LOS ANDES COPPER LTD.
Management's Discussion and Analysis ("MD&A")
For the Quarter and Nine Months Ended June 30, 2017

All figures expressed in Canadian Dollars except where noted

The following discussion and analysis of the results of operations and financial position of Los Andes Copper Ltd. ("Los Andes") together with its subsidiaries (collectively, the "Company"), is prepared as of August 28, 2017 and should be read in conjunction with the Company's condensed consolidated interim financial statements for the nine months ended June 30, 2017 ("YTD-2017") and the Company's audited consolidated financial statements and related notes for the year ended September 30, 2016 ("Fiscal 2016").

The financial information presented herein is expressed in Canadian dollars, except where noted.

The Company's financial statements are reported under International Financial Reporting Standards issued by the International Accounting Standards Board ("IFRS").

Company Overview

Los Andes is a Canadian mineral exploration and development company focused on the acquisition, exploration and development of advanced stage copper deposits in Latin America.

The Company is the owner of the Vizcachitas porphyry copper-molybdenum project, located 120 km north of Santiago, Region V, Chile. Based on 40,383 meters of drilling in 146 diamond drill holes, the project contains an indicated resource of 1,038 M tonnes grading 0.373% copper and 0.012% molybdenum, and an additional inferred resource of 318 M tonnes grading 0.345% Cu and 0.013% Mo at a 0.3% copper equivalent cut-off. Please refer to **Project Description** for further details on the project.

Los Andes also has ownership 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 run-of-river hydroelectric power generation facility (the "Hydroelectric Facility") on the Rocin River. The Company is party to an agreement to develop and finance the Hydroelectric Facility, which is expected to have an installed capacity of 28 to 30 MW.

Overall Performance

In the three months ended June 30, 2017 ("Q3-2017"), the Company incurred a loss of $195,606 or $nil per share, compared to a loss of $150,308 or $nil per share in the quarter ended June 30, 2016 ("Q3-2016").

The Company's cash balance and working capital at June 30, 2017 were $3,998,187 and $3,058,909, respectively.

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 2014, TBC and Turnbrook Mining Limited ("TBML") entered into a subscription agreement whereby TBC subscribed for common shares in the capital of TBML for consideration consisting of all of the common shares in the capital of the Company owned by TBC at that date. As at June 30, 2017, TBML owns a total of 143,736,144 or approximately 58.7% of the common shares of the Company (see ***Rocin River Hydrolectric Project*** and ***Liquidity and Capital Resources***). TBC is the controlling shareholder of TBML, and TBC no longer has direct ownership of any of the Company's common shares.

Rocin River Hydrolectric Project

In 2014, the Company acquired from TBML 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").

The Rocin River water rights and associated studies are indirectly held by the Company's subsidiary Rocin SPA ("Rocin"). In 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 in turn incorporated a subsidiary (the "Rocin Subsidiary") to own, develop, build and operate the Hydroelectric Facility. As of June 30, 2017, 1.90% of the issued and outstanding shares of the Rocin Subsidiary had been sold to various arms-length parties for proceeds of US$250,000.

On July 24, 2017, Rocin and Icafal terminated the Agreement, and all studies and work performed by Icafal or by third parties retained by Icafal to the termination date were transferred to Rocin. These studies and work were transferred at no cost to Rocin, with the exception of the reimbursement of $39,744, which represented approximately 19.8% of the work performed towards the environmental study as of the termination date. The termination of the Agreement provides that if any of the studies prepared by third parties are used by Rocin in the development of the Hydroelectric Facility, then Rocin shall reimburse Icafal the cost paid by Icafal to the third party of such study once the Hydroelectric Facility is in operation. The determination of whether a study should be reimbursed shall be made by Rocin at its sole discretion.

Financial Review

The Company incurred a net loss of $195,606 or $nil per share in Q3-2017 (Q3-2016: $150,308 or $nil per share).

The most significant general and administrative expenses incurred in the quarter were consulting, salaries and management fees of $95,675 (Q3-2016: $91,338), shareholder communications of $11,538 (Q3-2016: $2,548) and office and administration expenses of $7,096 (Q3-2016: $6,883).

In respect of the hydroelectric project, the Company incurred $3,894 in expenses in Q3-2017 (Q3-2016: $32,520).

