

LOS ANDES COPPER LTD.

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED DECEMBER 31, 2015 and 2014
UNAUDITED – PREPARED BY MANAGEMENT**

(EXPRESSED IN CANADIAN DOLLARS)

NOTICE

The accompanying unaudited condensed interim financial statements of Los Andes Copper Ltd. (the “Company”) have been prepared by and are the responsibility of the Company’s management. The Company’s independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity’s auditor.

LOS ANDES COPPER LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION - UNAUDITED**

(Expressed in Canadian Dollars)

	December 31, 2015 (\$)	September 30, 2015 (\$)
ASSETS		
Current		
Cash and cash equivalents (Note 8)	607,009	1,162,515
Trade and other receivables	4,143	4,858
Prepaid expenses and deposits	115,887	165,348
	<u>727,039</u>	<u>1,332,721</u>
Non-current assets		
Unproven mineral right interests (Notes 2, 3 and 9)	71,123,564	70,321,925
Hydro-electric project water rights (Note 4)	8,250,000	8,250,000
Equipment	2,613	4,872
	<u>80,103,216</u>	<u>79,909,518</u>
LIABILITIES		
Current		
Trade and other payables (Note 6)	400,175	350,948
	<u>400,175</u>	<u>350,948</u>
Non-current liability		
Deferred income tax	5,338,981	5,338,981
	<u>5,739,156</u>	<u>5,689,929</u>
EQUITY		
Share capital (Note 5)	91,297,107	90,991,538
Equity reserve (Note 5)	2,404,891	2,404,891
Deficit	(17,339,424)	(17,156,665)
Accumulated other comprehensive loss	(2,148,515)	(2,171,082)
Equity attributable to the owners of the Company	<u>74,214,059</u>	<u>74,068,682</u>
Non-controlling interest	150,001	150,907
	<u>74,364,060</u>	<u>74,219,589</u>
	<u>80,103,216</u>	<u>79,909,518</u>

Nature and continuance of operations (Note 1)**Commitments and contingencies (Note 9)**

On behalf of the Board:

"Klaus Zeitler"

Director

"Francisco Covarrubias"

Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

LOS ANDES COPPER LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS) - UNAUDITED**
(Expressed in Canadian Dollars)

	Quarter ended December 31,	
	2015	2014
	(\$)	(\$)
EXPENSES		
General and Administrative		
Depreciation	2,687	2,977
Consulting, salaries and management fees (Note 6)	93,327	84,210
Office and administration	10,142	8,251
Professional fees (Note 6)	9,368	11,286
Shareholder communications	3,072	3,681
Transfer agent, filing and regulatory fees	7,675	8,528
	126,271	118,933
Hydro-electric Project		
Depreciation	39	34
Professional fees	11,701	49,346
Project supplies and expenses	6,799	8,144
Studies	29,153	21,659
	47,692	79,183
Loss before other items	(173,963)	(198,116)
OTHER ITEMS		
Foreign exchange loss	(9,910)	(33,455)
Interest expense	-	(8,987)
Interest income	208	1
	(9,702)	(42,441)
Loss before income taxes	(183,665)	(240,557)
Net loss attributable to:		
Owners of the Company	(182,759)	(240,557)
Non-controlling interest	(906)	-
Net loss for the year	(183,665)	(240,557)
Other comprehensive income (loss)		
Cumulative translation allowance	22,567	759,826
	22,567	759,826
Loss and comprehensive loss attributable to:		
Owners of the Company	(160,192)	519,269
Non-controlling interest	(906)	-
Loss and comprehensive loss for the year	(161,098)	519,269
Basic and diluted loss per share	-	-
Weighted average number of shares outstanding	217,197,591	200,432,599

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

LOS ANDES COPPER LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY - UNAUDITED
(Expressed in Canadian Dollars)

