



LOS ANDES COPPER Ltd.

NOTICE OF MEETING

AND

INFORMATION CIRCULAR

FOR THE

ANNUAL GENERAL AND SPECIAL MEETING

OF

LOS ANDES COPPER LTD.

to be held on

August 4th, 2021



LOS ANDES COPPER Ltd.

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Report to Shareholders

To the Shareholders of Los Andes Copper Ltd.

During the year ended September 30, 2020, Los Andes Copper Ltd. (the “Company”) continued working on the Pre-feasibility Study (the “PFS”) for the Vizcachitas Project in Chile (the “Vizcachitas Project”).

On April 28, 2020, the Company’s wholly-owned subsidiary that owns the Vizcachitas Project, Compañía Minera Vizcachitas Holding, received unanimous approval from the Regional Environmental Committee (Comisión de Evaluación Ambiental) for drilling to be carried out at the Vizcachitas Project over the next four years. On August 28, 2020, the Court of Appeals of Valparaiso, the Region where the Vizcachitas Project is located, granted a motion against the Environmental Evaluation Service (Servicio de Evaluación Ambiental) (the “SEA”) in which the Court instructed the SEA to conduct a public participation process before finalizing the evaluation process of the environmental permit.

Since September 30, 2020, the public participation process for the permitting of the drilling campaign has been successfully finalized. The process was designed and implemented following strict COVID-19 prevention protocols set by the authorities. As a result, the SEA together with the Company held several in-person presentations throughout the different communities of Putaendo. The process was combined with an online presentation thus ensuring an opportunity for all interested community members to learn about the drilling campaign and raise questions or provide comments. Then on April 30, 2021, the Regional Environmental Committee unanimously approved the drilling permit application submitted by Compañía Minera Vizcachitas Holding. This approval allows the Company to drill up to 350 holes on up to 124 platforms over the next four years, if required. The Company will now be able to carry out the drilling to complete the PFS. The proposed workplan includes infill drilling within the PFS open pit, drilling to extend the higher-grade mineralisation to the north of the pit identified in “Preliminary Economic Assessment on the Vizcachitas Project” National Instrument 43-101 Technical Report, effective date May 10, 2019 (the “PEA”), and testing the prospective geophysical targets identified in 2020. The full technical report is available on our website at <https://www.losandescopper.com/site/assets/files/3479/2019-06-13-pea-vizcachitas.pdf> and on SEDAR at www.sedar.com.

During 2019 and 2020, the Company has been working on the PFS. The areas of work being advanced include, processing, tailings facility, infrastructure, geology, mine plan, environment, and social and community engagement.

The current COVID-19 situation, while delaying some of the metallurgical testwork and field work, has not delayed the progress of the main engineering study. All employees and subcontractors are working from home where possible and only a small group of individuals are working to prepare samples in the Company’s Santiago core storage area.

The highlights of the continuing work on the PFS are:

- Testwork has shown that a High-Pressure Grinding Roll (HPGR) circuit is feasible for the Vizcachitas Project and could provide enhanced project economics with lower energy consumption and increased operating flexibility.
- The mineral is amenable to filtering and dry-stack tailings. This change would significantly reduce the Vizcachitas Project’s water consumption, footprint and environmental impact.

- Due to the reduced footprint required for dry-stacked tailings, it is possible to have all project infrastructure in one operating complex in the Rocin Valley. The PEA outlined infrastructure in both the Rocin Valley and the Chalaco Valley.
- The results for the copper recoveries and concentrate grades confirm a copper recovery of 91.4% and the production of a high-quality clean copper concentrate. The PEA assumed an overall life of mine copper recovery of 91.0%. The PFS testwork results confirmed these assumptions on the metallurgical performance with samples representing the most challenging mineralogy identified within the mine plan.
- Based on the PFS test work results and for the first 12 years of operation, the molybdenum recoveries are 90.3% in the rougher stage, 95.8% in the cleaner-scavenger stage, and 90.6% in the copper-moly selective flotation; resulting in a projected overall molybdenum recovery of 76%, a slight improvement from the 75% assumed in the PEA.
- Analysis for the final copper concentrates confirmed that Vizcachitas will produce clean concentrates. Projected results show that final copper concentrate grades are between 22.9 and 24.4% Cu. Credits may be obtained for silver (46 – 65 g/t). No elements are present at penalty levels in the copper concentrates.

In August 2020, the Company carried out a program of geological mapping, geochemical sampling and induced polarisation (IP) / resistivity and magneto-telluric (MT) surveys. The geological, geochemical and geophysical results all show the potential of extensions to known mineralisation to the north, east and south-east of the mineral resource estimates included in the PEA. This new data in conjunction with the historical data will be used to outline drill priorities that will be carried out as part of the PFS drill program.

On January 27, 2020, the Company announced a Net Smelter Royalty (“NSR”) agreement with Resource Capital Fund VI L.P (“RCF VI”) for a total consideration of US\$8 million, payable in tranches (the “First NSR”). An initial US\$1.5 million was paid by RCF VI on closing and registration of documents in Chile. The remaining US\$6.5 million was paid in four equal quarterly installments.

The First NSR was calculated over the sale of all locatable minerals produced from the San Jose 1/3000 exploitation concession within the Vizcachitas Project. Under the First NSR, RCF VI will receive 0.98% NSR for open pit operations and 0.49% NSR for underground operations.

Following this transaction, the overall NSR level for the San Jose concession and for the other concessions covering the mineral resources of the Vizcachitas Project is 2.00% for the open pit operations and 1.00% for the underground operations. The economic model presented in the PEA includes an NSR level of 2.00% for the open pit operations and 1.00% for the underground operations for all mineral resources.

On June 25, 2020, a second NSR agreement (the “Second NSR”) with RCF VI was announced for a total consideration of US\$14 million. The Second NSR is calculated over the sale of all locatable minerals produced from the Santa Teresa 1/60, Santa Maria 1/60 and San Cayetano 1/20 exploitation concessions (the “Concessions”) within the Vizcachitas Project. Under the Second NSR, RCF VI will receive a 2.00% NSR for open pit operations and a 1.00% NSR for underground operations. RCF VI will pay US\$9 million in instalments and an additional contingent payment of up to US\$5 million by RCF (the “Contingent Royalty Payment”) if RCF VI sells the Second NSR prior to commencement of commercial production. Upon commencement of commercial production, any unpaid balance of the Contingent Royalty Payment will be deducted from the initial royalties payable. The funds from the Second NSR will be used primarily to fund the purchase of an existing NSR previously granted on substantially the same mining concessions as those covering the Second NSR.

On February 3, 2020, the Company announced the appointment of Harry Nijjar, CPA, CMA, as Chief Financial Officer. Harry is a Managing Director of Malaspina Consultants Inc., a private company that provides accounting and administrative services to Canadian public companies.

On July 30, 2020, the Company announced the retirement of Mr. Jose Tomas Letelier as Director of Corporate Affairs and Sustainability and the appointment of Mr. Ignacio Melero as Director of Corporate Affairs and Sustainability. Mr. Melero has vast experience in corporate and community affairs, having held several responsibilities at CMPC, one of Chile’s largest industrial and forestry corporations.

Following the end of its most recently concluded fiscal year on September 30, 2020, the Company strengthened the board with the appointment of Corinne Boone as an independent non-executive Director on May 10, 2021. Ms. Boone has more than 25 years of experience, including in energy, financial services and metals and mining, with a focus on sustainable business, climate risk, carbon markets and executive leadership.

On June 3, 2021, the Company reported the closing and funding of a US\$5,000,000 convertible debenture issued to Queen's Road Capital Investment Ltd. (the "Convertible Debenture"). The Convertible Debenture has a five-year term, carries an eight percent coupon and is convertible into common shares in the capital of the Company ("Common Shares") at a price of C\$10.82 per Common Share. The interest is payable quarterly, five percent in cash and three percent in Common Shares, at the 20-day volume weighted average price prior to the interest payment date. The proceeds received from this investment will be allocated towards the completion of the PFS.

I would like to thank the board of directors for their continued guidance and you, the shareholders, for your continued support.

