiary, 3 Mills and 2 Flotation

Circuits. The unit's concentrator plant has a milling capacity of 2,000 tons of ore per day.

6. In the Santa Eulalia Unit, there are 5 Jumbo type drilling equipment, 9 Scoop Tram type equipment for mucking and loading, 2 Trucks and, 2 winches, 1 Primary Breaker, 2 mill breakers, 1 Mill and 2 Flotation Circuits. The unit's concentrator plant has a milling capacity of 1,500 tons of ore per day.

7. In the Coquizadora Coal Plant, 1 BRADFORD Crusher to feed the Washing Plant, 1 Battery of 21 Furnaces for Coking, with an annual capacity of 100,000 tons of Coke, 1 Plant of by-products to clean to the gas of the coke recover (Alquitran) Tar, Sulphate of Ammonium and Crude Light Oil and 2 Boilers to produce 80,000 pounds of steam, that are used in the By-Products Plant.

- The Electrolytic Zinc Refinery carries out its activities with a Roaster with a capacity of 85 m2 of roasting area, a Steam Recovery Boiler and Acid Plant. There is a Calcines Processing Area with 5 leaching stages: Neutral, Hot Acid, Intermediate Acid, Acid, Purified Fourth and Jarosite, as

well as two stages for Solution Purifying. There is a Cell House, with two Electrowinning Circuits, to finally obtain Metallic Zinc. There is an Alloy and Molding area with 2 Induction furnaces and four Molding Systems, two of them with chains to produce 25 kilograms ingots and two Casting Wheels to manufacture one ton Jumbo pieces. This refinery has a production capacity of 105,000 tons of refined zinc per year.

- San Luis Potosi Copper Smelter works with 2 yard locomotives, 2 Traxcavos, 20 Dump Cars, 30 Gondolas and 6 Mechanic Front Loaders. For smelting and conversion it has 3 Bucket Kilns, 2 Converter Kilns, 2 Molding Kilns, 6 Electric Front Loaders, 6 Towing Units, 3 Narrow Way Locomotives, 2 Bridge Cranes, 2 7-tons Cranes and 3 Hoists. For the Venting System it has 9 Fans with different capacities and 2 Filtering Bag Houses. This plant has a smelting capacity of 24,000 tons of blister copper per year.

PERU OPERATIONS

TOQUEPALA

1. The Toquepala Production Unit comprises three Economic Administrative Units: TOQUEPALA 1 comprising 24 mining claims over a 6,012 hectare surface. SIMARRONA including 14 mining claims over 5,516 hectares, and TOTORAL with 21 mining claims distributed over 4,926 hectares. In addition, the Toquepala Production Unit owns 41 mining claims over 22,699 hectares outside the above Economic Administrative Units.

Overall the Toquepala Production Unit holds 100 mining claims over 42,699 hectares.

2. "Toquepala Concentrator" Beneficiation Plant, with Milling capacity of 60,000 tons per day, consists of 1 Primary Crusher, 3 Secondary Crushers, 6 Tertiary Crushers, 8 Bar Mills, 24 Ball Mills, 8 Ball Mills for Re-crushing, 1 Ball Mills 9500 HP, 1 distribute control system (DCS), 1 Optimizing Control System (OCS), as well as, 6 WEMCO-130 Flotation Cells, 4 OK-100 Flotation Cells, 3 OK-50 Flotation Cells, 5 WEMCO-60 Flotation Cells, 15 Column Cells and 24 WEMCO 42.5m3 Flotation Cells, 72 AGITAIR 1.13 m3 Cells, 2 LAROX Filter Presses (PF60 & PF96), 5 Middling Thickeners, 2 Tailings Thickeners, 3 High-Rate Tai-

lings, 1 "Tripper Car", 1 Track tractor CAT D10-R and a recycled water pipe line. In the molybdenum plant, equipments are as follow: 35 INERTGAS MOD. 66-D, EINCO (100 p3), 42 Cells AGITAIR de 1.13 m3, 4 Column Cells y 1 LAROX Filter Presses (PF6).

3. 13 trucks KOMATSU 930E, each one with a capacity of 290 tm, 5 trucks CAT 793C each one with a capacity of 231 tm, 18 trucks KOMATSU 830E each one with a capacity of 218 tm, 6 trucks TITAN 2200 each one with a capacity of 181 tm.
4. 2 P&H 4100A shovels with a capacity of 73 tm (42.8 m3), 1 P&H 4100A shovels with a capacity of 78 tm (45.9 m3), 3 P&H 2100BL shovels with a capacity of 20 tons (11.5 m3), 1 BUCYRUS 495BI shovel with a capacity of 73 tons (42.8 m3), 1 P&H 120A electric drill, 2 P&H 100XP electric drills, 2 BUCYRUS 49RIII rotary drill. 1 LE TOURNEAU 1400 front-end loader with a capacity of 37 tm (21.4 m3.).

CUAJONE

1. The Cuajone Production Unit comprises two Economic Administrative Units: CUAJONE 1, comprising 22 mining claims over 7,249 hectares; and COCOTEA with 17 mining claims over 7,080 hectares. Additionally the Cuajone Production Unit with 21 mining claims over 8,834 hectares outside the above two Economic Administrative Units. Overall, the Cuajone Production Unit comprises 60 mining claims over a total 23,163 hectare surface.