Common shares							
	No. of shares	Amount	Deficit	Equity Reserve	Accumulated Other Comprehensive Loss	Non- Controlling Interest	Shareholders' Equity
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
<hr/>							
Balance -							
October 1, 2014	200,432,599	87,419,489	(13,834,370)	2,320,854	(2,755,274)	-	73,150,699
Net loss	-	-	(240,557)	-	-	-	(240,557)
Cumulative translation allowance	-	-	-	-	759,826	-	759,826
<hr/>							
Balance -							
December 31, 2014	200,432,599	87,419,489	(14,074,927)	2,320,854	(1,995,448)	-	73,669,968
Private placements (Note 5)	12,609,454	2,774,080	-	-	-	-	2,774,080
Shares for debt (Note 5)	3,627,133	797,969	-	-	-	-	797,969
Share-based compensation (Note 5)	-	-	-	84,037	-	-	84,037.00
Sale of non-controlling interest (Note 4)	-	-	-	-	-	156,750	156,750
Net loss	-	-	(3,081,738)	-	-	(5,843)	(3,087,581)
Cumulative translation allowance	-	-	-	-	(175,634)	-	(175,634)
<hr/>							
Balance -							
September 30, 2015	216,669,186	90,991,538	(17,156,665)	2,404,891	(2,171,082)	150,907	74,219,589
<hr/>							
Balance -							
October 1, 2015	216,669,186	90,991,538	(17,156,665)	2,404,891	(2,171,082)	150,907	74,219,589
Private placements (Note 5)	1,388,950	305,569	-	-	-	-	305,569
Net loss	-	-	(182,759)	-	-	(906)	(183,665)
Cumulative translation allowance	-	-	-	-	22,567	-	22,567
<hr/>							
Balance -							
December 31, 2015	218,058,136	91,297,107	(17,339,424)	2,404,891	(2,148,515)	150,001	74,364,060

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

LOS ANDES COPPER LTD.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS - UNAUDITED
(Expressed in Canadian Dollars)

	Quarter ended December 31,	
	2015	2014
	(\$)	(\$)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	(183,665)	(240,557)
Items not affecting cash:		
Depreciation	2,726	3,011
Interest expense	-	8,987
Change in non-cash working capital items:		
Trade and other receivables	715	(2,532)
Prepaid expenses and deposits	49,461	8,336
Trade and other payables	(867)	226,996
Net cash used in operating activities	(131,630)	4,241
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares (Note 5)	305,569	-
Proceeds from borrowings	-	28,494
Net cash provided by financing activities	305,569	28,494
CASH FLOWS FROM INVESTING ACTIVITIES		
Unproven mineral right interests	(751,545)	(49,338)
Equipment	-	(23,183)
Net cash used in investing activities	(751,545)	(72,521)
Change in cash for the period	(577,606)	(39,786)
Effect of exchange rate changes on cash	22,100	31,896
Cash and cash equivalents, beginning of period	1,162,515	15,853
Cash and cash equivalents, end of period	607,009	7,963

Supplemental cash flow information (Note 8)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

LOS ANDES COPPER LTD.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - UNAUDITED

DECEMBER 31, 2015

(Expressed in Canadian Dollars)

1. REPORTING ENTITY AND BASIS OF PRESENTATION

a) Reporting Entity

Los Andes Copper Ltd. ("Los Andes") is a company domiciled in Canada and its shares are listed on the TSX Venture Exchange ("TSX-V"). The Company's principal office is located at Suite 1950-400 Burrard Street, Vancouver, B.C. V6C 3A6, Canada. These condensed consolidated interim financial statements ("interim financial statements") of the Company as at and for the three months ended December 31, 2015 include the accounts of the Company and its subsidiaries.

The Company's principal business activities are the acquisition and exploration of mineral right interests and the development of a hydroelectric project in Chile.

b) Continuance of Operations

These financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS") applicable to a going concern, which assume that the Company will be able to continue in operation for a reasonable period of time and will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has made an assessment of its ability to continue as a going concern and is aware of several material adverse conditions as set out below that cast significant doubt on the validity of this assumption.

The Company is involved in the acquisition and exploration of mineral right interests and the development of a hydroelectric project in Chile. At December 31, 2015, the Company did not have a source of ongoing operating cash flow. Operations in recent years have been funded from the issuance of share capital.