In Q3-2017, the Company posted a foreign exchange loss of $75,571 (Q3-2016: $2,615), interest expense of $15 (Q3-2016: $4,516) and interest income of $4,027 (Q3-2016: $227).

Under other comprehensive loss, the Company recorded a foreign exchange translation allowance of ($831,872) in Q3-2017 (Q3-2016: $421,929).

Financial Review – Nine Months Ended June 30, 2017

The Company incurred a net loss of $458,507 or $nil per share in YTD-2017 (nine months ended June 30, 2016 ("YTD-2016"): net loss of $546,401 or $nil per share).

The most significant general and administrative expenses incurred in the nine-month periods were consulting, salaries and management fees of $283,701 (YTD-2016: $281,681), transfer agent, filing and regulatory fees of $52,868 (YTD-2016: $22,427) and professional fees of $49,711 (YTD-2016: $35,377).

In respect of the hydro-electric project, the Company recorded expense recoveries of $13,643 (YTD-2016: expenses of $160,915).

Under other items, the Company posted a foreign exchange loss of $22,129 (YTD-2016: gain of $24,895), interest expense of $11,394 (YTD-2016: $7,109) and interest income of $7,262 (YTD-2016: $450).

Under other comprehensive (loss) income, the Company recorded a foreign exchange translation allowance of ($398,393) in YTD-2017 (YTD-2016: $137,189).

Vizcachitas Project Description

The Vizcachitas Property includes a porphyry copper-molybdenum deposit that offers potential for a low strip, open pit operation in an area of low elevation with excellent infrastructure, including water and power in central Chile. The Vizcachitas deposit occurs in the same metallogenic belt as the large copper-molybdenum porphyries Rio Blanco-Los Bronces, Los Pelambres-El Pachon and El Teniente.

On February 18, 2014, the Company filed a PEA and an updated resource estimate on the Vizcachitas Property that resulted in an increase in indicated resources from the June 9, 2008 mineral resources estimate. The PEA can be accessed under the Company's www.sedar.com profile, and the PEA and additional information about the Vizcachitas project are available on the Company's website at www.losandescopper.com.

The updated estimate was based on a total of 146 drill holes and 40,383 metres drilled, including a total of 16 drill holes and 5,128 metres of drilling completed after the June 9, 2008 estimate.
At a 0.3 % copper equivalent (Cu Eq) cut-off, the Indicated Resources are 1,038 Mt at 0.434 % Cu Eq (0.373 % copper and 0.012 % molybdenum), containing an estimated 8.5 billion pounds of copper and 281 million pounds of molybdenum, and the Inferred Resources are 318 Mt at 0.405 % Cu Eq (0.345 % copper and 0.013 % molybdenum) containing an estimated 2.4 billion pounds of copper and 88 million pounds of molybdenum.

The Mineral Resource estimates for different cut-off grades with an effective date of September 9, 2013 are shown in the tables set out below:

INDICATED

Cut-Off (Cu Eq %)	Tonnage Mt	Cu Eq %	Cu Grade %	Mo Grade %	Cu Mlb	Mo Mlb
0.20	1,317	0.396	0.341	0.011	9,913	318
0.25	1,191	0.414	0.356	0.012	9,353	305
0.30	**1,038**	**0.434**	**0.373**	**0.012**	**8,539**	**281**
0.35	824	0.462	0.396	0.013	7,201	240
0.40	566	0.501	0.431	0.014	5,374	179
0.45	368	0.543	0.467	0.015	3,788	125
0.50	244	0.588	0.509	0.016	2,515	79

INFERRED

Cut-Off (Cu Eq %)	Tonnage Mt	Cu Eq %	Cu Grade %	Mo Grade %	Cu Mlb	Mo Mlb
0.20	521	0.343	0.296	0.010	3,407	111
0.25	404	0.376	0.322	0.011	2,873	101
0.30	**318**	**0.405**	**0.345**	**0.013**	**2,415**	**88**
0.35	212	0.443	0.372	0.015	1,734	70
0.40	130	0.488	0.402	0.018	1,152	51
0.45	76	0.533	0.428	0.022	714	36
0.50	40	0.584	0.466	0.024	415	22