"Antony Amberg"
Antony Amberg
President
June 28, 2021



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NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the 2021 Annual General and Special Meeting (the "Meeting") of the shareholders of Los Andes Copper Ltd. (the "Company") will be held virtually, by live webcast on Zoom, on Wednesday, August 4, 2021, at 10:00 a.m. (Pacific Time) for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for the financial year ended September 30, 2020 together with the report of the auditors of the Company thereon;
2. to fix the number of directors at seven and to elect the directors until the next annual general meeting or until their successors are duly elected or appointed;
3. to appoint the auditor for the ensuing year and to authorize the directors to fix the remuneration of the auditor;
4. to pass an ordinary resolution ratifying and approving the Company's stock option plan, and reserving for the grant of options of up to 10% of the issued and outstanding shares of the Company at the time of any stock option grant, as more particularly described in the accompanying information circular (the "Information Circular"); and
5. to transact any other business that may properly come before the Meeting and any adjournment thereof.

In light of ongoing concerns related to the spread of COVID-19, and in order to mitigate potential risks to the health and safety of the Company's shareholders, employees and other stakeholders, the Company is conducting the Meeting entirely online by way of live webcast. As such, there will be no in-person component to the Meeting and shareholders who wish to attend the Meeting must do so in accordance with the directions set out in the Information Circular under the heading "General Proxy Information".

Accompanying this notice of meeting are (i) the Information Circular; (ii) a form of proxy or voting instruction form; and (iii) a financial statement request form. The accompanying Information Circular provides information relating to the matters to be addressed at the meeting and is incorporated into this notice of meeting.

If you are a Registered Shareholder (as defined in the Information Circular) or a duly appointed proxyholder and wish to attend the Meeting or any adjournment or postponement thereof, you must pre-register at:

<https://zoom.us/meeting/register/tJEqcOmrrTsoEtM2UhryQrFzUnmNMQt7LWNu>

In order to obtain your unique Meeting login link, you must answer all questions when prompted to do so during pre-registration. To avoid delays on the Meeting date, management strongly recommends that you pre-register as soon as possible and at least 48 hours in advance of the Meeting.

Beneficial Shareholders (as defined in the Information Circular) who have not appointed themselves as proxyholders can attend the Meeting online but will not be able to participate, vote or submit questions during the Meeting. Beneficial Shareholders who receive these materials through their broker or other intermediary should carefully follow the instructions provided by their broker or intermediary and the instructions set out in the Information Circular under the heading "General Proxy Information".

A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxyholder to attend and vote in such shareholder's stead. If you are unable to attend the Meeting or any adjournment thereof, please read the notes (the "Notes") accompanying the form of proxy enclosed herewith and then complete and return the proxy within the time set out in the Notes. The enclosed form of proxy is solicited by management but, as set out in the Notes, you may amend it if you so desire by striking out the names listed therein and inserting in the space provided the name of the person you wish to represent you at the Meeting. Please advise the Company of any change in your address.

DATED at Vancouver, British Columbia, on this 28th day of June, 2021.

BY ORDER OF THE BOARD OF DIRECTORS OF

LOS ANDES COPPER LTD.

"Antony Amberg"
Antony Amberg
President & CEO



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INFORMATION CIRCULAR

Dated June 28, 2021

GENERAL PROXY INFORMATION

Solicitation of Proxies

This information circular (the "Information Circular") is furnished in connection with the solicitation of proxies (each a "Proxy") by the management of Los Andes Copper Ltd. (the "Company") for use at the 2021 Annual General and Special Meeting (the "Meeting") of shareholders of the Company to be held at the time and place and for the purposes set out in the Notice of Meeting distributed with this Information Circular. No director of the Company has informed management that he or she intends to oppose any action intended to be taken by management at the Meeting.

In light of ongoing concerns related to the spread of COVID-19, and in order to mitigate potential risks to the health and safety of the Company's shareholders, employees and other stakeholders, the Company is conducting the Meeting entirely online by way of live webcast.

The solicitation of Proxies will be primarily by mail, but Proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company at nominal cost. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101"), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the common shares in the capital of the Company (the "Shares") held of record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in so doing. All costs of this solicitation will be borne by the Company.

Appointment of Proxyholders

A shareholder entitled to vote at the Meeting may by means of a Proxy appoint a proxyholder or one or more alternate proxyholders, who need not be shareholders, to attend and act at the Meeting for the shareholder on the shareholder's behalf.

The individuals named in the accompanying form of Proxy are directors and/or officers of the Company. **A shareholder wishing to appoint some other person (who need not be a shareholder) to represent him, her or it at the Meeting has the right to do so, either by striking out the names of management's nominees and inserting such person's name in the blank space provided in the form of Proxy or by completing another form of Proxy.** Such a shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and instruct him or her on how the shareholder's Shares are to be voted. In any case, the form of Proxy must be dated and executed by the shareholder or his/her attorney authorized in writing, or if the shareholder is a corporation, under its corporate seal, or by an officer or attorney thereof duly authorized.

A Proxy will not be valid for the Meeting or any adjournment thereof unless the completed form of Proxy is delivered, by mail, by hand or by fax, to Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 Fax number: (within North America) 1-866-249-7775 (outside North America) 416-263-9524, not later than 10:00 a.m. (Pacific Time) on July 30, 2021 or, if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of the Meeting or the adjournment or

postponement thereof at which the Proxy is to be used. A shareholder may also follow the instructions on the form of proxy to vote by telephone or internet.

Before the Meeting

Shareholders must download the Zoom mobile app or desktop client to whichever device they intend to use for the Meeting. If you are using a computer, you can do so by clicking on "download" from the link at <https://zoom.us>. If you are using a smartphone or tablet, you can do so by downloading the Zoom mobile app from the Apple Appstore or Google Play, free of charge. You do not need to create a Zoom account to join the Meeting.

If you wish to attend the Meeting, you must pre-register at:

<https://zoom.us/meeting/register/tJEqcOmrrTsoEtM2UhryQrFzUnmNMQt7LWNu>.

In order to obtain your unique Meeting login link, you must answer all questions when prompted to do so during pre-registration. During the registration process, the Company will verify your shareholdings and any proxies you may hold. After verification, your unique Meeting login link will be provided to the e-mail address you provide during pre-registration. To avoid delays on the Meeting date, we strongly recommend that you pre-register for the Meeting as soon as possible and no later than 48 hours before the Meeting or any adjournment or postponement thereof.

Any registered shareholder wishing to appoint a proxyholder must complete the additional step of completing and returning a Proxy, as described below.

Participating and Voting at the Meeting

Log in online using the Meeting login link provided to you via confirmation email after pre-registration or dial-in to the conference line using the dial-in information provided to you via confirmation email after pre-registration. You may do this at any time starting half an hour before the scheduled Meeting start time.

Enter the password that was provided to you via confirmation email after pre-registration.

You will then be granted access to the Meeting. Note that you may be held in a virtual waiting room until you are provided access into the Meeting. It is important that you are connected to the Internet at all times during the Meeting in order to vote. It is your responsibility to ensure connectivity for the duration of the Meeting.

Other Attendance Information

Each participant will be required to log into the Zoom application with his or her name and email address. It is strongly recommended that these participants access the Meeting at least 15 minutes prior to the starting time for the Meeting.

Registered Shareholders participating via teleconference will not be able to vote at the Meeting or revoke their proxy at the Meeting as Computershare must take steps to verify the identity of registered shareholders using the video features. Any shareholders wishing to view materials that may be presented at the Meeting by the Company's management will need to utilize the Zoom application.

Beneficial Shareholders who have not appointed themselves as proxyholders, or those who are not shareholders, will be entitled to attend; however, they will not be entitled to vote or submit questions at the Meeting.

United States Beneficial Shareholders: To attend and vote at the Meeting, you must first obtain a valid legal proxy from your intermediary and then register in advance (as outlined above) to attend the Meeting. Follow the instructions from your intermediary included with these proxy materials, or contact your intermediary to request a legal proxy form. After first obtaining a valid legal proxy from your intermediary, you must submit a copy of your legal proxy to Computershare at:

Computershare
100 University Avenue
8th Floor

Toronto, Ontario
M5J 2Y1

OR

Email at uslegalproxy@computershare.com

Submissions must be labeled as "Legal Proxy" and be received no later than July 30, 2021 by 10:00 a.m. (Pacific time), or if the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of the Meeting or the adjournment or postponement thereof. You will receive a confirmation of your submission by email after Computershare receives your proxy materials. In order to attend and vote at the Meeting, you must then follow the pre-registration process outlined above.