Given its current stage of operations, the Company's ability to continue as a going concern is heavily contingent upon its ability to obtain additional financing. If the Company is unable to obtain additional financing in the future, the carrying value of the Company's assets could be subject to material adjustments.

These interim financial statements do not reflect adjustments to the carrying values of assets and liabilities which may be required should the Company be unable to continue as a going concern.

c) Statement of Compliance

These interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These interim financial statements do not include all the information required for a complete set of IFRS statements. However, selected notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements as at and for the year ended September 30, 2015.

These interim financial statements were authorized for issue by the board of directors of the Company on February 26, 2016.

d) Significant Accounting Policies

These interim financial statements follow the same accounting policies and methods of application as the Company's most recent annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the Company's most recent annual financial statements.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - UNAUDITED

DECEMBER 31, 2015

(Expressed in Canadian Dollars)

e) Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those made by management in respect of the financial statements for the year ended September 30, 2015.

2. THE VIZCACHITAS PROPERTY

In 2007, the Company acquired all of the issued and outstanding shares of Vizcachitas Limited, a company that at that time directly and indirectly owned the following assets that comprised a majority interest in the claims making up the Vizcachitas Property (the "Initial Acquisition"):

1. 51% of the shares of Sociedad Legal Minera San José Uno de Lo Vicuña, El Tártaro y Piguchén de Putaendo ("San José SLM"), a Chilean Sociedad Legal Minera which is the owner of the San José mining concessions (the "SJ Concessions");
2. 30 mining rights (the "Mining Rights"), of which 27 were existing exploitation mining concessions encircling the SJ Concessions and 3 were exploration mining concessions in process of constitution (exploration claims); and
3. 5 additional exploitation mining concessions (the "Additional Concessions"), which also encircle the SJ Concessions, and were subject to an option agreement completed in 2010.

The SJ Concessions, the Mining Rights and the Additional Concessions are collectively referred to as the "Property".

All of the Property, with the exception of the SJ Concessions, is subject to NSR royalties of 2% on any surface production and 1% on any underground production. The SJ Concessions are subject to NSR royalties of 1.02% on surface mining and 0.51% on underground mining.

In 2010, the Company completed the consolidation of the Vizcachitas Property through the acquisition from Turnbrook Corporation ("TBC") of all of the issued and outstanding securities of Gemma Properties Group Limited, who indirectly owned 49% of the issued and outstanding shares of the San Jose SLM. With this transaction, the entire resource contained in the Vizcachitas property came under unified ownership. In accordance with the terms and conditions of this transaction, the Company issued to TBC 35,000,000 common shares in the capital stock of the Company and 13,000,000 warrants to purchase common shares of the Company. The warrants were exercised in the year ended September 30, 2012.

Pursuant to a subscription agreement dated December 22, 2014 between TBC and Turnbrook Mining Limited ("TBML"), TBC subscribed for 66,150,877 common shares in the capital of TBML for consideration consisting of all of the 50,786,039 common shares in the capital of the Company owned by TBC at that date. As at December 31, 2015, TBML owns a total of 113,136,144 or approximately 51.9% of the common shares of the Company (Notes 4 and 5). TBC is the controlling shareholder of TBML, and TBC no longer has direct ownership of any of the Company's common shares.

LOS ANDES COPPER LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - UNAUDITED**

DECEMBER 31, 2015

(Expressed in Canadian Dollars)

3. UNPROVEN MINERAL RIGHT INTERESTS

As at December 31, 2015, the Company had the right to a total of 83 exploration concessions and 38 exploitation concessions located in Region V, Chile. Title to mining right interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mining right interests. The Company has investigated title to all of its mineral right interests and, to the best of its knowledge, all of its mineral right interests are in good standing.