- Copper equivalent grade has been calculated using the following expression: Cu Eq (%) = CuT (%) + 4.95 x Mo (%), using the metal prices: $ 2.75 / lb. Cu and $13.6 / lb. Mo.
- Small discrepancies may exist due to rounding errors.
- The quantities and grades of reported Inferred Mineral Resources are uncertain in nature and further exploration may not result in their upgrading to Indicated or Measured status.
- Mineral Resources are reported within a Whittle pit shell based on: Mine Cost - 2.25 USD/t, Process Cost - 6.94 USD/t, Copper Price - 3.00 USD/lb, Molybdenum Price - 13.6 USD/lb. Conc. Copper Sales Cost - 0.5537 USD/lb., Conc. Molybdenum Sales Cost - 1.60 USD/lb., Recovery Copper - 90 %, Recovery Molybdenum - 60 %, Slope Angles - 42° to 47°.

PEA Highlights

The PEA evaluated four mining scenarios feeding flotation facilities with a throughput of 44 ktpd, 88 ktpd, 176 ktpd and 88 ktpd with a step up in production to a final throughput of 176 ktpd. The 176 ktpd case was selected to be the base case as it produced the highest net present values (NPV).
The results are presented with the inclusion of the Hydroelectric Facility as described in and as of the date of the Filing Statement filed on SEDAR on November 29, 2013.

The base case has a life of mine of 28 years, total capital expenditures of $3.61 billion, and considered flat projected copper prices of $2.75/lb and molybdenum prices of $13.64/lb.

On a pre-tax basis, the base case results in an NPV of $746 million, internal rate of return (IRR) of 11.4%, and an estimated payback period from initial commercial operations (Payback Period) of 5.9 years. On an unlevered after-tax basis, the base case results in an NPV of $274 million, IRR of 9.5%, and a Payback Period of 6.0 years.

Note: The PEA is considered preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

An updated National Instrument 43-101 ("NI 43-101")-compliant Technical Report on the Vizcachitas Copper Molybdenum Porphyry Project has been filed on www.sedar.com and on the Company's website and was authorized by the following independent Qualified Persons:

- John Wells BSc, MBA, FSAIMM.
- Manuel Hernández, BSc, FAusIMM.
- Porfírio Cabaleiro, BSc, MAIG.
- Román Flores, BSc, Registered Member of Chilean Mining Commission.

Antony J. Amberg, M.Sc., CGeol., a qualified person as defined by NI 43-101, supervised the preparation of the technical information in this MD&A.

2017 Drill Program

Historical drilling was carried out on the Vizcachitas project in three campaigns during 1993, 1996/1997 and 2007/2008. However, the higher grade central core had only been drilled in the 1990's campaigns and with generally shallower drill holes, therefore not properly reflecting the potential of this core area.

During 2014, a complete review of the historical information was performed to better understand the project, including re-logging all of the 146 drill holes located within the property. The re-logging was led by Gonzalo Saldias, a Chilean geologist and one of the most recognized experts in Chilean porphyry systems. This detailed review showed that the historical logging and geological model had not properly identified the importance of the higher grade early diorite porphyry and hydrothermal breccias. The re-logging showed that these higher grade geological units extend over a distance of 1,400 metres north-south and 700 metres east-west. The mapping showed that these breccias have grades increasing with depth and demonstrates the potential for higher grades below the historical drilling.

In 2015, Los Andes began a drill program to confirm a new geological model and to demonstrate the extent of the central core mineralisation. A first stage of this campaign was completed in 2015/2016, with eight diamond drill holes totaling 3,661 metres. During 2017, Los Andes has carried out a second stage of this campaign with the purpose of demonstrating the northern and southern extension of the high-grade core.

Assay results of the 2017 campaign confirm the presence of higher grade mineralization in the project's central core.