Revocability of Proxies

In addition to revocation in any other manner permitted by law, a shareholder who has given a Proxy may revoke it by either executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the shareholder or the shareholder's authorized attorney in writing; or, if the shareholder is a company, under its corporate seal by an officer or attorney duly authorized; and by depositing the Proxy bearing a later date with Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, that precedes any reconvening thereof, or to the chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law. In addition, a Proxy may be revoked by the shareholder voting his or her Shares at the Meeting, provided that such shareholder attends the Meeting by Zoom video and not by teleconference (as described above in "Other Attendance Information"). A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

Exercise of Discretion

On a poll, the nominees named in the accompanying form of Proxy will vote or withhold from voting the Shares represented thereby in accordance with the instructions of the **shareholder on any ballot that may be called for. If a shareholder specifies a choice with respect to any matter to be acted upon, such shareholder's Shares will be voted accordingly. The Proxy will confer discretionary authority on the nominees named therein with respect to each matter or group of matters identified therein for which a choice is not specified other than the appointment of the auditor and the election of directors, any amendment to or variation of any matter identified therein and any other matter that properly comes before the Meeting.**

In respect of a matter for which a choice is not specified or where both choices have been specified in the Proxy, the nominees named in the accompanying form of Proxy will vote Shares represented by the Proxy at their own discretion for the approval of such matter.

As of the date of this Information Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting each nominee in the accompanying form of Proxy intends to vote thereon in accordance with the nominee's best judgment.

Proxy Voting Options

Shareholders may wish to vote by Proxy whether or not they are able to attend the Meeting. Submitting a Proxy by mail, internet voting or by hand delivery are the only methods by which a shareholder may appoint a person as Proxy other than a director or officer of the Company named on the form of Proxy.

Registered Shareholders electing to submit a Proxy must complete, date and sign the form of Proxy. It must then be delivered by mail or by hand to Computershare, the Company's transfer agent, at Computershare Investor Services Inc., Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, by 10:00 a.m. on July 30 2021 or, if the Meeting is adjourned or postponed, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of the Meeting or the adjournment or postponement thereof. A shareholder may also follow the instructions on the form of proxy to vote by telephone or internet.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular, collectively, as "Beneficial Shareholders") should note that only Proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Shares will not be registered in the shareholder's name on the records of the Company. Such Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States the vast majority of such shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited; and which acts as nominee for many Canadian brokerage firms). Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the Registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("Broadridge") in the United States and in Canada. Broadridge typically applies a special sticker to proxy forms, mails those forms to the Beneficial Shareholders and requests the Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge proxy cannot use that proxy to vote Shares directly at the Meeting. That proxy must be returned to Broadridge well in advance of the Meeting in order to have the Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the Registered Shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting. Alternatively, a Beneficial Shareholder may request in writing that his or her broker send to the Beneficial Shareholder a legal Proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his or her Shares.

This Information Circular and accompanying materials are being sent to both Registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own ("Objecting Beneficial Owners", or "OBOs") and those who do not object to their identity being made known to the issuers of the securities they own ("Non-Objecting Beneficial Owners", or "NOBOs"). Subject to the provision of NI 54-101, issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. Pursuant to NI 54-101, issuers may obtain and use the NOBO list for distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Shares on your behalf.

The Company has decided to take advantage of the provisions of NI 54-101 that permit it to deliver proxy related materials directly to its NOBOs. By choosing to send these materials to you directly, the Company (and not the intermediary holding Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. As a result if you are a NOBO of the Company, you can expect to receive a scannable Voting Instruction Form ("VIF") from Computershare. Please complete and return the VIF to Computershare in the envelope provided or by facsimile. Computershare will tabulate the results of the VIF's received from the Company's NOBOs and will provide appropriate instructions at the Meeting with respect to the Shares represented by the VIFs they receive.

The Company is not sending its proxy-related materials to the Registered Shareholders or Beneficial Shareholders using "notice and access", as defined in NI 54-101.

Management of the Company intends to pay for intermediaries to forward to OBOs under NI 54-101 the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*; accordingly, OBOs will receive said materials.

SCIENTIFIC AND TECHNICAL INFORMATION

Antony Amberg, CGeol FGS, the Company's President, is a Qualified Person under National Instrument 43-101 and has reviewed and approved the scientific and technical information contained herein (being the Report to Shareholders, the Notice of Meeting and the Information Circular).

GENERAL

Unless otherwise specified, all dollar amounts or references to "\$" herein are expressed in Canadian dollars. The information presented in this Information Circular is current as of June 28, 2021, except as otherwise noted.

INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, or any proposed nominee for election as a director of the Company, or any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, and the ratification and approval of the Company's Stock Option Plan, as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company has set the close of business on June 23, 2021 as the record date (the "Record Date") for determining persons entitled to receive notice of the Meeting. Only Registered Shareholders, and those Beneficial Shareholders entitled to receive notice pursuant to NI 54-101 through their intermediaries, as at that date, are entitled to receive notice of and to vote at the Meeting unless after that date a shareholder of record transfers his or her Shares and the transferee, upon producing properly endorsed certificates evidencing such Shares or otherwise establishing that he, she or it owns such Shares, requests at least 10 calendar days prior to the Meeting that the transferee's name be included in the list of shareholders entitled to vote, in which case such transferee is entitled to vote such Shares at the Meeting.

The Company is authorized to issue an unlimited number of Shares. As of the Record Date and date hereof, 27,165,843 Shares are issued and outstanding, each carrying the right to one vote. The Company has no other class of voting securities and no group of shareholders has the right to elect a specified number of directors. There are no cumulative or similar voting rights attached to the Shares.

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, these nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

Every shareholder present at the Meeting or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Share registered in that shareholder's name on the list of shareholders as at the Record Date, which is available for inspection during normal business hours at Computershare Investor Services Inc.

To the knowledge of the directors and executive officers of the Company, only the following shareholder beneficially owns Shares carrying 10% or more of the voting rights attached to any class of voting securities of the Company:

Shareholder Name	Number of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly	Percentage of Outstanding Shares
Turnbrook Mining Limited ⁽¹⁾	14,373,614	52.91%

Note:

(1) Eduardo Covarrubias, Francisco Covarrubias and Paul Miquel, all of whom are directors of the Company, are also directors of Turnbrook Mining Limited ("Turnbrook Mining"). Two private companies of which Eduardo Covarrubias and Francisco Covarrubias are minority

shareholders collectively hold approximately 65% of the shares of Turnbrook Mining. Paul Miquel is a shareholder of a private company which is another minority shareholder of Turnbrook Mining.

ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors in office are duly elected or appointed. The term of office of each director expires at the Meeting.

Shareholder approval will be sought to fix the number of directors of the Company at seven.

The persons named below will be presented for election at the Meeting as management's nominees and the persons proposed by management as proxyholders in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the articles of the Company or the provisions of the *Business Corporations Act* (British Columbia).

The following table sets out the names of management's nominees for election as a director (a "proposed director"), the province or state, as applicable, and country of residence, their principal occupations, the date each first became a director of the Company, and the number of Shares beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as at the date hereof. The table also sets out the members each committee of the board of directors (the "Board"), being the Audit Committee and the Environmental, Social and Governance Committee (the "ESG Committee").