	Total costs to September 30, 2014	Costs incurred in year ended Sept. 30, 2015	Total costs to Sept. 30, 2015	Costs incurred in quarter ended December 31, 2015	Total costs to December 31, 2015
VIZCACHITAS					
Acquisition costs	54,562,243	-	54,562,243	-	54,562,243
Water rights	4,122,611	-	4,122,611	-	4,122,611
VAT tax credits	1,491,600	121,142.00	1,612,742	83,911	1,696,653
Deferred exploration					
Automobile and travel	97,863	20,424	118,287	26,134	144,421
Assaying	139,658	-	139,658	8,223	147,881
Camp rehabilitation, maintenance and security	939,748	179,214	1,118,962	199,119	1,318,081
Core handling and storage	32,914	-	32,914	-	32,914
Drilling	3,477,236	-	3,477,236	111,691	3,588,927
Equipment and equipment rental	434,013	128	434,141	64,618	498,759
Exploration administration	1,299,153	262,152	1,561,305	103,183	1,664,488
Food and accommodation	180,525	7,489	188,014	19,573	207,587
Geological consulting	480,689	110,796	591,485	150,958	742,443
Other	66,957	-	66,957	-	66,957
Property & surface rights, taxes & tenure fees	872,748	119,996	992,744	9,095	1,001,839
Road repairs	34,105	-	34,105	-	34,105
Studies and other consulting	1,475,822	2,976	1,478,798	2,752	1,481,550
Subcontractors	1,269,366	-	1,269,366	-	1,269,366
Supplies	535,485	1,306	536,791	22,382	559,173
Sustainable development	29,501	-	29,501	-	29,501
	11,365,783	704,481	12,070,264	717,728	12,787,992
Exchange rate differences	(2,511,899)	465,964	(2,045,935)	-	(2,045,935)
	\$ 69,030,338	\$ 1,291,587	\$ 70,321,925	\$ 801,639	\$ 71,123,564

Included within unproven mineral right interests are:

- a) Water rights to a permanent, continuous and consumptive use of 250 liters per second flow from the Aconcagua River, located near the Vizcachitas Property, and
- b) VAT tax credits available in Chile, originating from deferred exploration expenses.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - UNAUDITED

DECEMBER 31, 2015

(Expressed in Canadian Dollars)

4. THE ROCIN RIVER HYDROELECTRIC PROJECT

On January 22, 2014, Los Andes received approval from the TSX-V for the acquisition by the Company from TBML of non-consumptive water rights over a section of the Rocin River, Putaendo, Fifth Region, Chile, together with the engineering and other studies and reports for the development of a hydroelectric facility (the "Hydroelectric Facility"). Consideration for the acquisition consisted of 37,500,000 Los Andes shares, valued at a share price of \$0.22, for total consideration of \$8,250,000.

The Rocin River water rights and associated studies are indirectly held by the Company's subsidiary Rocin SPA ("Rocin"). In June 2014, Rocin entered into an agreement (the "Agreement") with Icafal Inversiones S.A. ("Icafal") for the development and financing of the Hydroelectric Facility with an expected installed capacity of 28 to 30 MW on the Rocin River. Rocin has in turn incorporated a subsidiary (the "Rocin Subsidiary") to own, develop, build and operate the Hydroelectric Facility. As of December 31, 2015, 1.90% of the issued and outstanding shares of the Rocin Subsidiary had been sold to an arms-length party for proceeds of US\$250,000.

Icafal is the investment subsidiary of Icafal S.A., one of the leading engineering and construction conglomerates in Chile. The main terms of the Agreement are:

1. Rocin agreed to incorporate the Rocin Subsidiary to own, develop, build and operate the Hydroelectric Facility and transfer its Rocin River water rights and associated studies to the Rocin Subsidiary;
2. Icafal agreed to make an investment of US\$7.5 million (the "Total Investment") in shares of the Rocin Subsidiary;
3. US\$2 million of the Total Investment is currently being used to finance the pre-construction development of the Hydroelectric Facility;
4. The remaining US\$5.5 million will be used to partially finance construction, and will be invested by Icafal once the Rocin Subsidiary has obtained all required permits and construction and other material contracts are in place;
5. Icafal will be entitled to a 36.3% interest in the Rocin Subsidiary after it has made the Total Investment;
6. The Rocin Subsidiary and Icafal have agreed to enter into a fixed price contract for the initial development of the Hydroelectric Facility.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - UNAUDITED

DECEMBER 31, 2015

(Expressed in Canadian Dollars)

5. EQUITY

Capital

a) Share capital

Authorized share capital consists of an unlimited number of common shares without par value.