Location of Drill Holes:

Hole	Easting	Northing	Elevation (metres)	Azimut (degrees)	Inclination (degrees)	Final depth (metres)
V2017-01	365,778	6,413,544	2,003	110	-60	(69.90) Abandoned
V2017-01A	365,786	6,413,534	2,003	105	-60	851.25
V2017-02	366,278	6,413,255	2,090	290	-65	1,030.60
V2017-03	365,936	6,413,856	2,049	290	-80	(62.00) Abandoned
V2017-04	366.200	6,413,056	1,978	110	-70	653.00
V2015-08 Ex	365.159	6,413,542	2,154	290	-75	1,001.00
V2017-05	365,996	6,413,879	2,080	270	-80	931.90
V2017-06	366,037	6,413,538	2,073	110	-65	857.00
V2017-07	366,099	6,413,337	2,046	110	-60	721.10
V2017-08	365,996	6,413,879	2,080	15	-70	400.25
V2017-09	365,785	6,413,377	1,993	120	-70	(85.50) Abandoned
V2017-09B	365,785	6,413,382	1,993	120	-75	804.20
V2017-10	365,682	6,413,878	2,040	65	-75	1,001.00
V2017-11	365,745	6,413,745	2,024	85	-75	735.90

All coordinates are in UTM WGS84

A drill hole location plan is available on the Company's website (www.losandescopper.com).

Summary of Drill Holes:

Drill Hole V2017-01A

This hole was drilled on the southwestern part of the central core with a southeastern direction. The drill hole is 150 metres north the 2015 drill holes V2015-03 and V2015-05. The drill hole is also 100 metres south of the 2015 drill hole V2015-08.

The top of bedrock was intersected at 71.9 metres in diorite porphyry with disseminated chalcopyrite which continued to a depth of 238.0 metres. Within this sequence there was secondary enrichment from 134 to 162 metres where the average grade was 0.61 % Cu, 42 ppm Mo and 1.6 g/t Ag. At a depth of 238 metres the rock type changed to medium grained diorite and continued to a depth of 513.15 metres. Within this sequence there is a well mineralised sequence running from 226 metres to 360 with 0.60 % Cu, 150 ppm and 1.5 g/t Ag. From a depth of 513.15 to the end of the drill hole at depth of 851.25 metres the drill hole is primarily in igneous breccias and hydrothermal breccias.

This drill hole has demonstrated the continuity of the mineralisation between the drill holes 2015/2016 drill holes to the north and south. This near surface mineralisation would be mined during the first few years of an operating mine. It also shows the high primary grades within the medium grained diorites. These early phase diorites consistently have grades above 0.5 % Cu and are the target of this drilling campaign.

Key intersections from drill hole V2017-01A:

Hole Number	Depth From (m)	Depth To (m)	Length (m)	Cu %	Mo ppm	Ag g/t	CuEq %
V2017-01A	71.9	374.0	302.1	0.55	115	1.4	0.59
including	134.0	162.0	28.0	0.61	42	1.6	0.63
including	226.0	360.0	134.0	0.60	150	1.5	0.65
V2017-01A	702.0	720.0	18.0	0.41	367	1.0	0.51

* Copper equivalent grade has been calculated using the following expression: Cu Eq (%) = CuT (%) + 2.5 x Mo (%) + 110.55 x Ag (%), using the metal prices: $ 2.2 / lb. Cu, $5.5 / lb. Mo and $15.2 / Oz (same reference prices as in reporting of 2015/2016 results). All thicknesses from intersections from drill holes are down-hole drilled thicknesses. True widths cannot be determined from the information available.

Drill Hole V2017-02

Drill hole V2017-02 is located on the same section as drill hole V2015-05 and V2015-03 and is 100 metres to the south of section for V2017-01A. The hole was drilled in a northwestern direction at an inclination of -65 degrees so that the hole is approximately 200 metres below drill hole V2015-05 on the section. The hole was drilled to test the vertical extent of the mineralisation identified in V2015-05 and the north-south strike length of the early diorite porphyry intersected in V2015-08.

The top of bedrock was intersected at a depth of 63 metres in a hydrothermal breccia with a high pyrite to chalcopyrite ratio. At a depth of 138 metres a well mineralised andesite was intersected. The assay results for the top of this unit are from a depth of 138 metres 0.53 % Cu, 103 ppm Mo and 1.0 g/t Ag (0.57 % CuEq) over a length of 22 metres.

From depth of 205 metres the drill hole intersected a long sequence of andesites and hydrothermal breccias down to a depth of 428 metres. This demonstrates the vertical extent of a similar sequence of rock types intersected in the drill hole V2015-05. The significant assay results within this sequence are shown in the table below.