Name, Province or State and Country of residence and position	Principal occupation or employment	Director Since	Number of shares beneficially owned, or controlled or directed, directly or indirectly⁽¹⁾
Eduardo Covarrubias Asuncion, Paraguay Director	Entrepreneur	December 21, 2010	14,373,614 ⁽²⁾
Fernando Porcile Santiago, Chile Chairman & Director	Self Employed Consultant; Executive Chairman of Los Andes	May 21, 2019	Nil
Francis O'Kelly⁽³⁾⁽⁴⁾ Santiago, Chile Director	Self Employed Consultant	May 9, 2007	6,970
Francisco Covarrubias⁽⁴⁾ Santiago, Chile Director	Entrepreneur, Independent Consultant	September 9, 2011	14,373,614 ⁽²⁾ 6,970
Paul Miquel⁽⁴⁾ Santiago, Chile Director	Country Head, Chile, Peru and Colombia - Société Générale	May 3, 2013	14,373,614 ⁽⁶⁾ 94,257 ⁽⁷⁾
Corinne Boone⁽⁵⁾ Ontario, Canada Director	CEO of Climate and Sustainable Innovation and Board Chair of the Canadian Energy Research Institute	May 10, 2021	Nil
Warren Gilman⁽⁸⁾ Hong Kong, China Proposed Director	Chairman and CEO of Queen's Road Capital Investment Ltd.	N/A	40,000

Notes:

- (1) The information as to the number of shares beneficially owned, or controlled or directed, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) Shares held by Turnbrook Mining, of which Messrs. Covarrubias are each directors. Messrs. Covarrubias are also minority shareholders of two private companies which collectively hold approximately 65% of the shares of Turnbrook Mining.
- (3) Chair of the Audit Committee.
- (4) Member of the Audit Committee.
- (5) Chair of the ESG Committee
- (6) Shares held by Turnbrook Mining, of which Mr. Miquel is a director. Mr. Miquel is a shareholder of a private company which holds a minority interest in the shares of Turnbrook Mining.
- (7) 87,969 of these Shares are owned indirectly.
- (8) Mr. Gilman has been nominated for election as a director by Company management in conjunction with the purchase by Queen's Road Capital Investment Ltd., of which Mr. Warren is Chairman and CEO, of convertible debentures in the Company in an aggregate principal amount of US\$5,000,000.

Warren Gilman is a director of the following reporting issuers: NexGen Energy Ltd., Gold Royalty Corp. and Aurania Resources Ltd. Except for Mr. Gilman, none of the proposed directors of the Company holds any directorship in any other reporting issuer.

To the knowledge of the Company, none of the proposed directors of the Company (or any of their personal holding companies):

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company, including the Company, that:
 - (i) was subject to (A) a cease trade order, (B) an order similar to a cease trade order or (C) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while that the proposed director was acting in the capacity as director, executive officer or chief financial officer; or
 - (ii) was the subject of (A) a cease trade order, (B) an order similar to a cease trade order or (C) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer in the company and which resulted from an event that occurred while that person was acting in the capacity as director, executive officer or chief financial officer; or
- (b) is as at the date of this Information Circular or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company, including the Company, that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager as trustee appointed to hold the assets of the proposed director.

None of the proposed directors (or any of their personal holding companies) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Information Circular, a "Named Executive Officer", or "NEO", means each of the following individuals:

- (a) each individual who, during any part of the Company's financial year ended September 30, 2020, served as chief executive officer ("CEO") of the Company, including an individual performing functions similar to a CEO;

- (b) each individual who, during any part of the Company's financial year ended September 30, 2020, served as chief financial officer ("CFO") of the Company, including an individual performing functions similar to a CFO;
- (c) the most highly compensated executive officers of the Company and its subsidiaries, other than the individuals identified in paragraphs (a) and (b), as at September 30, 2020 whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* ("Form 51-102F6V"), for the financial year ended September 30, 2020; and
- (d) each individual who would be a NEO under paragraph (c) above but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, as at September 30, 2020.

On the basis of the above definition of "NEO", the Company had three Named Executive Officers for the year ended September 30, 2020: Antony Amberg, the Company's President and CEO; Harry Nijjar, the Company's CFO; and Eduardo Covarrubias, director of the Company and principal of a company providing consulting services to the Company. As required by Form 51-102F6V, the Summary Compensation table below provides information for the two most recently completed financial years ended September 30, 2020 and September 30, 2019 regarding compensation paid to or earned by each of the Named Executive Officers.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table details all compensation paid to the Corporation's Named Executive Officers and directors for the fiscal years ended September 30, 2020 and September 30, 2019.

Table of Compensation Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Antony Amberg President and CEO	2020	242,099 ⁽²⁾	Nil	Nil	Nil	Nil	242,099
	2019	238,901 ⁽²⁾	Nil	Nil	Nil	Nil	238,901
Harry Nijjar CFO ⁽³⁾	2020	28,400 ⁽⁴⁾	Nil	Nil	Nil	Nil	28,400
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Aurora Davidson Former CFO ⁽⁵⁾	2020	14,000 ⁽⁶⁾	Nil	Nil	Nil	Nil	14,000
	2019	42,000 ⁽⁶⁾	Nil	Nil	Nil	Nil	42,000
Eduardo Covarrubias Director	2020	241,564 ⁽⁷⁾	Nil	Nil	Nil	Nil	241,564
	2019	238,812 ⁽⁷⁾	Nil	Nil	Nil	Nil	238,812
Fernando Porcile Chairman and Director ⁽⁸⁾	2020	161,707	Nil	Nil	Nil	Nil	161,707
	2019	57,150	Nil	Nil	Nil	Nil	57,150
Francis O'Kelly Director	2020	3,302 ⁽⁹⁾	Nil	5,583	Nil	Nil	8,885
	2019	20,039 ⁽⁹⁾	Nil	3,417	Nil	Nil	23,456
Francisco Covarrubias Director	2020	Nil	Nil	6,000	Nil	Nil	6,000
	2019	Nil	Nil	6,000	Nil	Nil	6,000
Paul Miquel Director	2020	Nil	Nil	5,500	Nil	Nil	5,500
	2019	Nil	Nil	5,000	Nil	Nil	5,000
Gonzalo Delaveau Former Director ⁽¹¹⁾	2020	Nil	Nil	5,500	Nil	Nil	5,500
	2019	Nil	Nil	6,000	Nil	Nil	6,000

Notes:

- (1) Financial years ended September 30.

- (2) The Company's subsidiary, Compañía Minera Vizcachitas Holding, paid salaries of \$121,130 (2019 - \$119,408) to Mr. Amberg from October 1, 2019 to September 30, 2020 and \$120,969 (2019 - \$119,493) in fees for consulting services provided to the Company by Sociedad Cartografica Limitada, a company controlled by Mr. Amberg.
- (3) Mr. Nijjar was appointed as CFO on February 1, 2020.
- (4) This amount is comprised of fees for consulting services provided to the Company by Malaspina Consultants Inc., a company of which Mr. Nijjar is a managing director.
- (5) Ms. Davidson resigned as CFO on January 31, 2020.
- (6) This amount is comprised of fees for consulting services provided to the Company by Delphis Financial Strategies Inc., a company controlled by Ms. Davidson.
- (7) This amount is comprised of fees for consulting services provided to the Company by Kasheema International Ltd., of which Mr. Covarrubias is the principal.
- (8) Mr. Porcile was appointed a director and Chairman of the Company on May 21, 2019.
- (9) This amount is comprised of fees for consulting services provided to the Company by Mineral Consulting Services Ltd., a company wholly-owned by Mr. O'Kelly.
- (10) Mr. Delaveau was not nominated at the Company's 2020 annual meeting and therefore ceased to be director as of that meeting.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by the Company for services provided or to be provided, directly or indirectly, to the Company in the most recently completed financial year.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class⁽¹⁾⁽²⁾	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security on date of grant (\$)	Closing Price of Security on date at year end (\$)	Expiry Date
Antony Amberg President and CEO ⁽³⁾	Stock options	10,000 Options ⁽⁴⁾	September 24, 2020	\$5.00	\$4.00	\$4.45	September 24, 2025
Harry Nijjar CFO	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Eduardo Covarrubias Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Fernando Porcile Chairman and Director ⁽⁵⁾	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Francis O'Kelly Director	Stock options	2,500 Options ⁽⁴⁾	September 24, 2020	\$5.00	\$4.00	\$4.45	September 24, 2025
Francisco Covarrubias Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Paul Miquel Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A
Gonzalo Delaveau Director	Nil	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) Each outstanding stock option of the Company entitles the holder thereof to acquire, upon exercise, one Share.

- (2) There has been no compensation security that has been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the most recently completed financial year, including the original and modified terms, the effective date, the reason for the modification, and the name of the holder.
- (3) As at September 30, 2020, Karlsson Corporation, a company controlled by Mr. Amberg held 57,500 stock options of the Company entitling it to acquire, upon exercise 57,500 Shares. As of September 30, 2020, 52,500 stock options held by Karlsson Corporation have vested.
- (4) These options vest on the date of grant.
- (5) As at September 30, 2020, Mr. Porcile held 30,000 stock options, of which 20,000 have vested.

Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by the Company's Named Executive Officers or directors during the financial year ended September 30, 2020.

Stock Option Plans and Other Incentive Plans

The Board adopted the Company's stock option plan effective March 30, 2007, amending it in 2013 and again in 2014 (as amended (the "Stock Option Plan"), which is a "rolling" stock option plan pursuant to which a maximum of 10% of the issued and outstanding Shares are reserved for issuance upon the exercise of incentive stock options ("Options"). The following overview of the Stock Option Plan is qualified in its entirety by the detailed terms of the plan, a copy of which is attached to this Information Circular as Schedule "B".

The purpose of the Stock Option Plan is to allow the Company to grant Options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries (each, an "Eligible Optionee") as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such Options is intended to align the interests of such persons with that of the shareholders. Options are exercisable over periods of up to five years as determined by the Board and are required to have an exercise price no less than the greater of \$0.10 and the closing market price of the Shares prevailing on the day preceding the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the TSX Venture Exchange (the "Exchange").

The Stock Option Plan contains no vesting requirements but permits the Board to specify a vesting schedule in its discretion. The Stock Option Plan provides that if a change of control, as defined therein, occurs, all Options shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

In addition, the Stock Option Plan provides as follows:

- (a) the number of Shares which may be issued to any one individual pursuant to the exercise of options may not exceed 5% of the issued Shares on a yearly basis;
- (b) the number of Shares which may be issued to any one consultant pursuant to the exercise of options may not exceed 2% of the issued Shares on a yearly basis;
- (c) the number of Shares which may be issued, in the aggregate, to a person conducting investor relations activities may not exceed 2% of the issued Shares on a yearly basis; and
- (d) if an optionee ceases to be an Eligible Optionee, any options held by such Optionee shall expire no later than 90 days from the date such optionee ceases to be an Eligible Optionee (or 30 days if the optionee is engaged in investor relations activities).

The Stock Option Plan was most recently ratified and approved by the Company's shareholders at the Company's last annual general and special meeting held on September 8, 2020. Exchange Policy 4.4 – *Incentive Stock Options* (the "Exchange Policy") requires that all such rolling stock option plans be approved by shareholders on an annual basis, and consequently the Company is seeking shareholder approval of the Stock Option Plan at the Meeting.

Employment, Consulting and Management Agreements and External Management Companies

All amounts described in this section were originally paid in US dollars and have been converted to Canadian dollars based on

the exchange rate as of September 30, 2020 (1 USD: 1.3321 CAD).

The Company's subsidiary, Vizcachitas Ltd. ("VL"), and Kasheema International Ltd. ("Kasheema"), a company in respect of which Mr. Eduardo Covarrubias ("Covarrubias") is the principal, entered into a contract as of January 17, 2011 (the "Kasheema Contract"), pursuant to which Kasheema agreed to provide consulting services primarily related to long-term strategic planning and business development. The Kasheema Contract provided for a fee of US\$10,000 (C\$13,321) plus any applicable taxes per month. The Kasheema Contract was amended as of July 20, 2012 to provide for a fee of US\$15,000 (C\$19,981) plus any applicable taxes per month, and contains termination provisions which may be summarized as follows:

- (a) VL or Kasheema may terminate the Kasheema Contract by giving notice to the other party at least two months prior to termination; and
- (b) VL may terminate the Kasheema Contract immediately upon the death of Covarrubias or for cause, upon which Kasheema is entitled to reimbursement for expenses properly incurred prior to the date of termination. "Cause" is defined as existing if:
 - (i) Kasheema commits a breach of any of the material provisions contained in the Kasheema Contract;
 - (ii) Kasheema is guilty of any misconduct or neglect in the discharge of its duties pursuant to the Kasheema Contract;
 - (iii) Kasheema becomes bankrupt or makes any arrangements or assignments with its creditors; or
 - (iv) Kasheema or Covarrubias is convicted of any criminal offence or misdemeanor involving moral turpitude.

Pursuant to a contract made as of the 1st day of January 2017 (the "SCL Contract") between the Company and Sociedad Cartografica Limitada ("SCL"), a company in respect of which Mr. Antony Amberg is principal, the Company agreed to pay to SCL a fee of US\$7,500 (C\$9,991) per month plus applicable taxes, in exchange for consulting services including preparation of presentations related to the Company's exploration assets and other matters as requested by the Board. The SCL Contract contains termination provisions, which may be summarized as follows:

- (a) Either party may terminate the SCL Contract by giving notice to the other party at sixty days prior to the termination date.
- (b) The Company may terminate the SCL Contract immediately upon the death of Mr. Amberg or for cause, provided that if terminated for death or for cause, Mr. Amberg will be entitled to the reimbursement for expenses properly incurred prior to the date of termination. Cause is defined as existing if:
 - (i) SCL commits a breach of any of the material provisions contained in the SCL Contract;
 - (ii) SCL is guilty of any misconduct or neglect in the discharge of its duties pursuant to the SCL Contract;
 - (iii) SCL becomes bankrupt or makes any arrangements or assignments with its creditors; or
 - (iv) SCL or Mr. Amberg is convicted of any criminal offence or misdemeanor involving moral turpitude.

The SCL Contract superseded a contract between the Company and Karlsson Corporation, a company in respect of which Mr. Antony Amberg was principal, with essentially the same terms and conditions as the SCL Contract.

Pursuant to a contract made as of the 21st day of May, 2019 (the "Porcile Contract") between the Company and Fernando Porcile, the Company agreed to pay Mr. Porcile US\$10,000 (C\$13,321) per month as well as issue a total of 30,000 Options to Mr. Porcile for certain independent consulting services to be provided on a part-time basis. The services include providing oversight and guidance on key decisions related to the Company's Vizcachitas Project in Chile (the "Vizcachitas Project") and assistance in the development and execution of operating plans for the Company. The Options have an exercise price of \$5.00 per Option, expire on May 31, 2024 and vest as follows: 10,000 Options on the grant date, 10,000 Options on May 31, 2020 and 10,000 Options on May 31, 2021.

- (a) Either party may terminate the Porcile Contract by giving one month's written notice to the other party.

- (b) The Company may terminate the Porcile Contract without notice if Mr. Porcile:
- (i) is guilty of dishonest, corruption, bribery or other criminal offences;
 - (ii) is guilty of conduct detrimental to the business of the Company;
 - (iii) materially fails to carry out the services and duties to be performed by him pursuant to the provisions of the Porcile Contract; or
 - (iv) is unable to perform substantially all of his duties for a period of six months or more or for periods collectively exceeding six months in any twelve month period.

The Company shall have no liability to Mr. Porcile for fees, or any form of compensation for termination, other than for fees that are owing (but unpaid) at the time of termination for services provided by Mr. Porcile during the term.

Pursuant to a contract made as of the 1st day of May, 2019 (the “O’Kelly Contract”) between the Company and Francis O’Kelly, the Company agreed to pay Mr. O’Kelly US\$2,500 (C\$3,330) per month plus reimbursements for certain independent consulting services including, organizing site visits to the Company’s Vizcachitas property, raising public awareness for the Company and assisting in general corporate activities. The services were provided on a part-time basis from May 1, 2019 until October 31, 2019, at which point the O’Kelly Contract expired and was not renewed by the Company.

- (a) Either party may terminate the O’Kelly Contract, at any time without cause, by giving 30 days’ written notice to the other party.
- (b) The Company may terminate the O’Kelly Contract without notice if Mr. O’Kelly:
- (i) is guilty of dishonest, corruption, bribery or other criminal offences;
 - (ii) is guilty of conduct detrimental to the business of the Company; or
 - (iii) materially fails to carry out the services and duties to be performed by him pursuant to the provisions of the O’Kelly Contract.

The Company shall have no liability to Mr. O’Kelly for fees, or any form of compensation for termination, other than for fees that are owing (but unpaid) at the time of termination for services provided by Mr. O’Kelly during the term.

Pension Plan Benefits

The Company has no pension plan arrangements or benefits with respect to any of its NEOs, directors or employees.