On November 26, 2015, Los Andes closed the second tranche of a financing of \$305,569 in total proceeds from a non-brokered private placement. A total of 1,388,950 shares were issued at a price of \$0.22 per share, of which 1,333,950 shares were issued to TBML. The shares issued are subject to a hold period under applicable Canadian securities laws expiring on March 27, 2016.

On September 29, 2015, Los Andes closed the first tranche of a financing of \$1,469,462 in total proceeds, including \$1,324,080 in gross proceeds from a non-brokered private placement and \$145,382 pursuant to shares for debt settlement agreements with an insider shareholder and four directors of the Company. All shares were issued at a price of \$0.22 per share. A total of 6,018,545 shares were issued to TBML, in accordance with the terms of the private placement, and a total of 660,827 shares were issued to Zeitler Holdings Corp. ("ZHC", the management company of the Chairman of Los Andes) and four directors of Los Andes in full and final settlement of amounts owing to each of ZHC and the four directors. In accordance with the settlement agreements, \$60,332 of fees owing to the Los Andes directors and \$85,050 owing to ZHC were settled through the issue of the 660,827 settlement shares.

On January 27, 2015, Los Andes closed a financing of \$2,102,587 in total proceeds, including \$1,450,000 in gross proceeds from a non-brokered private placement and \$652,587 pursuant to shares for debt settlement agreements with two insider shareholders of the Company. All shares were issued at a price of \$0.22 per share. A total of 6,590,909 shares were issued to TBML, in accordance with the terms of the private placement, and a total of 2,966,306 shares were issued to TBML and ZHC in full and final settlement of amounts owing to each of TBML and ZHC. In accordance with the settlement agreements, \$608,487 of interest and principal owing to TBML pursuant to loans made in fiscal 2014 by TBML to Los Andes, and \$44,100 owing to ZHC were settled through the issue of the 2,966,306 settlement shares.

b) Equity reserve

Equity reserve consists of the accumulated fair value of common share options and share purchase warrants recognized as share-based payments and share purchase warrants issued on acquisitions of unproven mineral rights.

No options were granted in the quarter ended December 31, 2015.

During the year ended September 30, 2015, the Company:

- Amended the vesting terms of 500,000 share options granted in June 2013 to a consultant company controlled by a current officer of the Company (Note 6). Prior to the amendment, 100,000 share options had vested and a further 150,000 share options vested as a result of the amended terms. The remaining 250,000 options will vest in accordance with performance milestones set by the Company, none of which were met by December 31, 2015. The share options have an exercise price of \$0.50 per share to June 1, 2018. The weighted average fair value of these options was estimated at \$0.1678 per option at the grant date based on the Black-Scholes option-pricing model.
- Granted an aggregate of 175,000 share options to an employee and to a consultant company controlled by an officer of the Company (Note 6). The options vested on grant and have an exercise price of \$0.50 per share to May 12, 2020. The weighted average fair value of these options was estimated at \$0.0796 per option at the grant date based on the Black-Scholes option-pricing model.

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - UNAUDITED

DECEMBER 31, 2015

(Expressed in Canadian Dollars)

5. EQUITY (continued)

- Granted 750,000 share options to a consultant company controlled by a director of the Company (Note 6). The options vested on grant and have an exercise price of \$0.50 per share to September 1, 2020. The weighted average fair value of these options was estimated at \$0.0599 per option at the grant date based on the Black-Scholes option-pricing model.

The assumptions used by the Company to price share options vested in the year ended September 30, 2015 were the following:

• Weighted average share price:	\$0.50
• Weighted average exercise price:	\$0.50
• Dividend yield:	0%
• Weighted average risk-free interest rate:	0.90%
• Pre-vest forfeiture rate:	0%
• Expected life (years):	5 years
• Weighted average expected volatility:	80.31%

A compensation expense of \$84,037 associated with vested options was recognized during the year ended September 30, 2015.

c) Share options

The continuity of the number of share options outstanding is summarized as follows:

	Number of Options	Weighted Average Exercise Price (\$)
At start of the period	1,425,000	0.50
Granted	-	0.00
At end of period	1,425,000	0.50
Vested and exercisable	1,175,000	0.50

At December 31, 2015, the weighted average exercise price of options outstanding was \$0.50 (September 30, 2015: \$0.50) and their weighted average remaining contractual life was 3.85 years (September 30, 2015: 4.10 years).