2. "Cuajone Concentrator" Beneficiation Plant with Milling capacity of 87,000 tons per day, consisting of 1 primary crushers, 3 secondary crushers, 7 tertiary crushers, 10 primary ball mills, 4 ball mills for re-crushing, 1 vertical mill, as well as 4 flotation cells OK-160, 30 OK-100 flotation cells, 8 column cells, 28 WEMCO flotation cells, 48 DENVER flotation cells, 1 LAROX Filter Press PF96, 2 Middling Thickeners, 3 Tailings Thickeners, 1 High-Rate Tailings, 1 truck VOLVO FM12, recycled water pipe line.

3. 7 trucks KOMATSU 930E each one with a capacity of 290 tm, 20 trucks DRESSER 830E each one with a capacity of 218 ton and 8 trucks CAT 793C trucks each one with a capacity of 231 ton.

4. 2 P&H 4100A Shovels with a capacity of 73 tons (42.8 m3), 1 BUCYRUS electric shovels 495BII with a capacity of 73 tons (42.8 m3), 1 P&H 2800XPB Shovel with a capacity of 54 tons, 1 P&H 2100BL Shovel with a capacity of 23 ton (11.4 m3), 1 front-end loader LE TOURNEAU 1800, 2 electric drills P&H 120A, 1 P&H 100XP electric drill, 1 BUCYRUS 49R electric drill, 6 front end loaders CAT 966 of 3.8 m3 of capacity, 1 front end loaders CAT 950 of 3.1 m3 of capacity, 2 front end loaders CAT 988 of 6.1 m3 of capacity, 4 wheel tractor CAT-824, 1 wheel tractor CAT-834, 1 wheel tractor CAT 844, 1 wheel tractor KOMATSU WD600, 7 dozers CAT-D10, 1 dozer CAT-D9, 3 motograders CAT-16H, 1 motograders CAT-24H.

OTHERS

One SX/EW plant in Toquepala and one SX plant in Cuajone.

The SX Cuajone Plant has 1 primary jaw crusher and 1 secondary cone crusher HP-500 (390 tm/H), to process Cuajone's oxides. In addition, 1 agglomeration mill, 2 front end loader, 3 trucks each with a capacity of 109 secas tons for agglomerated ore hauling to the leach dumps. Copper in solution produces in Cuajone is sent to Toquepala through an 8" pipe laid alongside the Cuajone - Toquepala railroad track.



In Leaching Toquepala, there are irrigation systems distributed in the Botaderos del Sur, Botaderos del Nor Oeste and Botaderos Quebalix. The percolation solution or PLS of the dumps are stored in 5 collection dams from which the solutions are pumped into a Plant Feed Pond.

For pumping the raffinate solution we have: 3 1500 HP pumps, 4 800 HP pumps, 5 400 HP pumps, 1 125 HP pump and 2 50 HP pumps.

For pumping PLS solutions we have: 1 2000 HP pump, 5 1750 HP pumps, 6 1500 HP pumps, 4 800 HP pumps, 3 600 HP pumps, 2 250 HP pumps, 3 200 HP pumps.

The feed pond receives the percolation solutions from the different collection ponds through the PLS pumping systems. The PLS contained in the feed pond is transferred by gravity to the solvent extraction plant (ES) where the PLS is concentrated and purified obtaining electrolyte. The plant has 3 solvent extraction trains each with a nominal capacity of 1,068 m³/h of PLS and 162 cells of electrodeposits distributed in two Electrolytic Ships, one with 122 cells and the other one with 40 Cells. Electrodeposition (DE) has 4 Rectifiers with a capacity of 23,000 amps each that provides the necessary current to convert the electrolyte ionic copper to metallic copper.

CILO METALLURGIC COMPLEX

1. Ilo Smelter with a smelting capacity of 1,120,000 tons of concentrate, one Isa Smelt furnace, 4 Peirce-Smith converters, 1 twin anode casting wheels.
2. Ilo refinery and Electrolitic Plant: with a 280,000 mt / year capacity (cathodes), 926 commercial cells and 52 starting cells. and 52 starting cells and c) Precious Metals Plant with 1 Wenmec selenium reactor, 2 cupel furnace, 22 silver refining cells and 1 hydrometallurgical system for gold recovery.
3. Sulfuric acid plant with production capacity of 1,144,000 tons per year.
4. Oxygen plant with a production capacity of 1,317 tons per year.
5. Coquina plant with a production capacity of 135,000 tons per year of seashells.
6. Burnt Lime plant with a capacity of 65,000 tons per year.

OTHERS

Industrial railroad to haul concentrates and supplies between Toquepala, Cuajone and Ilo with 30 Locomotives, 264 dump cars, 91 flat cars, 254 boxcars, 8 closed boxcars, 11 closed hopper-type cars, 34 open hopper-type cars, 36 various tank wagons, 49 sulfuric acid tanks, 5 patrol cars.

Extracción de mineral y perforación en la mina San Diego. Chihuahua, México.