Oversight and Description of Named Executive Officer and Director Compensation

The compensation for the Company’s Named Executive Officers and for its directors are determined by the Board as a whole. The Board evaluates the consulting fees paid to its Named Executive Officers on a regular basis, and, in such evaluation, compares the fees charged the Named Executive Officers against the rates of other consultants that provide similar services. A peer group is not used to determine compensation.

Other than the compensation disclosed above under “Director and Named Executive Officer Compensation, Excluding Compensation Securities” and “Employment, Consulting and Management Agreements and External Management Companies”, no additional compensation was paid to the Named Executive Officers during the year ended September 30, 2020. None of such compensation is tied to any performance criteria or goals.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table summarizes relevant information as of September 30, 2020 with respect to compensation plans under which equity securities are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	159,500	\$5.00	2,557,081
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
TOTAL	159,500	\$5.00	2,557,081

Note:

- (1) The Company adopted the Stock Option Plan, being a “rolling” incentive stock option plan which provides that the Board may grant up to ten percent (10%) of the total number of Shares issued and outstanding at the date of the stock option grant. For significant terms of the plan see “Statement of Executive Compensation - Stock Option Plans and Other Incentive Plans” and “Particulars of Other Matters to be Acted Upon at the Meeting – Ratification and Approval of Stock Option Plan”.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the financial year ended September 30, 2020 and as at the date hereof, no director, executive officer, proposed nominee for director or employee of the Company or any associate or affiliate of any of them has been indebted to the Company either pursuant to an employee stock purchase plan or otherwise.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than disclosed below and herein, none of the directors or executive officers of the Company, nor any proposed nominee for election as a director of the Company, nor any person who beneficially owns, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all of the outstanding Shares, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, in any transactions since the commencement of the Company’s most recently completed financial year, or in any proposed transaction which, in either case, has or will materially affect the Company.

On June 25, 2020, the Company sold a royalty (the “Royalty”) to RCF for a total consideration of US\$14 million pursuant to a royalty purchase agreement dated May 27, 2020 (the “Agreement”). Under the Royalty, RCF will receive a 2.00% NSR for open pit operations and a 1.00% NSR for underground operations. The Royalty is calculated over the sale of all locatable minerals produced from the Santa Teresa 1/60, Santa Maria 1/60 and San Cayetano 1/20 exploitation concessions (the “Concessions”) that form part of the Vizcachitas Project. RCF is to pay US\$9 million for the Royalty in instalments and an additional contingent payment of up to US\$5 million (the “Contingent Royalty Payment”) if RCF were to sell the Royalty prior to commencement of commercial production. Upon commencement of commercial production, any unpaid balance of the US\$5 million Contingent Royalty Payment will be deducted from the initial royalties payable.

RCF is an affiliate of Resource Capital Fund VI L.P. (“RCF VI”) located at 200-1400 Sixteenth Street, Denver, Colorado, USA, which is a private investment fund that holds 2,680,000 (9.87%) Shares and share purchase warrants (the “Warrants”) entitling RCF VI to purchase an additional 1,340,000 Shares. Assuming the exercise of all of the Warrants held by RCF VI, an aggregate of 4,020,000 Shares would be owned and controlled by RCF VI, representing approximately 14.8% of the Company’s issued and outstanding Shares on a partially-diluted basis.

APPOINTMENT OF AUDITOR

DeVisser Gray LLP, Chartered Professional Accountants, of Vancouver, British Columbia are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment of DeVisser Gray LLP, Chartered Professional Accountants, as the auditors of the Company to hold office for the ensuing year at a remuneration to be fixed by the directors.

MANAGEMENT CONTRACTS

Except as set out above in “Statement on Executive Compensation - Employment, Consulting and Management Agreements and External Management Companies”, there are no management functions of the Company or any of its subsidiaries which are, to any substantial degree, performed other than by the directors or executive officers of the Company.

AUDIT COMMITTEE

Mandate of the Audit Committee

The primary function of the Audit Committee is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. The Audit Committee is also responsible for monitoring compliance with applicable laws and regulations and the systems of internal controls. The Audit Committee has the authority to retain special legal, accounting or other consultants to advise the Audit Committee. The Audit Committee may request any director, officer or employee of the Company, or the Company's outside counsel or independent auditor, to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee. The Board has adopted an Audit Committee charter (the “Charter”), a full copy of which is attached to this Information Circular as Schedule “A”.

Operation, Composition, Appointments, Compensation and Meetings of the Audit Committee

The Audit Committee reports to the Board. The full Board is kept informed of the Audit Committee's activities by a report following each Audit Committee meeting.

The Company's Audit Committee is presently comprised of Francis O'Kelly (Chair), Francisco Covarrubias and Paul Miquel. Based upon the test for independence set forth in sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* (“NI 52-110”), Messrs. Miquel and O'Kelly are independent directors, while Mr. Covarrubias is a non-independent director. Please see the discussion relating to director independence in “Corporate Governance Disclosure – Independence of Members of Board”, below. Messrs. O'Kelly, Miquel and Covarrubias are “financially literate”, meaning that they are able to read and understand the Company's financial statements and to understand the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

The Audit Committee fulfills the requirements of Part 6 of NI 52-110 as it consists of not less than three Directors as determined by the Board, every member is a director of the Company and the majority of the members are not executive officers, employees or control persons of the Company or an affiliate of the Company.

Relevant Education and Experience

Mr. Francis O'Kelly is an independent financial and technical consultant based in Santiago Chile. As a graduate of the Royal School of Mines in London, United Kingdom, Mr. O'Kelly has worked in metalliferous mining throughout the Americas, employed by multinational industry leading companies. Mr. O'Kelly has also served as officer, partner, and director to notable financial institutions and mining companies.

Mr. Francisco Covarrubias has an MBA from the Melbourne Business School, Australia, and has extensive experience in the financial industry.

Mr. Paul Miquel has substantial experience structuring, negotiating and distributing major transactions in the energy and mining sectors for multinational and local groups and governments in South America.

Members of the Audit Committee are appointed at a meeting of the Board typically held immediately after the Company's annual shareholders' meeting; provided that any member may be removed or replaced at any time by the Board and shall in any event cease to be a member of the Audit Committee upon ceasing to be a member of the Board. Where a vacancy occurs at any time in the membership of the Audit Committee, it may be filled by the Board.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. Because the Company is a "venture issuer" as defined in NI 52-110, the Company is relying on the exemption in section 6.1 of NI 52-110 from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee, in its Charter, has adopted specific policies and procedures regarding independent auditors. The Audit Committee is responsible for approving the fees and other significant compensation to be paid to the independent auditors, and pre-approving any non-audit services that the auditor may provide.

External Auditor Service Fees (By Category)

The Audit Committee, in its Charter, has adopted specific policies and procedures for the engagement of non-audit services.

DeVisser Gray LLP, Chartered Professional Accountants, were the external auditors of the Company responsible for the Company's financial statements for the financial year ended September 30, 2020. The following table charts the external auditors' fees for the two financial years ending September 30 of each 2020 and 2019 by category:

Financial Year Ended	Audit Fees⁽¹⁾	Audit-related Fees⁽²⁾	Tax Fees⁽³⁾	All other Fees⁽⁴⁾
September 30, 2020	\$33,000	Nil	\$3,375	Nil
September 30, 2019	\$28,500	Nil	\$3,150	Nil

Notes:

- (1) Aggregate audit fees billed by the external auditor in each of the last two financial years.
- (2) Aggregate audit-related fees billed in each of the last two financial years billed for assurances and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under audit fees.
- (3) Aggregate fees billed in each of the last two financial years for professional services rendered for tax compliance, tax advice and tax planning.
- (4) Aggregate fees billed in each of the last two financial years for products and services provided other than the services reported under the three previous columns.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* requires reporting issuers to disclose the corporate governance practices, on an annual basis, that they have adopted. The Company's approach to corporate governance is set forth below.

Independence of Members of the Board

The Board currently consists of six directors, three of whom are independent based upon the tests for independence set forth in section 1.4 of NI 52-110. Paul Miquel, Corinne Boone and Francis O'Kelly, are independent. Eduardo Covarrubias and Francisco Covarrubias are not independent because they are each a director of Turnbrook Mining, the Company's majority shareholder, and they are minority shareholders of entities that have a majority interest in Turnbrook Mining. Eduardo Covarrubias and

Fernando Porcile are also not independent because they have directly or indirectly through affiliated entities received in excess of \$75,000 in compensation from the Company within the last three years.