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - UNAUDITED

DECEMBER 31, 2015

(Expressed in Canadian Dollars)

6. RELATED PARTY TRANSACTIONS

a) Trading Transactions

The Company's related parties consist of a company controlled by a Company director, a company controlled by the Company's Chairman, a company controlled by the Company's President and Chief Executive Officer ("CEO"), a company controlled by the Company's Chief Financial Officer ("CFO") and a company controlled by the Company's former Corporate Secretary.

	Nature of Transaction
Karlsson Corporation	Geological Consulting
Kasheema International Ltd.	Management
Zeitler Holdings Corp	Management
Delphis Financial Strategies Inc	Management
Michael J. Kuta Law Corporation	Legal Services

The Company incurred the following fees in the normal course of operations with companies controlled by key management and/or with directors. Transactions have been measured at the exchange amount which is determined on a cost recovery basis.

	For the three months ended December 31,	
	2015	2014
Management and consulting fees	\$ 88,327	\$ 79,210
Geological fees	30,321	-
Directors' fees	5,000	5,000
Legal services	-	11,235
	\$ 123,648	\$ 95,445

Included in trade and other payables as at December 31, 2015 is \$43,325 (September 30, 2015: \$70,630) owing to related parties.

Amounts due from and to related parties are unsecured, non-interest bearing and due on demand.

b) Key Management Compensation

The remuneration of members of key management during the quarters ended December 31, 2015 and 2014 is as follows:

	For the three months ended December 31,	
	2015	2014
Management, consulting, geological and legal fees	\$ 118,648	\$ 90,445

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - UNAUDITED

DECEMBER 31, 2015

(Expressed in Canadian Dollars)

7. SEGMENTED INFORMATION

At December 31, 2015, the Company had three reportable operating segments: mineral exploration, hydroelectric project and corporate, and has operations in two geographical areas, Canada and Chile.

Operating segments

	Three months ended December 31,	
	2015	2014
Net loss		
Mineral exploration	\$ (2,829)	\$ (3,171)
Hydroelectric project	(47,692)	(79,183)
Corporate	(133,144)	(158,203)
	\$ (183,665)	\$ (240,557)

	December 31,		September 30,
	2015		2015
Assets			
Mineral exploration	\$ 71,658,261	\$	70,726,202
Hydroelectric project	8,250,889		8,251,099
Corporate	194,066		932,217
	\$ 80,103,216	\$	79,909,518

Geographic segments

	Three months ended December 31,	
	2015	2014
Net loss		
Canada	\$ (50,521)	\$ (158,203)
Chile	(133,144)	(82,354)
	\$ (183,665)	\$ (240,557)

	December 31,		September 30,
	2015		2015
Assets			
Canada	\$ 194,066	\$	932,217
Chile	79,909,150		78,977,301
	\$ 80,103,216	\$	79,909,518

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS - UNAUDITED

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(Expressed in Canadian Dollars)

8. SUPPLEMENTAL CASH FLOW INFORMATION**Non-cash financing activities**

At December 31, 2015, net exploration costs included in accounts payable and accrued liabilities were \$132,207 (September 30, 2015: \$82,113).

		Three months ended December 31,	
		2015	2014
Cash received for interest	\$	208 \$	1
		December 31,	September 30,
		2015	2015
Cash	\$	\$	1,162,515

9. COMMITMENTS AND CONTINGENCIES

One of the Company's Chilean subsidiaries has entered into a lease agreement for the lease of office premises in Santiago, Chile. The commencement date of the lease was July 1, 2012, for an initial two year term, which has been extended to June 30, 2016. The share of basic rent commitments for the remaining term of the contract is approximately \$24,104.