Employees

MEXICAN OPERATIONS At December 31	2007	2006	2005	2004	2003
Employees	2215	2,146	2,264	2,255	2,328
Workers	6312	6,444	7,049	6,985	6,819
Total	8,527	8,590	9,313	9,240	9,147

PERUVIAN OPERATIONS At December 31	2007	2006	2005	2004	2003
Staff	779	764	756	723	726
Employees	1,116	1,075	1,079	1,081	1,089
Workers	1,702	1,715	1,730	1,740	1,751
Total	3,597	3,554	3,565	3,544	3,566

CHILEAN OPERATIONS At December 31	2007	2006	2005	2004	2003
Total	10	10	10	10	0

TOTAL EMPLOYEES IN SCC At December 31	2007	2006	2005	2004	2003
Total Mexico	8,527	8,590	9,313	9,240	9,147
Total Peru	3,597	3,554	3,565	3,544	3,566
Total Chile	10	10	10	10	0
Total	12,134	12,218	12,888	12,794	12,714

Principles of Corporate Governance

General Management Resolutions CONASEV N° 096-2003-EF/94.11 y N° 140-2005-EF/94.11

The information referred to both resolutions will be submitted to the National Commission for Corporate and Securities Supervision (CONASEV) of the Republic of Peru, together with the Annual Report.

Economic relations with other companies due to loans that commit more than 10% of the stockholder's equity of the issuing entity.

To date, there are no loans with other companies that compromise more than 10% of SPCC's property.

Administrative Judicial or Arbitration Processes

Litigation: See Note to Consolidated Financial Statements.

CHANGES OF THOSE RESPONSIBLE FOR THE PREPARATION AND REVISION OF THE FINANCIAL INFORMATION

Jose N. Chirinos acts as Director of Comptroller and Finance and Marco A. Garcia acts as Finance Manager.

information related to the stock entered in the Stock Market Public

Common Stock:

On November 29, 1995 the Company offered to exchange the recently issued common shares for all and any labor shares of the Peruvian Branch of the Company, at a ratio of one common share per four S-1 shares and one common share per five S-2 shares. The exchange expired on December 29, 1995, with 80.8% of the total labor shares in circulation exchange for 22,959,334 common shares. These common shares are quoted in New York Stock Exchange and the Lima Stock Exchange and are entitled to one vote per share.

Along with the exchange of labor shares the holders of common shares of the Company exchanged their shares for class A common shares, with the right to five votes per share.

In connection with the Minera Mexico acquisition (April 1, 2005), 134,415,280 new common shares were issued and class A common shares of the company were converted to common shares, and preferential votes were eliminated. On June 9, 2005, Cerro Trading Company, Inc., SPC Investors L.L.C., Phelps Dodge Overseas Capital Corporation and Climax Molybdenum B.V., subsidiaries of two of SCC's founding shareholders and affiliates, sold their share in SCC.

On August 30, 2006 the Executive Committee of the Board of Directors declared a two-for-one split of the Company's outstanding common stock. On October 2, 2006 common shareholders of record at the close of business on September 15, 2006, received one additional share of common stock for every share owned. The Company's common stock began trading at its post-split price on October 3, 2006. The split increased the number of shares outstanding to 294,460,850 from 147,230,425. All share and per share amounts have been retroactively adjusted to reflect the stock split.

Consequently, as from December 31, 2006, 294,461,250 common shares of the Company were under circulation with a nominal value of US\$0.01 per share.

Corporate Bonds:

On May 9, 2006, SCC issued \$400 million 7.5% Notes due 2035. On July 27, 2005, SCC issued \$200 million 6.375% Notes due 2015 and \$600 million 7.5% Notes due 2035. The notes are senior unsecured obligations of the Company. The net proceeds from the issuance and sale of the notes were used to repay outstanding indebtedness of our Peruvian and Mexican operations, under its \$200 million and \$600 million (\$480 million outstanding) credit facilities, respectively, and the balance will be used for general corporate purposes. SCC filed a Registration Statement on Form S-4 with respect to these Notes on October 28, 2005.

On January 3, 2006 the Company completed an exchange offer for \$200 million, 6.375% Notes due 2015 and \$600 million, 7.5% Notes due 2035. In the exchange offer, \$197.4 million of the 6.375% old notes due 2015 were tendered in exchange for an equivalent amount of new notes and an aggregate of \$590.5 million of the 7.5% old notes due 2035 were tendered in exchange for

an equivalent amount of new notes. The new notes have been registered under the U.S. securities law. The indentures relating to the notes contain certain covenants, including limitations on liens, limitations on sale and leaseback transactions, rights of the holders of the notes upon the occurrence of a change of control triggering event, limitations on subsidiary indebtedness and limitations on consolidations, mergers, sales or conveyances. All of these limitations and restrictions are subject to a number of significant exceptions, and some of these covenants will cease to be applicable before the notes mature if the notes attain an investment grade rating. At December 31, 2005, we are in compliance with these covenants.

In January 2005, the Company signed a \$200 million credit facility with a group of banks led by Citibank, N.A. Proceeds of this credit facility were used to prepay \$199 million the outstanding bonds of the Company's Peruvian bond program. On July 28, 2005, a portion of the proceeds from the financing, noted above, were used to repay this facility.

