



SQM AND KIDMAN EXECUTE AGREEMENT TO JOINTLY DEVELOP THE MT HOLLAND LITHIUM PROJECT IN AUSTRALIA

Santiago, Chile, July 11, 2017 – Sociedad Química y Minera de Chile S.A. (“SQM” or the “Company”) (NYSE: SQM; Santiago Stock Exchange: SQM-A, SQM-B) is pleased to announce that today Kidman Resources Limited (“Kidman”) (Australian Securities Exchange: KDR) has accepted an offer (“Offer”) made by SQM, setting out terms in which an affiliate of SQM will acquire 50% of the interest of the Mt. Holland lithium project in Western Australia (“Project”); both parties will form a 50/50 joint venture (“Joint Venture”).

The Offer is subject to SQM and Kidman agreeing on formal documentation, reflecting the commercial terms outlined in the Offer, on or before September 30, 2017.

Key Terms

In consideration for the acquisition of the 50% interest in the Project, SQM will pay US\$30 million in cash to Kidman. Additionally, SQM will contribute US\$80 million to fund part of the development costs in relation to the Project. As part of this expenditure contribution, following the execution of the formal documentation, SQM will provide a US\$21.5 million convertible loan to Kidman, to advance the Project while outstanding conditions required for implementation of the Joint Venture are satisfied.

The Joint Venture will develop a spodumene mine and concentration plant (“Mine”) and a refinery plant to process the concentrate produced by the Mine. The initial production target would be approximately 40 K MT per year of lithium carbonate equivalent (LCE) in 2021. Kidman will retain the exclusive right to exploit gold from within the Project area.

Patricio De Solminihac, CEO of SQM, commented: “We are very glad to announce this agreement with Kidman. This is a new step in the implementation of our strategy to maintain our position as a low-cost producer in all our major business lines, including the growing lithium business. The project characteristics, coupled with our expertise in lithium production and the lithium market, will make this project a great addition to our production portfolio. We believe it will be complementary to our operations in Salar de Atacama in Chile and the project we are developing in Jujuy, Argentina.”

Mr. De Solminihac closed by saying, “We are very enthusiastic about both the project and investing in Western Australia. There are plenty of examples of Australian mining companies investing in Chile; now a Chilean company is making a significant investment in the Australian market.”

SQM

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About SQM

SQM is an integrated producer and distributor of lithium, iodine, specialty plant nutrients, potassium-related fertilizers and industrial chemicals. Its products are based on the development of high quality natural resources that allow the Company to be a leader in costs, supported by a specialized international network with sales in over 110 countries.

SQM's business strategy is to be a mining operator that selectively integrates the production and sales of products to industries essential for human development, such as food, health and technology. The strategy is built on the following six principles:

- strengthen internal processes to ensure access to key resources required for the sustainability of the business;
- extend lean operations (M1) to the entire organization to strengthen our cost position, increase quality and ensure safety;
- invest in the development of a specialty fertilizer market, including product differentiation, sales channel management and price optimization;
- recover the iodine market share, seek consolidation and vertical integration opportunities; invest in the development of industrial nitrate applications;
- search and invest in lithium and potassium assets outside of Chile to leverage our operational capabilities, take advantage of the current lithium market appeal and ensure access to raw materials for our potassium nitrate production; and
- seek diversification opportunities in gold, copper and zinc projects in the region to leverage our mining operating capabilities and provide business continuity to our exploration program.

The business strategy's principles are based on the following four concepts:

- build an organization with strategic clarity, inspirational leaders, responsible personnel and strong values;
- develop a strategic planning process that responds to the needs of our customers and market trends, while ensuring coordination between all segments of the business, including sales and operations;
- develop a robust risk control and mitigation process to actively manage business risk; and
- improve our stakeholder management to establish links with the community and communicate to Chile and worldwide our contribution to industries essential for human development.

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Cautionary Note Regarding Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate," "plan," "believe," "estimate," "expect," "strategy," "should," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements we make concerning the Company's business outlook, future economic performance, anticipated profitability, revenues, expenses, or other financial items, anticipated cost synergies and product or service line growth.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are estimates that reflect the best judgment of SQM management based on currently available information. Because forward-looking statements relate to the future, they involve a number of risks, uncertainties and other factors that are outside of our control and could cause actual results to differ materially from those stated in such statements. Therefore, you should not rely on any of these forward-looking statements. Readers are referred to the documents filed by SQM with the United States Securities and Exchange Commission, specifically the most recent annual report on Form 20-F, which identifies important risk factors that could cause actual results to differ from those contained in the forward-looking statements. All forward-looking statements are based on information available to SQM on the date hereof and SQM assumes no obligation to update such statements, whether as a result of new information, future developments or otherwise.