Management Supervision by Board

The size of the Company is such that all the Company's operations are conducted by a small management team. The Board considers that management is effectively supervised by the directors on an informal basis as the non-management directors are actively and regularly involved in reviewing and supervising the operations of the Company and have regular and full access to management.

Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new Board members are provided with:

- (a) information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;
- (b) access to recent, publicly filed documents of the Company; and
- (c) access to management.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

Ethical Business Conduct

The Board views the encouragement and promotion of a culture of ethical business conduct as good corporate governance and as an integral component to the success of the Company and to being able to meet its responsibilities to shareholders. The Board and management work together to ensure that the Company's operations are carried out in an open and ethical manner.

Nomination of Directors

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mining industry are consulted for possible candidates.

Compensation

The compensation for the Company's Chief Executive Officer and for its directors are determined by the Board as a whole. The Board evaluates the consulting fees paid to its Chief Executive Officer and directors on a regular basis, and, in such evaluation, compares the fees charged the Chief Executive Officer and its directors against the fees charged by chief executive officers and directors of other mineral exploration companies. A peer group is not used to determine compensation.

Other Board Committees

The Board currently has no committees other than the Audit Committee.

Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Ratification and Approval of the Stock Option Plan

The Board implemented the Stock Option Plan effective March 30, 2007, and the Stock Option Plan was amended by the Board effective January 4, 2012 and again on December 3, 2013. The Stock Option Plan was approved by the Exchange and was last ratified and approved by the shareholders of the Company at the Company's 2020 annual general and special meeting, and there have been no changes to the Stock Option Plan since those approvals were obtained. For a description of the Stock Option Plan, see "Statement of Executive Compensation - Stock Option Plans and Other Incentive Plans" above. A copy of the Stock Option Plan is attached to this Information Circular as Schedule "B".

At the Meeting, shareholders will be asked to pass a resolution in the following form:

"RESOLVED as an ordinary resolution, that the Company ratify and approve, subject to regulatory approval, the Company's Stock Option Plan pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company's issued and outstanding common shares being reserved to any one person on a yearly basis."

Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote in favour of the above resolutions.

The Board recommends that shareholders vote FOR the resolution ratifying and approving the Stock Option Plan.

Management of the Company recommends that the shareholders vote in favour of the Ratification and Approval of the Stock Option Plan. It is the intention of persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Ratification and Approval of the Stock Option Plan.

Other Matters

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment thereof. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Proxy.

ADDITIONAL INFORMATION

Financial information on the Company is provided in the Company's comparative financial statements and management discussion and analysis for the most recently completed financial year ended September 30, 2020. Additional information relating to the Company, including its comparative financial statements and management discussion and analysis, is available on SEDAR at www.sedar.com. Copies of the Company's financial statements and management discussion and analysis may also be obtained upon request from management of the Company at its offices.

The Company's mailing address and business office is located at Suite 880, 580 Hornby Street, Vancouver, BC V6C 3B6 Canada.

SCHEDULE "A"
Audit Committee Charter
(Effective January 27, 2005)

A. Audit Committee Purpose

The Board of Directors of the Corporation has an overall responsibility to oversee the affairs of the Company for the benefit of the shareholders. The Audit Committee is appointed by the Board to assist the Board in fulfilling its oversight responsibilities. The Audit Committee's primary duties and responsibilities are to:

- Ensure the effectiveness of the overall process of identifying and addressing principal business risk and the adequacy of the related disclosure
- Monitor the integrity of the Company's financial reporting process and systems of internal controls regarding finance, accounting and legal compliance
- Monitor the independence and performance of the Company's independent auditors
- Provide an avenue of communications among the independent auditors, management and the Board of Directors
- Encourage adherence to, and continuous improvement of, the Company's policies, procedures and practices at all levels

The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the independent auditors as well as to anyone in the organization. The Audit Committee has the ability to retain, at the Company's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties.

B. Audit Committee Composition and Meetings

Audit Committee members shall meet the requirements of the TSX-V and MI 52-110. The Audit Committee shall be comprised of three or more directors as determined by the Board, the majority of whom shall be independent non-executive directors, free from any relationship that would interfere with the exercise of his or her independent judgment. All members of the Committee shall have a basic understanding of finance and accounting and be able to read and understand fundamental financial statements, and at least one member of the Committee shall have accounting or related financial expertise.

Audit Committee members shall be appointed by the Board. If the Audit Committee Chair is not designated or present, the members of the Committee may designate a Chair by majority vote of the Committee membership.

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Audit Committee Chair shall prepare and/or approve an agenda in advance of each meeting. The Committee should meet privately in executive session at least annually with management, the independent auditors and as a committee to discuss any matters that the Committee or each of these groups believes should be discussed.

C. Audit Committee Responsibilities and Duties

Review Procedures

1. Gain an understanding of the Company's current areas of greatest financial risk and whether management is managing these effectively.
2. Review the Company's annual audited financial statements and management discussion and analysis prior to filing or distribution. Review should include discussion with management and independent auditors of significant issues regarding accounting principles, practices and judgments.
3. In consultation with management and the independent auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the independent auditors together with management's responses.
4. Review with management the Company's quarterly financial results and management discussion and analysis prior to filing or distribution. Discuss any significant changes to the Company's accounting principles and any items required to be communicated by the independent auditors.

Independent Auditors

5. The independent auditors are accountable directly to the Audit Committee. The Audit Committee shall review the independence and performance of the auditors and annually recommend to the Board of Directors the appointment of the independent auditors or approve any discharge of auditors when circumstances warrant.
6. Approve the fees and other significant compensation to be paid to the independent auditors, and pre-approve any non-audit services that the auditor may provide.
7. On an annual basis, the Committee should review and discuss with the independent auditors all significant relationships they have with the Company that could impair the auditor's independence.
8. Review the independent auditors audit plan and engagement letter.

9. Prior to releasing the year-end financial results, discuss the results of the audit with the independent auditors.
10. Consider the independent auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting practices.

Other Audit Committee Responsibilities

11. The Chairman of the Committee will review all disclosure documents to be issued by the Company relating to financial matters, including news releases, annual information forms and information circulars.
12. The Committee will establish a procedure for the: (i) confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters, and (ii) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters.

SCHEDULE "B"
Option Plan

(see attached)

LOS ANDES COPPER LIMITED

STOCK OPTION PLAN

Revised December 3, 2013

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ARTICLE I DEFINITIONS AND INTERPRETATION

1.1 DEFINITIONS

As used herein, unless anything in the subject matter or context is inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) "Administrator" means the corporate secretary of the Company or such other person as may be designated as Administrator by the Board from time to time;
- (b) "Affiliate" means a corporation that is affiliated with the Company because (i) one of them is the subsidiary of the other; or (ii) each of them is controlled by the same individual or corporation;
- (c) "Award Date" means the date on which the Board grants a particular Option;
- (d) "Board" means the board of directors of the Company;
- (e) "Company" means Los Andes Copper Limited or any "affiliate" thereof (as defined in the Securities Act);
- (f) "Consultant" means an individual or Consultant Company other than an Employee or a Director of the Company, that (i) provides ongoing consulting, technical, management or other services to the Company or to an Affiliate of the Company; (ii) provides the services under a written contract between the Company or the Affiliate and the individual or the Consultant Company; (iii) spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company; and (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company;
- (g) "Consultant Company" means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (h) "Director" means directors, senior officers and Management Company Employees of the Company;
- (i) "Earlier Termination Date" means the date determined in accordance with section 3.5 after which a particular Option cannot be exercised;
- (j) "Employee" means (i) an individual considered an employee of the Company or a subsidiary under the *Income Tax Act* (Canada) (i.e. for whom income tax and other deductions are made by the Company); (ii) an individual who works full-time for the Company or a subsidiary providing services normally provided by an employee but for whom income tax and other deductions are not made; (iii) an individual who works for the Company or a subsidiary on a continuing and regular basis for a minimum amount of time per week, but for whom income tax and other deductions are not made; (iv) other persons who are providing, have provided, or have agreed to provide a service of value to the Company or a subsidiary; and for the purposes of Section 3.10 of the Plan, any individual in the service of the Company or a subsidiary receiving a wage or salary;
- (k) "Exchange" means the TSX Venture Exchange or successor stock exchange;