In 1998, Minera Mexico issued \$500 million of unsecured debt, which we refer to as its Yankee bonds. The Yankee bonds were offered in two series: Series A for \$375 million, with

an interest rate of 8.25% and a 2008 maturity date, and Series B for \$125 million, with an interest rate of 9.25% and a 2028 maturity date. During 2005, the Company repurchased \$143.0 million of the Series A bonds. The bonds contain a covenant requiring Minera Mexico to maintain a ratio of EBITDA to interest expense of not less than 2.5 to 1.0, as such terms are defined by the bonds. At December 31, 2005, Minera Mexico is in compliance with this covenant.

In 1999, the Company established a \$100 million credit facility with Mitsui & Co. The facility has a 15-year term with an interest rate of Japanese LIBO plus 1.25% (Japanese LIBO for this loan was 4.67% at December 31, 2005). The facility is collateralized by the assignment of copper sales receivables of 31,000 tons of copper per year and requires an escrow account to fund scheduled payments. The facility requires that we maintain a minimum stockholders' equity of \$750 million and a ratio of debt to equity no greater than 0.5 to 1.0, all as such terms are defined by the facility. Reduction of Grupo Mexico's direct or indirect voting interest in our Company to less than a majority would constitute an event of default under the facility. At December 31, 2006, we are in compliance with these covenants.

On October 29, 2004, Minera Mexico borrowed \$600 million pursuant to a facility with a final maturity date in 2009. The credit facility bore interest at LIBOR plus 200 basis points. The proceeds from the credit facility were used to repay in full the amounts outstanding under a common agreement with holders of Minera Mexico's secured export notes and other financial institutions. The loan was secured by a pledge of Minera Mexico's principal properties and was guaranteed by its principal subsidiaries. In 2005, the Company prepaid the total amount of this financing, using in part proceeds from the July 27, 2005 Note issuance.

We expect that we will meet our cash requirements for 2008 and beyond from internally generated funds, cash on hand and from additional external financing if required.

Members of the Board of Directors at December 31, 2007

Germán Larrea Mota-Velasco,

Director. Mr. Larrea has been Chairman of the Board since December 1999, Chief Executive Officer from December 1999 to October 2004, and a Director of the Company since November 1999. He has been Chairman of the Board of Directors, President and Chief Executive Officer of Grupo Mexico, S.A.B. de C.V. ("Grupo Mexico") (holding) since 1994. Mr. Larrea is also the Chairman of Americas Mining Corporation ("AMC") (holding) since 2003 and was its Chief Executive Officer from 2003 to September 6, 2007. Mr. Larrea has been Chairman of the Board of Directors and Chief Executive Officer of Grupo Ferroviario Mexicano (railroad company) since 1997. Mr. Larrea was previously Executive Vice Chairman of Grupo Mexico, and has been member of the Board of Directors since 1981. He is also Chairman of the Board of Directors and Chief Executive Officer of Empresarios Industriales de Mexico, S.A. de C.V. (holding), Compañía Perforadora Mexico, S.A. de C.V. (drilling company), Mexico Compañía Constructora, S.A. de C.V. (construction company), and Fondo Inmobiliario (real estate company), since 1992. He founded Grupo Impresa, a printing and publishing company in 1978, remaining as the Chairman and Chief Executive Officer until 1989 when the company was sold. He is also a Director of Banco Nacional de Mexico, S.A. (Citigroup), which forms part of Grupo Financiero Banamex, S.A. de C.V., Consejo Mexicano de Hombres de Negocios, and Grupo Televisa, S.A.B. He and Mr. Genaro Larrea Mota-Velasco are brothers.

Oscar González Rocha,

Director. Mr. Gonzalez Rocha has been our President since December 1999 and our President and Chief Executive Officer since October 21, 2004. He has been a Director of the Company since November 1999. Previously, he was the Company's President and General Director and Chief Operating Officer from December 1999 to October 20, 2004. Mr. Gonzalez Rocha has been a Director of Grupo Mexico from 2002 to present. He was General Director of Mexicana de Cobres, S.A. de C.V. from 1986 to 1999 and of Mexicana de Cananea, S.A. de C.V. from 1990 to 1999. He was an alternate Director of Grupo Mexico from 1988 to April 2002. Mr. Gonzalez Rocha is a civil engineer with a degree from the Autonomous National University of Mexico (UNAM).

Emilio Carrillo Gamboa,

Director. Mr. Carrillo Gamboa has been a Director of the Company since May 30, 2003 and is our fifth independent Director nominee. Mr. Carrillo Gamboa is a prominent lawyer in Mexico and has been the Senior Partner of the law firm Bufete Carrillo Gamboa, S.C., a law firm specializing in corporate, financial, commercial, and public utility issues, for the last five years. Mr. Carrillo Gamboa has extensive business experience and currently serves on the boards of many prestigious international and Mexican corporations as well as charitable organizations. Since March 9, 2005, he has been Chairman of the Board of The Mexico Fund, Inc. (NYSE - msxf), a non-diversified closed-end management investment company. He is also Chairman of the Board of Directors of Holcim-Apasco, S.A. de C.V. (cement company). Mr. Carrillo Gamboa was Director General of Telefonos de Mexico, S.A. de C.V. ("TELMEX") and from July 1987 to February 1989, he was Mexico's Ambassador to Canada. Mr. Carrillo Gamboa currently serves on the boards of Grupo Modelo, S.A.B. de C.V. (beer brewing), Kimberly-Clark de Mexico, S.A.B. de C.V. (consumer products), San Luis Corporacion, S.A.B. de C.V. (automotive parts), Empresas ICA, S.A.B. de C.V. (construction), Grupo Posadas, S.A.B. de C.V., Grupo Mexico and some of its subsidiaries, Grupo Nacional Provincial, S.A.B., Medica Integral GNP, S.A. de C.V., Profuturo GNP, S.A. de C.V. Afore, and Gasoductos de Chihuahua, S. de R.L. de C.V. and subsidiaries. He is a member of the Valuation, Contract Review and Nominating and Corporate Governance Committees of the Mexico Fund and a member of the Audit Committee of the following companies: Empresas ICA, S.A.B. de C.V. since 2002, Holcim-Apasco, S.A. de C.V. since 2002, Grupo Modelo, S.A.B. de C.V. since 2002, Kimberly-Clark de Mexico, S.A.B. de C.V. since 2002, San Luis Corporacion, S.A.B.