At a depth of 683 metres the drill hole intersected the early diorite porphyry as proposed by the updated geological model. This early diorite porphyry had assay results from a depth of 680 metres of 0.60 % Cu, 389 ppm Mo, 1.5 g/t Ag (0.72 % CuEq) over a length of 88 metres. This further demonstrates the importance of this early stage porphyry unit in mineralisation of the deposit and confirms the north-south continuity from the drill hole V2015-08 200 metres to the north.

The drill hole then continued in a sequence of later stage tonalities, granodiorites and diorites to a final depth of 1030.6 metres.

Key intersections from drill hole V2017-02:

Hole Number	Depth From (m)	Depth To (m)	Length (m)	Cu %	Mo ppm	Ag g/t	CuEq %
V2017-02	138.0	160.0	22.0	0.53	103	1.0	0.57
V2017-02	222.0	276.0	54.0	0.55	126	1.7	0.60
including	222.0	242.0	20.0	0.72	86	2.2	0.77
V2017-02	310.0	326.0	16.0	0.50	264	1.4	0.58
V2017-02	402.0	428.0	26.0	0.50	136	1.4	0.55
V2017-02	680.0	768.0	88.0	0.60	389	1.5	0.72
including	724.0	768.0	44.0	0.66	449	1.6	0.79

* Copper equivalent grade has been calculated using the following expression: Cu Eq (%) = CuT (%) + 2.5 x Mo (%) + 110.55 x Ag (%), using the metal prices: $ 2.2 / lb. Cu, $5.5 / lb. Mo and $15.2 / Oz (same reference prices as in reporting of 2015/2016 results). All thicknesses from intersections from drill holes are down-hole drilled thicknesses. True widths cannot be determined from the information available.

Quality Assurance and Quality Control:

Quality assurance and quality control procedures include the systematic insertion of duplicate and standard samples in to the sample stream. Drill core samples were sawn in half, labelled, placed in sealed bags and were shipped directly to the preparatory laboratory of ALS Minerals in Coquimbo, Chile. All geochemical analyses were performed by ALS Minerals in Lima Peru. All samples were assayed using the method ME-MS61, a four-acid digestion with an ICP-MS finish. Copper samples with grades above 0.6 % Cu were reanalysed using ALS method Cu-OG62, a four-acid digestion with an AAS finish.

Summary of Quarterly Results

	QUARTERS ENDED			
	June 30, 2017 $	**March 31, 2017 $**	**Dec. 31, 2016 $**	**Sept. 30, 2016 $**
Net loss	(195,606)	(254,630)	(8,271)	(657,533)
Loss per share [1]	-	-	-	-

	June 30, 2016 $	**March 31, 2016 $**	**Dec. 31, 2015 $**	**Sept. 30, 2015 $**
Net earnings (loss)	(150,308)	(212,428)	(183,665)	(2,875,976)
Earnings (loss) per share [1]	-	-	-	(0.02)

[1]Presented on an undiluted basis

Liquidity and Capital Resources

As at June 30, 2017 the Company had cash of $3,878,311 and working capital of $3,058,909, compared to cash of $9,663 and working capital deficiency of $1,643,396 at September 30, 2016.

The Company relies on equity placements to fund operations and its exploration program and from time to time has also borrowed funds to support working capital requirements.

The Company's most significant use of funds is in respect of its exploration program at Vizachitas. YTD-2017 the Company has allocated cash of $2,937,851 for exploration activities (YTD-2016: $1,657,211).

A summary of borrowings incurred and repaid in YTD-2017 and fiscal 2016 is as follows:

a) On February 1, 2016, Los Andes received an unsecured US$200,000 working capital loan from TBML, subject to an interest rate of 0.5% per month compounded annually not in advance, both before and after maturity or default. On July 7, 2016, the Company made a partial repayment of US$15,000 in respect of this loan. The TBML loan was repaid in the quarter ended March 31, 2017.

b) On May 20, 2016, Compañía Minera Vizcachitas Holding ("CMVH"), a wholly-owned subsidiary of Los Andes, received a loan of 2,695.89 Chilean Unidades de Fomento (approximately $131,300 on the date of grant of the loan) from an arms-length party. The loan was originally due on the thirtieth day after May 20, 2016 but the maturity date was automatically extended in subsequent periods of thirty days each, unless the lender notified CMVH otherwise, with notice to be provided at least ten days prior to the next loan maturity date. The loan was subject to an annual interest rate of 8% on the total amounts outstanding, payable at the time of repayment of the loan principal. Additional penalty charges applied if the loan was not paid within the prescribed time frame. The loan was repaid in the quarter ended December 31, 2016.

