



Dear Los Andes Subscriber,

The last quarter has seen significant and consistently positive results coming from the recent drilling programme at the Vizcachitas Copper project in Chile including our longest intercept to date of 152.00 meters at 0.94% copper, 122ppm molybdenum, 2.6 grams per tonne silver, and 1.00% copper equivalent. This is about double the average production grade in Chile, which is now around 0.5% copper and so bodes well for adding to the attractiveness of the project. We are pleased to report that on July 21 we announced that the environmental court agreed that we could return to drilling with certain restrictions suggested largely by us. This followed a temporary order to stop drilling. We will resume drilling as quickly as we can.

The drilling results announced throughout the June quarter continue to highlight the potential of the Vizcachitas deposit to move beyond the existing 13 billion pounds of copper equivalent we have already defined. Vizcachitas is already a world-class asset and growing the resource will only add to its appeal and importance to help meet the forecast copper supply deficit as global efforts towards the electrification of energy and transportation increase.

All the drilling results announced during the quarter will be incorporated into a new resource estimate for the Pre-Feasibility Study we are working on and which we are targeting to release in the fourth quarter of this year.

The significant size of the Vizcachitas deposit which has no copper offtake entanglements, combined with Los Andes Copper's 100% ownership and, and the future global copper supply deficit, means the future is exciting for the company. The world needs desperately more copper deposits like Vizcachitas, yet they are few and far between.

The copper market is showing signs of a bottom, after recession fears and the longer term perspective is being highlighted at the time of writing.

Kind regards,

R. Michael Jones, CEO



In May, we released drilling results including [the largest 1% copper equivalent intercept to date](#). These included a sub-intercept of 0.56% copper equivalent* from 93.2 meters to 480.35 meters, including 0.53% copper, 62 parts per million molybdenum and 1.5 grams per tonne silver. Hole CMV-010 and CMV-011 illustrated the potential for the deposit to be open to the northwest and west respectively.

[Additional intercepts were announced](#) at the end of May showing results of 331 meters grading 0.63% Copper Equivalent (0.55% Copper, 212ppm Molybdenum and 1.28 grams per tonne Silver) in hole CMV 012B in the northeastern edge of the deposit where almost no prior drilling has been completed. These additional results continue to expand the footprint of Vizcachitas' and show there is potential to add significant tonnage to our existing Tier 1 copper deposit.

By the end of June, additional results from the drill programme indicated the potential of the project to [move beyond the current 11.2 billion pound copper, 400 million pounds molybdenum, and 43.4 million troy ounces silver](#) with new copper intercepts **including** 404 meters grading 0.41% copper equivalent. These results showed that the 1.2 billion tonnes at 0.45% copper equivalent Measured and Indicated Resource has a potential to grow considerably in both scale and grade.

* *"Copper equivalent grade has been calculated using the following expression: $CuEq (\%) = Cu (\%) + 3.33 \times Mo (\%) + 82.6389 \times Ag (\%)$, using the metal prices: 3.00 USD/lb Cu, 10.00 USD/lb Mo and 17.00 USD/oz Ag. No allowance for metallurgical recoveries has been considered*



Interviews

Los Andes Copper CEO, R Michael Jones, joined BlytheRay Business News to provide an update on the Vizcachitas project and emphasised the essential role of the deposit in the move towards global electrification <https://bit.ly/3Pb9nKg>



Articles

Armchair Trader: Los Andes Copper reports possible US\$5 million sale of 2% NSR royalty by RCF. [Learn More](#)

Mining Journal: Los Andes, NGex reported big Chile copper hits. [Learn More](#)

Armchair Trader: Los Andes Copper reports impressive new drill results from Vizcachitas. [Learn More](#)

Armchair Trader: Los Andes Copper's latest drill results indicate potential of major deposit. [Learn More](#)

Mining Journal: Los Andes expanding Vizcachitas. [Learn More](#)

Mining Weekly: Los Andes drilling expands Vizcachitas copper project [Learn More](#)

Armchair Trader: Copper market is facing a prolonged period of tightness ahead [Learn More](#)

Armchair Trader: Los Andes Copper: latest drill results indicate project's massive scale [Learn More](#)



Copper Industry Update



The process of drafting a new Constitution in Chile has been completed with the final articles having undergone a homogenisation process so that the document is internally consistent. This document is the one which will go to the electorate for a mandatory vote. Latest polls indicate a tight vote on the referendum to be held on September 4.

Towards the end of the June quarter the Chilean government advanced its tax reform plans. These include a bill for a revenue based royalty of 1-4% and a profit based royalty of 2-36%, based on a copper price range of US\$2.25-6.00 per pound [[Reuters](#)] [[Mining Journal](#)].

Future demand of copper could rise an additional two million tonnes by 2030 due to copper's usage in the green energy transition, which

will account for 20 per cent of copper consumption by 2040. Fitch Solutions forecasts global copper mine production to increase by an average annual rate of 2.8 per cent between 2022 and 2031, with annual output increase to 6.4 million tonnes in the same period. This resurgence in copper production is being led by Chilean copper mines [[Mining.com](#)].

Copper's price fluctuated throughout the quarter as a buoyant growing demand scenario flipped to investor concerns about the world economy sliding into recession.

In mid-June copper prices rose to US\$9,107 per tonne, helped along by the threat of strikes at Chile's state-owned copper company Codelco [[Mining Weekly](#)]. However, by the end of the quarter copper prices had fallen to around US\$8,000 a tonne as global fears of recession took hold, impacting the broader commodities sector, particularly industrial metals such as copper [[Financial Times](#)]. Despite this short-term turbulence, the future copper demand continues to be bullish with a number of commentators expressing the concern that the metals sector is unable to provide the amount of material required for the energy transition. The copper market is forecast to enter deficit from 2025 onwards, expanding to 8-10 million tonnes per year by 2030. In a copper market currently around 22 million tonnes per year, that is a huge hole to fill. The energy transition is expected to account for 20% of world copper consumption by 2040.

The long-term demand outlook remains intact due to its essential nature for electric vehicles and clean-energy technologies [[Mining Weekly](#)]. Offshore wind energy projects have continued to ramp up, especially within the EU. This has increased demand for copper as 4.4Kt are required to build a 500MW wind farm. Globally offshore wind capacity is predicted to reach 300 million MW by 2050, which requires 27Mt of copper. [[Greenbiz](#)]