de C.V. since 2002, The Mexico Fund, Inc. since 2002, Grupo Mexico and subsidiaries since 2004, and Grupo Posadas, S.A.B. de C.V. since 2006. Except for Holcim-Apasco, S.A. de C.V., Medica Integral GNP, S.A. de C.V., Profuturo GNP, S.A. de C.V. Afore, and Gasoductos de Chihuahua, S. de R.L. de C.V. and subsidiaries, which are private companies, the rest are public companies listed on the Mexican Stock Exchange, and two are listed on the NYSE, The Mexico Fund, Inc., and Empresas ICA, S.A.B. de C.V. Mr. Carrillo Gamboa has a law degree from the Autonomous National University of Mexico (UNAM). He also attended a continuous legal education program at Georgetown University Law School, and practiced at the World Bank.

Alfredo Casar Perez,

Mr. Casar Perez has been a Director of the Company since October 26, 2006. He has been a member of the Board of Directors of Grupo Mexico since 1997. He is also a member of the Board of Directors of Ferrocarril Mexicano, S.A. de C.V., an affiliated company of Grupo Mexico, since 1998 and its Chief Executive Officer since 1999. From 1992 to 1999, Mr. Casar Perez served as General Director and member of the Board of Directors of Compañía Perforadora Mexico, S.A. de C.V. and Mexico Compañía Constructora, S.A. de C.V., two affiliated companies of

Grupo Mexico. Mr. Casar Perez served as Project Director of ISEFI, a subsidiary of Banco Internacional in 1991 and Executive Vice President of Grupo Costamex in 1985. Mr. Casar Perez also worked for the Real Estate Firm, Agricultural Ministry, and the Mexican College. Mr. Casar Perez holds a degree in Economics from the Autonomous Technological Institute of Mexico, ITAM, and one in Industrial Engineering from the Anahuac University. He also holds a Master's degree in Economics from the University of Chicago.

Jaime F. Collazo Gonzalez,

Director. Mr. Collazo Gonzalez has been a Director of the Company since April 28, 2004 and our Vice President, Finance and Chief Financial Officer from April 28, 2004 to March 10, 2005. He has been Director of Administration, Auditing and Information Technology of Grupo Mexico since March 2004. From 1998 to 2003, Mr. Collazo Gonzalez held the position of Managing Partner of Administration and Business Consulting, SC (a business consulting firm). Previously, he held several positions with IBM de Mexico, S.A., the last one being Vice President and Chief Financial Officer, prior to his retirement in 1998. He holds a Bachelor's degree in Administration from Univer-

sidad Tecnologica de Mexico and a Master's degree in Business Administration from Instituto Tecnológico y de Estudios Superiores de Monterrey.

Alberto de la Parra Zavala,

Director. Mr. de la Parra has been a Director of the Company since July 26, 2007. He has been the General Counsel of Grupo Mexico since February 2007. He was a Partner of Galicia y Robles, S.C., a prominent Mexican law firm, from February 2002 to January 2007. Mr. de la Parra was a Partner of Santamarina y Steta, S.C., one of the largest law firms in Mexico, from 1997 to 2002. He also worked for one year as a foreign associate with the law firm White & Case LLP in New York City. Mr. de la Parra is an accomplished Mexican attorney with broad experience in corporate and financial matters, including mergers and acquisitions. He has represented Mexican and international clients before Mexican authorities, including the Banking and Securities Exchange Commission, and the Stock Exchange. Additionally, Mr. de la Parra is the Corporate Secretary of the Board of Directors of Grupo Mexico, and of some of its subsidiaries. Mr. de la Parra has a law degree from the Escuela Libre de Derecho of Mexico.

Xavier Garcia de Quevedo Topete,

Director. Mr. Garcia de Quevedo has been a Director of the Company since November 1999. He has been the President of Minera Mexico since September 2001 to date and the President and Chief Executive Officer of Southern Copper Minera Mexico and our Chief Operating Officer since April 12, 2005. He has been the President and Chief Executive Officer of AMC since September 7, 2007. Mr. Garcia de Quevedo initiated his professional career in 1969 with Grupo Mexico. He was President of Grupo Ferroviario Mexicano, S.A. de C.V. and of Ferrocarril Mexicano, S.A. de C.V. from December 1997 to December 1999, and General Director of Exploration and Development of Grupo Mexico from 1994 to 1997. He has been a Director of Grupo Mexico since April 2002. He was also Vice President of Grupo Condumex for eight years. Mr. Garcia de Quevedo is the Chairman of the Mining Chamber of Mexico. He is a Chemical Engineer with a degree from the Autonomous National University of Mexico (UNAM). He also attended a continuous business administration and finance program at the Technical Institute of Monterrey in Mexico.