c) On July 1, 2016, CMVH received a loan of 1,300 Chilean Unidades de Fomento (approximately $49,786 on the date of grant of the loan) from an arms-length party. The loan was due on the sixtieth day after July 1, 2016 and the maturity date was automatically extended in subsequent periods of sixty days each, unless the lender notified CMVH otherwise, with notice to be provided at least ten days prior to the next loan maturity date. The loan was subject to an annual interest rate of 7% on the total amounts outstanding, payable at the time of repayment of the loan principal. Additional penalty charges applied if the loan was not paid within the prescribed time frame. The loan was repaid in the quarter ended December 31, 2016.

d) On September 15, 2016, CMVH received a loan of US$7,000 (approximately $9,088 on the date of grant of the loan) from a Company director. The loan was due on thirtieth day after September 15, 2016 and the maturity date was automatically extended in subsequent periods of sixty days each, unless the lender notified CMVH otherwise, with notice to be provided at least ten days prior to the next loan maturity date. The loan was subject to an annual interest rate of 8% on the total amounts outstanding, payable at the time of repayment of the loan principal. Additional penalty charges applied if the loan was not paid within the prescribed time frame. The loan was repaid in the quarter ended December 31, 2016.

e) On October 5, 2016, Los Andes received an unsecured US$15,000 working capital loan from TBML, subject to an interest rate of 0.5% per month compounded annually not in advance, both before and after maturity or default. The loan was repaid in the quarter ended March 31, 2017.

f) On October 25, 2016, Los Andes received an unsecured US$15,000 working capital loan from TBML, subject to an interest rate of 0.5% per month compounded annually not in advance, both before and after maturity or default. The loan was repaid the quarter ended March 31, 2017.

On December 8, 2016, Los Andes closed a non-brokered private placement raising $8,040,000. The Company issued 26,800,000 units (the "Units") priced at $0.30 per Unit. Each Unit consists of one common share of the Company (a "Unit Share") and one detachable share purchase warrant (a "Warrant") entitling the holder thereof to purchase one additional common share of the Company (a "Warrant Share") at a price of $0.45 per Warrant Share for a period of three years.

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.

Transactions with Related Parties

As at June 30, 2017, the Company's related parties consist of four companies controlled by the Company's President and CEO, the Company's Chairman and the Company's Chief Financial Officer ("CFO").

	Nature of Transaction
Karlsson Corporation	Geological Consulting
Sociedad Cartografica Limitada	Geological Consulting
Kasheema International Ltd.	Management
Zeitler Holdings Corp	Management
Delphis Financial Strategies Inc	Management

The Company entered into the following transactions with related parties:

i. During YTD-2017, the Company incurred management and consulting fees of $265,701 (YTD-2016: $265,181) for services payable to companies controlled by the Company's Chairman, CFO and a director.

ii. During YTD-2017 the Company incurred directors' fees of $18,000 (YTD-2016: $16,500).

iii. During YTD-2017, the Company incurred geological fees of $89,193 (YTD-2016: $89,648) payable to companies controlled by the Company's President and CEO.

iv. Included in trade and other payables as at June 30, 2017 is $77,300 owing to related parties (September 30, 2016: $362,892).

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

These transactions occurred in the normal course of operations and were measured at fair value as determined by management.

Commitments and contingencies

In the quarter ended June 30, 2017, CMVH received a notification from Chile's Environmental Superintendence (SMA) for alleged infractions resulting from CMVH failure to obtain an RCA (Chilean environmental license) for the drill campaign undertaken by CMVH in 2015-2016. CMVH believes the notification to be without merit as it relies on the fact that CMVH required a license that Chilean regulations do not demand for mining exploration drilling campaigns under 20 drilling platforms, which is the case of the 2015-2016 drill campaign. CMVH's lawyers are pursuing the steps necessary to defend CMVH's interests, which include litigating and/or entering into an agreement with the SMA.

