



Los Andes Copper provides an update on Company activities and at its Vizcachitas Project (“Vizcachitas” or the “Project”) from July 2021 to September 2021 (the “Period”).



Warren Gilman, Non-Executive Director

During the Period the Company held its Annual General Meeting (“AGM”), where all resolutions were passed and the approval of Warren Gilman’s appointment as Non-Executive Director was provided by the shareholders. In accordance with the terms of the US\$5 million, 8.0% convertible debenture issued to Queen’s Road Capital Investment, the Company elected to issue 6,645 common shares in the capital of the Company at a deemed price of US\$5.58 (C\$7.03) to Queen’s Road Capital as payment for US\$37,079.10 (C\$46,714.35) in interest owing on the Convertible Debenture.

At the Vizcachitas project steady progress continues to be made on the Pre-Feasibility Study.

ESG Insights

At Los Andes Copper, the Company understands the imperative nature of ESG. With this in mind, long term community relations practices are in place. Additionally, the developments at Vizcachitas will position it in the forefront of global environmental standards.

Dry stacking filtered tailings facility in Mantos Blancos, Mantos Copper (Chile)



Source: Lara, J.L. (2013) Experiencias de operación de Depósitos de Relaves Espesados y Filtrados. Presentation to Instituto de Ingenieros de Minas del Perú.

In Chile, water consumption is something that needs to be considered very carefully, and the Company’s commitment to water preservation and conservation has continued. The decision to use dry-stacked filtered tailings at the Project will result in a substantial,

50% reduction in water consumption and will mean that the use of tailings dams is not required, thus reducing the Project's footprint, environmental impact and seismic risks.

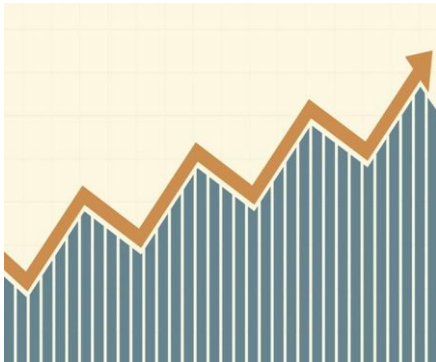


The use of dry-stacked filtered tailings will also increase water recovery by 15% more than thickened tailings and by 40% more than conventional tailings. Additionally, the Vizcachitas filtration circuit allows for a lower water consumption and a recovery of 82% of water.

Work is ongoing to continue to monitor the water quality in the river surrounding the project site. This aligns with Los Andes Copper's dedication to the local area and community, and the Company participates in the "Putendo Water Committee" to review strategies to reduce impact of climate change on the community's water supply.



Copper Industry Update



As the year progresses, and draws to a close, the multiple, strong, fundamentals supporting the copper price continue to stay true. In a year that saw the price of the base metal climb to an all-time high, 2021 could also potentially prove to hold an additional record for the highest annual average price for copper. Something supported by Diego Hernandez, the head of Chilean Mining Society (Sonami), the country's national miners association.

Despite a fall back in the copper price since its record high in May, many industry experts don't expect the price to fall much further, with the price still trending higher than many analysts' previously stated long-term projections, and a super cycle is very much still on the cards.

As global economies aim to recover from Covid-19 by investing in infrastructure, the longer term outlook for copper continues to be propped up by the global transition towards cleaner energy and transport. The energy transition is due to have a dramatic structural impact on a number of metals markets, particularly copper.

Alice Fox, Macquarie Associate Director Commodities Strategy, stated that global copper demand was expected to grow at a compound annual growth rate of 2.4% until 2026, primarily supported by the energy transition, which could lead to a structural deficit of 579,000 million tonnes by 2026, unless new supply is established.



A driving force in this is the US target of 50% domestic vehicle sales by 2030 being Electric Vehicles ('EVs'). EVs require four times more copper than Internal Combustion Engine ('ICE') vehicles which equates to roughly 183 pounds per EV.

As we near the 2030 deadline set by countries and companies alike to significantly reduce carbon emissions, copper demand will continue to grow, and with supply not forecast to keep pace with the growing demand, a deficit in the coming years seems inevitable.



Vizcachitas project site looking south

In Chile, where our Vizcachitas copper project is located, Juan Carlos Jobet, the country's Energy and Mining Minister, stated that investments worth US\$150 billion are required to almost double production of copper by 2050, as part of a plan to increase output while reducing the environmental impact. Jobet expects Chile's copper output to hit a record seven million tonnes per year by 2030, and to reach nine million tonnes per year by 2050. Vizcachitas is expected to play its role in this.

Press Releases

August 5th - Los Andes Copper Ltd. announces Result of AGM and election of Mr. Warren Gilman as Non-Executive Director <https://bit.ly/3a6fopa>

September 2nd - Los Andes Copper announces election to issue Common Shares in satisfaction of US\$5 Million Convertible Debenture interest payment obligation <https://bit.ly/3n1Ge9w>