Harold S. Handelsman,

Director. Mr. Handelsman has been a Director of the Company since August 2002 and is a special independent Director nominee. Mr. Handelsman has been an Executive Vice President and General Counsel of The Pritzker Organization, LLC, a private investment firm, since 1998. Mr. Handelsman has also been a senior executive officer of Hyatt Corporation since 1978, currently serving as Senior Vice President and Secretary. He is also Executive Vice President and Assistant Secretary of Global Hyatt Corporation and serves as the Chairman of Global Hyatt Corporation's Audit Committee. Mr. Handelsman was a Director and Chairman of the Audit Committee of First Health Group Corp. (a managed care organization). He is also a Director of a number of private corporations. He received a B.A. degree from Amherst College in 1968 (cum laude) and a J.D. from Columbia University in 1973 (James Kent Scholar).

Genaro Larrea Mota-Velasco,

Director. Mr. Larrea was our Vice President, Commercial from December 1999 until April 25, 2002, and has been a Director since November 1999. From April 1983 to August 2002, Mr. Larrea held several positions in the areas of finance, commercial and logistics with Grupo Mexico. He has been a Director of Grupo Mexico since 1994. He is currently Chairman of the Board of Directors of Corporacion Scribe SAB. Mr. Larrea has a Bachelor's degree in Business Administration from Newport University and a Global Leadership Program certificate from Thunderbird University. He and Mr. German Larrea Mota-Velasco are brothers.

Armando Ortega Gomez,

Director. Mr. Ortega has been our Vice President, Legal and Secretary since April 25, 2002 and a Director since August 2002. He has been our General Counsel since October 23, 2003. Previously, he was our Assistant Secretary from July 25, 2001 to April 25, 2002. He was General Counsel of Grupo Mexico from May 2001 to February 2007. Previously, he headed the Unit on International Trade Practices of the Ministry of Economy of Mexico with the rank of Deputy Vice Minister from January 1998 to mid-May 2001, and was negotiator for international matters for said Ministry from 1988 to May 2001.

Luis Miguel Palomino Bonilla,

Director. Dr. Palomino has been a Director of the Company since March 19, 2004 and is a special independent Director nominee. Dr. Palomino has been a Managing Partner of RMG Consultores (a financial consulting firm) since May 2007 and was previously Principal and Senior Consultant of Proconsulta International (financial consulting) since 2003. Previously he was First Vice President and Chief Economist, Latin America, for Merrill Lynch, Pierce, Fenner & Smith, New York (investment banking) from 2000 to 2002. He was Chief Executive Officer, Senior Country and Equity Analyst of Merrill Lynch, Peru (investment banking) from 1995 to 2000. Dr. Palomino has held various positions with banks and financial institutions as an economist, financial advisor and analyst. He has a PhD in finance from the Wharton School of the University of Pennsylvania, Philadelphia, and graduated from the Economics Program of the University del Pacifico, Lima, Peru.

Gilberto Perezalonso Cifuentes,

Director. Mr. Perezalonso has been a Director of the Company since June 2002 and is a special independent Director nominee. He was Chief Execu-

tive Officer of Corporacion Geo S.A. de C.V. from February 2006 to February 2007. Mr. Perezalonso was the Chief Executive Officer of Aeromexico (Aerovias de Mexico, S.A. de C.V.) from 2004 until December 2005. From 1998 until April 2001, he was Executive Vice President of Administration and Finance of Grupo Televisa, S.A.B. From 1980 until February 1998, Mr. Perezalonso held various positions with Grupo Cifra, S.A. de C.V., the most recent position being that of General Director of Administration and Finance. Now he is a member of the advisory council of Banco Nacional de Mexico, S.A. de C.V., the board and of the investment committee of Afore Banamex, the board and of the investment committee of Siefore Banamex No. 1, and is a member of the Boards of Gigante, S.A. de C.V., Masnegocio Co. S. de R.L. de C.V., Cablevision, S.A. de C.V., Grupo Televisa, S.A.B., Telefonica Moviles Mexico, S.A. de C.V. and Construction Company Marhnos. Mr. Perezalonso is also a member of the Audit Committee of Grupo Televisa S.A.B. Mr. Perezalonso has a law degree from the Iberoamerican University and a Master's degree in Business Administration from the Business Administration Graduate

School for Central America (INCAE). Mr. Perezalonso has also attended the Corporate Finance program at Harvard University.

Juan Rebolledo Gout,

Director. Mr. Rebolledo has been a Director of the Company since May 30, 2003. Mr. Rebolledo has been International Vice President of Grupo Mexico since 2001. He was Deputy Secretary of Foreign Affairs of Mexico from 1994 to 2000 and Deputy Chief of Staff to the President of Mexico from 1993 to 1994. Previously, he was Assistant to the President of Mexico (1989-1993), Director of the "National Institute for the Historical Studies of the Mexican Revolution" of the Secretariat of Government (1985-1988), Dean of Graduate Studies at the National Autonomous University of Mexico (UNAM), Political Science Department (1984-1985), and professor of said university (1981-1983). Mr. Rebolledo holds a law degree from UNAM, an MA in philosophy from Tulane University, and an LLM from Harvard Law School.