Critical Accounting Estimates

The Company's significant accounting policies are summarized in Note 3 of its audited consolidated financial statements for the year ended September 30, 2016. The preparation of consolidated financial statements in accordance with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the consolidated financial statements.

The Company regularly reviews its estimates; however, actual amounts could differ from the estimates used and, accordingly, materially affect the results of operations.

Examples of significant estimates include:

- Carrying values of mineral right interests;
- Carrying values of equipment and depreciation rates for equipment;
- Valuation of deferred income taxes and allowances;
- Assumptions used to assess impairment of mineral right interests and equipment;
- Valuation of share-based payments.

Examples of significant judgments, apart from those involving estimates, include:

- The accounting policies, including impairment, for mineral right interests and equipment;
- Classification of financial instruments;
- Determination of functional currency.

Other MD&A Requirements

As of August 28, 2017, the Company has outstanding 244,858,136 common shares, 1,425,000 stock options with an exercise price of $0.50 per share and 26,800,000 warrants with an exercise price of $0.45.

Additional information is available on the Company's website at www.losandescopper.com.To view the public documents of the Corporation, please visit the Corporation's profile on the SEDAR website at www.sedar.com.

Cautionary Statement on Forward Looking Information

This MD&A contains certain forward-looking information and statements as defined in applicable securities laws (collectively referred to as "forward-looking statements"). These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe" and similar expressions is intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of this MD&A. These forward-looking statements include but are not limited to, statements concerning:

- our strategies and objectives;
- prices and price volatility for copper and other commodities and of materials expected to be used in our operations;
- the demand for and supply of copper and other commodities and materials that we plan to produce and sell;
- our financial resources;
- interest and other expenses;
- domestic and foreign laws affecting our operations;

- our tax position and the tax rates applicable to us;
- decisions regarding the timing and costs of construction and production with respect to, and the issuance of, the necessary permits and other authorizations required for any proposed projects;
- our planned future production levels;
- potential impact of production and transportation disruptions;
- our planned capital expenditures and estimates of costs related to environmental protection;
- our future capital and production costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations in the operation and closure of our operations;
- our financial and operating objectives;
- our environmental, health and safety initiatives;
- the outcome of legal proceedings and other disputes in which we may be or become involved; and
- general business and economic conditions.

Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control, including risks that may affect our operating or capital plans; risks generally encountered in the permitting and development of mineral and hydroelectric projects such as unusual or unexpected geological formations, unanticipated metallurgical difficulties, delays associated with permit appeals, ground control problems, adverse weather conditions, process upsets and equipment malfunctions; risks associated with labour disturbances and availability of skilled labour and management; fluctuations in the market prices of power and our principal commodities, which are cyclical and subject to substantial price fluctuations; risks created through competition for hydroelectric and mining projects and properties; risks associated with lack of access to markets; risks associated with mine plan estimates; risks posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; risks associated with environmental compliance and changes in environmental legislation and regulation; risks associated with our dependence on third parties for the provision of critical services; risks associated with non-performance by contractual counterparties; title risks; social and political risks associated with operations in foreign countries; risks of changes in laws affecting our operations or their interpretation, including foreign exchange controls; and risks associated with tax reassessments and legal proceedings.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- interest rates;
- changes in commodity and power prices;
- acts of foreign governments and the outcome of legal proceedings;
- the supply and demand for, deliveries of, and the level and volatility of prices of copper and commodities and products expected to be used in our operations;
- the timing of the receipt of permits and other regulatory and governmental approvals;
- changes in credit market conditions and conditions in financial markets generally;
- the availability of funding on reasonable terms;
- our ability to procure equipment and supplies in sufficient quantities and on a timely basis;
- the availability of qualified employees and contractors for our operations;
- our ability to attract and retain skilled staff;
- the impact of changes in foreign exchange rates and capital repatriation on our costs and results;
- engineering and construction timetables and capital costs for our projects;
- costs of closure of operations;
- market competition;
- the accuracy of our estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based;
- tax benefits and tax rates;
- the resolution of environmental and other proceedings or disputes;

- the future supply of reasonably priced power;
- our ability to obtain, comply with and renew permits in a timely manner; and
- our ongoing relations with our employees and entities with which we do business.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. Except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.