

# COMPANY UPDATE



## Los Andes Copper provides an update on activities at its Vizcachitas project from April 2021 to July 2021 (the “Period”).

The Company started the Period on the front foot by sharing the final copper recovery and concentrate grade results as part of the Company’s ongoing Pre-Feasibility Study (“PFS”) at Vizcachitas. The study confirmed both a copper recovery of 91.4 per cent for the first 12 years, and the production of a high-quality clean concentrate. As a part of the metallurgical studies, we implemented a test work programme where samples were selected to best represent the geological features that would be mined over the first 12 years of the mine plan, where the most complex mineralogy and alteration is found.

The Company followed this up at the end of April by announcing that it had received unanimous approval from the Regional Environmental Committee for drilling to be carried out at Vizcachitas, allowing for the completion of the Company’s ongoing

PFS. The proposed workplan includes infill drilling within the PFS open pit, drilling to extend the higher-grade mineralisation to the north of the Preliminary Economic Assessment (“PEA”) pit, and to test the prospective geophysical targets identified in 2020.

In the Period, the Company announced further support for the project through an agreement with Queen’s Road Capital Investment Ltd. for the investment of US\$5 million in Los Andes Copper. The investment signifies a positive step forward for the development of Vizcachitas and the proceeds will be allocated towards the completion of the ongoing PFS. In conjunction with this, the Chairman and CEO of Queen’s Road Capital, Warren Gilman, agreed to be nominated for appointment to the Board of Directors of Los Andes Copper.

Shortly after this, the Company announced a restructuring of its Board of Directors, including the formation of an Environmental, Social and Governance (“ESG”) committee where Los Andes Copper appointed Corinne Boone as a Non-Executive Director, who will Chair the new committee. Corinne boasts 25 years of experience in climate risk, carbon markets, executive leadership and advising businesses on sustainability.

The Company rounded out the Period by sharing the molybdenum flotation results for samples representing the first 12 years of production, confirming recovery assumptions formed in the 2019 PEA and that the operation will produce clean concentrates.



The projected overall molybdenum recovery of 76 per cent is an improvement on the recovery assumed in the PEA. Projected results show final copper concentrate grades between 22.9 per cent and 24.4 per cent. Additionally, a credit may be obtained for silver at grades between 46 and 65 grammes per tonne.

At Los Andes Copper, the Company understands the imperative nature of ESG. With this in mind, long term community relations are in place to socialise the key aspects of the project. Additionally, the development of Vizcachitas will position it in forefront of global environmental trends. The formation of an ESG committee during the Period is a testament to Los Andes Copper's commitment to sustainability and the Company look forward to sharing more on this in the future.

#### *In Practice: Covid-19*

To protect the health and safety of the region's residents, the Company donated 100 PPE kits designed to limit the spread of Covid-19. The PPE packages, which contained packs of masks, gloves and alcohol gel, were distributed amongst a variety of workers in Putaendo including businesses such as bakeries, warehouses, garages and hostels.



#### *In Practice: Community Discussions*

As a part of Los Andes Copper's drilling permitting process, which received unanimous approval from the Regional Environmental Committee for drilling to be carried out at Vizcachitas, the Company successfully held several in-person presentations throughout the communities of Putaendo and held an online presentation to ensure all interested community members had the opportunity to learn about the drilling campaign and raise questions or provide comments. By listening to the concerns of the community, the Company is better able to tailor the project to manage their concerns.

## Press Releases

**April 1** - [Completes PFS-level metallurgical testwork for the Vizcachitas Project](#)

**April 30** - [Environmental Approval by Regional Environmental Committee for Upcoming Drilling Campaign at Vizcachitas](#)

**May 3** - [Investment by Queen's Road Capital and appointment of Non-Executive Director](#)

**May 10** - [Los Andes Restructures the Board with the Appointment of Corinne Boone as Non-Executive Director and the nomination of Warren Gilman for election at the next Annual General Meeting](#)

**June 3** - [Closing of the US\\$5 million Convertible Debenture](#)

**June 23** - [Final molybdenum assessment results and concentrate specifications for the Vizcachitas Project](#)

## Los Andes Articles

**Proactive Investors** - [Los Andes Copper welcomes final results from pre-feasibility metallurgical testing on flagship Chile project](#)

**Mining Weekly** - [PFS testwork confirms Vizcachitas copper recovery of 91.4%](#)

**Mining Weekly** - [Los Andes Copper receives approval for drilling at Chile project](#)

**Proactive Investors** - [Los Andes Copper receives environmental approval for drilling, allowing it to complete PFS at Chile copper project](#)

**Mining Technology** - [Los Andes Copper secures environmental nod for drilling at Chilean mine](#)

**Global Mining Review** - [Los Andes receives approval for Vizcachitas drilling campaign](#)

**Proactive Investors** - [Los Andes Copper to receive US\\$5M investment from Queen's Road Capital Investment via convertible debenture](#)

**Mining Journal** - [Los Andes strikes debenture agreement; Vizcachitas drilling to resume](#)

**Proactive Investors** - [Los Andes Copper set to create environmental, social and governance \(ESG\) committee; announces board changes](#)

**Proactive Investors** - [Los Andes Copper closes US\\$5M convertible debenture investment from Queen's Road Capital](#)

**Mining.com** - [Snapshot: Eight companies with advancing copper projects](#)

**Proactive Investors** - [Los Andes Copper says PFS metallurgical testing at Chile project has underscored its significant potential](#)

# INDUSRTY UPDATE

**There are multiple, strong, fundamentals supporting the price of copper, as it reaches record highs, including the global recovery from the Covid-19 pandemic, the U.S. multimillion stimulus package, and the ongoing green revolution. As a result of this, many are forecasting a copper supercycle.**



In previous years, copper price rallies have followed a pattern of broad-based growth, industrialisation and new technologies, which prop up demand and prices. The question is, is the global economy entering a similar phase?

As economies all around the globe recover from the pandemic and the focus on the green revolution at the forefront of everyone's minds and policies put in place to achieve net-zero from 2030, copper is set to play a key role, due to its electrical conductor capabilities. Electric vehicles and hybrids use more than double the copper than an internal combustion engine and copper is required for the charging infrastructure, whereby Wood Mackenzie estimates by 2030, there will be over 20 million EV charging points globally, consuming 250 per cent more copper than in 2019. Renewables also demand more copper with a single wind farm containing up to 15 million pounds of the metal.

Following the all-time high in May 2021, trading houses such as Goldman Sachs, expect the metal to extend its gains. Whether this will transpire into a new supercycle is yet to be seen.



For more information on Los Andes Copper please visit our [website](#), follow on social media or view our [corporate presentation](#).