Carlos Ruiz Sacristan,

Director. Mr. Ruiz Sacristan has been a Director of the Company since February 12, 2004 and is a special independent Director nominee. Since November 2001, he has been the owner and Managing Partner of Proyectos Estrategicos Integrales, a Mexican investment banking firm specialized in agricultural, transport, tourism, and housing projects. Mr. Ruiz Sacristan has held various distinguished positions in the Mexican government, the most recent being that of Secretary of Communication and Transportation of Mexico from 1995 to 2000. While holding that position, he was also Chairman of the Board of Directors of the Mexican-owned companies in the sector, and member of the Board of Directors of development banks. Mr. Ruiz is currently a member of the Board of Directors and of the Audit, and Environmental and Technology Committees of Sempra Energy. Mr. Ruiz Sacristan holds a Bachelor's degree in Business Administration from the Anahuac University of Mexico City, and an MBA degree from Northwestern University of Chicago.

Executive Officers

German Larrea Mota-Velasco

Chairman of the Board

Oscar Gonzalez Rocha

President and Chief Executive Officer

Xavier Garcia de Quevedo Topete

Executive Vice-President and Chief Operating Officer

Eduardo Gonzalez Felix

Vice-President, Finance and Chief Financial Officer (until May 14, 2007)

Mario Vinageras Barroso

Vice-President, Commercial

Vidal Muhech Dip

Vice-President, Projects

Armando Ortega Gomez

Vice-President, Legal, General Counsel and Secretary

Jose N. Chirinos Fano

Interim Chief Financial Officer (from June, 2007 to December 31, 2007) and Comptroller

Next of kin

Messrs. German Larrea Mota-Velasco, Chairman of the Board of the Company and Genaro Larrea Mota-Velasco, a Director of the Company are brothers or kindred in second degree of consanguinity.

A company of which more than 50% of the voting power is held by a single entity, a "controlled company", need not comply with the requirements of the New York Stock Exchange ("NYSE") corporate governance rules requiring a majority of independent Directors and independent compensation and nomination/corporate governance committees. SCC is a controlled company as defined by the rules of the NYSE. Grupo Mexico owns indirectly 54.2% of the stock of the Company (63.1%, considering that Class A common shares are entitled to five votes per share.) The Company has taken advantage of the exceptions to comply with the corporate governance rules of the NYSE. The Board of Directors of the Company determined that Messrs. Luis Miguel Palomino Bonilla, Gilberto Perezalonso, and Emilio Carrillo, the three members of the Company's Audit Committee, are independent of management and financially literate in accordance with the qualifications of the NYSE and the Securities and Exchange Commission ("SEC"), as such qualifications are interpreted by the Company's Board of Directors in its business judgment. We have four special independent directors nominated by the Special Nominating Committee, Messrs. Harold S. Handelman, Luis Miguel Palomino Bonilla, Gilberto Perezalonso Cifuentes, and Carlos Ruiz Sacristan. Mr. Emilio Carrillo Gamboa is our fifth independent director. At its meeting on January 25, 2007, the Board of Directors determined that Messrs. Harold S. Handelman, Luis Miguel Palomino Bonilla, Gilberto Perezalonso Cifuentes, Carlos Ruiz Sacristan and Emilio Carrillo Gamboa are independent of management in accordance with the requirements of the NYSE as such requirements are interpreted by our Board of Directors in its business judgment. To the best of the Company's knowledge, no other relationship of affinity and/or consanguinity exists among the other members of the Board, and between them and the Executive Officers of Southern Copper Corporation.

Special Committees of the Board

SPCC's Board of Directors has organized the following Special Committees:

1. **Executive Committee**, sitting five members who substitute for the Board when sessions or decisions are required concerning urgent matters, or which the Board would have expressly delegated its mandate.
2. **Audit Committee**, sitting three independent Board members who are knowledgeable in accounting and financial matters. Its main purpose is to (a) assist the Board in monitoring (i) the quality and integrity of the Company's financial statements; (ii) the qualifications and independence of the independent auditors; (iii) the appropriate performance of the internal audit function; and (iv) the Company's compliance with legal and regulatory provisions; and (b) prepare the report for the affidavit statement.
3. **Compensations Committee**, comprising of four Board members, its principal objective is to evaluate and establish the remunerations of senior officials and key employees at the Company and its subsidiaries, and eventual raises in remuneration.
4. **Special Committee Nominees** comprising of 2 independent Board members and, one nominee by the Board, its principal objective is to promote and evaluate people who are proposed as Special and Independent Directors.
5. **Corporate Governance Committee**. Its four Board members have as their principal role to advise the Board on its functions and needs, develop and recommend the approval of the Company's good governance principles, and overseeing the evaluation of the Board's and Management's performance.
6. **Administrative Committee** Designated by the Board for (Employee Retirement Income Security Act – ERISA - USA) Benefits Plans. The Vice-President for Finance and Chief Financial Officer is the Board-appointed Trustee for the Company's Benefits Plans subject to US regulations, including ERISA. This Officer will appoint an Administrative Committee sitting four management members whose purpose is to administrate and manage those plans and to oversee the performance of the trust agents and others charged with investing the plans' monies.

Administration and Board Income

Total remunerations of Board and Administration members, in relation to the Company's gross income is **0.19%**.

Annual Meeting

The annual meeting of stockholders of Southern Copper Corporation will be held on Thursday, April 24, 2008 at 9:00 hours. Mexico D.F. time, at Avenue Baja California N° 200, Fifth Floor, Colonia Roma Sur, Mexico City, Mexico.

Corporate Offices

United States

11811 North Tatum Blvd.
Suite 2500
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Fax +(602) 494-5317

Peru

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Chacarilla del Estanque
Santiago de Surco
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Fax +(511) 512-0486

Mexico

Campos Eliseos No. 400
2 floor
Col. Lomas de Chapultepec
Mexico D.F.
Phone. +(52-55) 1103-5320, Ext. 5855
Fax +(52-55)

¹ Proxy status, extension 3312 for Spanish

Transfer Agent, Registrar and Stockholder Services

The Bank of New York Mellon Corporation (BONY)
Shareowner Services
480 Washington Boulevard
Jersey City, NJ 07310-1900
Phone +(800) 524-4458

Dividend Reinvestment Program

SCC stockholders can have their dividends automatically reinvested in SCC common shares. SCC pays all administrative and brokerage fees. This plan is administered by The Bank of New York Mellon Corporation. For more information, contact The Bank of New York Mellon Corporation at Phone +(800) 524-4458.

Stock Exchange Listing

The principal markets for SCC's Common Stock are the New York Stock Exchange and the Lima Stock Exchange. The SCC Common Stock symbol is PCU on both the NYSE and on the Lima Stock Exchange.

Others

The Branch in Peru has issued, in accordance with Peruvian law, 'investment shares' (formerly named labor shares) that are quoted in the Lima Stock Exchange under the symbol S-1 and S-2. Transfer Agent, registrar and stockholders services are provided by Banco de Credito of Peru at Avenue Centenario 156, La Molina, Lima 12, Peru. Phone 51 (1) 348-5999, Fax 511-349-0592.

Other Corporate Information

For other information on the corporation or to obtain additional copies of the annual report, contact the Corporate Communications Department at our corporate offices.

Southern Copper Corporation

USA: 11811 North Tatum Blvd., Suite 2500, Phoenix, AZ 85016, U.S.A., Phone: (602) 494-5328, Fax: (602) 494-5317.

NYSE Symbol: PCU.

MEXICO: Edificio Campo Reforma Campos Eliseos No. 400, 12 floor, Col. Lomas de Chapultepec Mexico D.F.

Phone +(52-55) 1103-5000, Extension 5855

Fax +(52-55)

PERU: Avenue Caminos del Inca 171 (B-2), Chacarilla del Estanque, Santiago de Surco – Lima 33 - Peru/ Lima Stock Exchange Symbol: PCU.

Web Page: www.southerncoppercorp.com

Email address: southerncopper@southernperu.com.pe

Form 10-K. Certification is required by New York Stock Exchange.

Attached Form 10-K contains Management's Discussion and Analysis of Financial Condition and Results of Operations, Consolidated Combined Financial Statements and the accompanying notes are an integral part of these Annual Report.

The Company has filed with the NYSE the 2006 certification that the Chief Executive Officer is unaware of any violation of the corporate governance standards of the NYSE. The Company has also filed with the SEC the certifications required under Section 302 of the Sarbanes-Oxley Act of 2002, as exhibits to the Annual Report on 2007 Form 10-K. The Company anticipates filing on a timely basis, the 2008 NYSE certification.

MEMBERS OF THE BOARD OF DIRECTORS

German Larrea Mota-Velasco

Oscar Gonzalez Rocha

Emilio Carrillo Gamboa

Alfredo Casar Perez

Jaime Fernando Collazo Gonzalez

Alberto de la Parra Zavala (since July 26, 2007)

Xavier Garcia de Quevedo Topete

Eduardo Gonzalez Felix (until July 26, 2007)

Harold S. Handelsman

Genaro Larrea Mota-Velasco

Armando Ortega Gomez

Luis Miguel Palomino Bonilla

Gilberto Perezalonso Cifuentes

Juan Rebolledo Gout

Carlos Ruiz Sacristan

AUDIT COMMITTEE

Emilio Carrillo Gamboa, Chairman

Luis Miguel Palomino Bonilla, and

Gilberto Perezalonso Cifuentes

EXECUTIVE OFFICERS

German Larrea Mota-Velasco,

Chairman of the Board

Oscar Gonzalez Rocha

President and Chief Executive Officer

Xavier Garcia de Quevedo Topete

Executive Vice President, Chief Operating Officer and Director

Eduardo Gonzalez Felix

Vice-President, Finance and Chief Financial Officer (until May 14, 2007)

Mario Vinageras Barroso

Vice-President Commercial

Vidal Muhech Dip

Vice-President, Projects

Armando Ortega

Vice-President, Legal, General Counsel and Secretary

Jose N. Chirinos Fano

Finance and Chief Financial Officer (since July 26, 2007 to January 24, 2008) and Comptroller