- (l) “Exercise Notice” means the notice respecting the exercise of an Option, in the form set out as Schedule “B” hereto, duly executed by the Option Holder;
- (m) “Exercise Period” means the period during which a particular Option may be exercised and is the period from and including the Award Date through to and including the Expiry Date;
- (n) “Exercise Price” means the price at which an Option may be exercised as determined in accordance with section 3.6;
- (o) “Expiry Date” means the date determined in accordance with section 3.3 after which a particular Option cannot be exercised;
- (p) "Investor Relations Activities" has the same meaning given to it under Policy 1.1 of the TSX Venture Exchange Corporate Finance Manual and Policies;
- (q) “Management Company Employee” means an individual employed by a corporation providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person engaged in Investor Relations Activities;
- (r) “Option” means an option to acquire Shares awarded pursuant to the Plan; an Incentive Stock Option means an Option intended to comply with U.S. Internal Revenue Code section 422;
- (s) “Option Certificate” means the certificate, substantially in the form set out as Schedule “A” hereto, evidencing an Option;
- (t) “Option Holder” means a person who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person;
- (u) “Personal Representative” means (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder;
- (v) “Plan” means this stock option plan;
- (w) “Securities Act” means the *Securities Act* (British Columbia); and
- (x) “Share” or “Shares” means, as the case may be, one or more common shares without par value in the capital of the Company.

1.2 CHOICE OF LAW

The Plan is established under, and the provisions of the Plan shall be interpreted and construed solely in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

1.3 HEADINGS

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE II PURPOSE AND PARTICIPATION

2.1 PURPOSE

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate Directors, Employees and Consultants, to reward such of those persons by the grant of Options under the Plan by the Board from time to time for their contributions toward the long term goals of the Company and to enable and encourage such persons to acquire Shares as long term investments.

2.2 PARTICIPATION

The Board shall, from time to time, in its sole discretion determine those Directors, Employees and/or Consultants, if any, to whom Options are to be awarded. If the Board elects to award an Option to a Director or Consultant, the Board shall, in its sole discretion but subject to section 3.2, determine the number of Shares to be acquired on the exercise of such Option. If the Board elects to award an Option to an Employee, the number of Shares to be acquired on the exercise of such Option shall be determined by the Board in its sole discretion but subject to section 3.2, and in so doing the Board may take into account the following criteria:

- (a) the Employee's remuneration as at the Award Date in relation to the total remuneration payable by the Company to all of its Employees as at the Award Date;
- (b) the length of time that the Employee has provided services to the Company; and
- (c) the nature and quality of work performed by the Employee.

In the case of Options awarded to Employees, Consultants or Management Company Employees, the Company will be deemed to have represented that the recipient is a bona fide Employee, Consultant or Management Company Employee.

2.3 NOTIFICATION OF AWARD

Following the approval by the Board of the awarding of an Option, the Option Holder shall be notified of the award and given an Option Certificate representing the Option so awarded.

2.4 COPY OF PLAN

Each Option Holder, concurrently with the notice of the award of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided to each Option Holder. No less frequently than once annually, each Option Holder, that is providing services to the Company in the State of California, shall be provided with financial statements.

2.5 LIMITATION

The Plan does not give any Option Holder the right to continue to be employed or engaged by the Company.

ARTICLE III TERMS AND CONDITIONS OF OPTIONS

3.1 BOARD TO ALLOT SHARES

The Shares to be issued to Option Holders upon the exercise of Options shall be allotted and authorized for issuance by the Board prior to the exercise thereof.

3.2 NUMBER OF SHARES

The maximum number of Shares issuable under the Plan shall not exceed 10% of the number of Shares of the Company issued and outstanding as of each Award Date, inclusive of all Shares presently reserved for issuance pursuant to previously granted stock options, unless shareholder approval is obtained in advance in accordance with section 7.1 hereof.

Options that have been cancelled or that have expired without being exercised in full shall continue to be issuable under the Plan.

3.3 TERM OF OPTION

Subject to section 3.4, the Expiry Date of an Option shall be the date so fixed by the Board at the time the particular Option is awarded, provided that such date shall not be later than:

- (a) for so long as the Company is classified as a Tier 2 issuer or equivalent designation of the Exchange, the fifth anniversary of the Award Date of the Option; or
- (b) if the classification of the Company on the Exchange is upgraded from that of a Tier 2 issuer, or the Shares are no longer listed on the Exchange, the tenth anniversary of the Award Date of the Option.

3.4 LIMITATIONS

The total number of Options awarded to any one individual in any twelve month period shall not exceed 5% of the issued and outstanding Shares of the Company at the Award Date (unless the Company is at the time a Tier 1 issuer and has obtained disinterested shareholder approval).

The Company must obtain disinterested shareholder approval of stock options if a stock option plan, together with all of its previously established and outstanding stock option plans or grants, could result at any time in the number of shares reserved for issuance under stock options granted to insiders exceeds 10% of its issued shares and the grant to insiders, within a twelve month period, of a number of options exceeds 10% of the issued shares. In these instances, the proposed grants or plan must be approved by a majority of the votes cast by all shareholders at the shareholders' meeting excluding votes attaching to shares beneficially owned by insiders to whom options may be granted under the stock option plan and associated persons of insiders.

The total number of Options awarded to any one Consultant for the Company shall not exceed 2% of the issued and outstanding Shares of the Company at the Award Date without consent being obtained from the Exchange.

The total number of Options awarded to all persons employed by the Company who perform Investor Relations Activities for the Company shall not exceed 2% of the issued and outstanding Shares of the Company, in any twelve month period, calculated at the Award Date without consent being obtained from the Exchange. Options issued to Consultants performing Investor Relations Activities must vest in stages over 12 months with no more than ¼ of the options vesting in any three month period.

3.5 TERMINATION OF OPTION

An Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period provided that, with respect to the exercise of part of an Option, the Board may at any time and from time to time fix a minimum or maximum number of Shares in respect of which an Option Holder may exercise part of any Option held by such Option Holder. Any Option or part thereof not exercised within the Exercise Period shall terminate and become void as of 5:00 p.m. (Vancouver time) on the first to occur of the Expiry Date or the Earlier Termination Date. The Earlier Termination Date shall be the date established, if applicable, in subsections (a) or (b) below.

(a) Death

In the event that the Option Holder should die while he or she is still (i) a Director, Consultant or Employee (other than a Consultant or an Employee performing Investor Relations Activities), the Expiry Date shall be 12 months from the date of death of the Option Holder; or (ii) a person employed to provide Investor Relations Activities, the Expiry Date shall be 30 days from the date of death of the Option Holder.

(b) Ceasing to be a Director, Employee or Consultant

In the event that the Option Holder ceases to be a Director, Employee or Consultant other than by reason of death and ceases to be eligible through another capacity to hold an Option, the Expiry Date of the Option shall be the 30th day following the date the Option Holder ceases to be a Director, Employee or Consultant unless any of the following apply:

- (i) the Option Holder ceases to meet the qualifications for directors prescribed by the corporate legislation to which the Company is then subject and the Option Holder is not eligible through another capacity to hold an Option;
- (ii) the Option Holder ceases to be a director of the Company by reason of a special resolution to that effect having been passed by the members of the Company pursuant to the corporate legislation to which the Company is then subject and the Option Holder is not eligible through another capacity to hold an Option;
- (iii) the Option Holder's relationship with the Company or the Management Company is terminated for cause; or
- (iv) an order of the British Columbia Securities Commission or other regulatory authority having jurisdiction is made prohibiting the Option Holder from holding an Option,

in which case the Earlier Termination Date shall be the date on which any of the above occurs.

3.6 EXERCISE PRICE

The Exercise Price shall be that price per Share, as determined by the Board in its sole discretion, and

announced as of the Award Date, at which an Option Holder may purchase a Share upon the exercise of an Option, and if the Shares are then listed on the Exchange, shall not be less than the discounted market price of the Shares on the Exchange on the day preceding the Award Date, less any discount permitted by the Exchange. In no case shall the Exercise Price of an Option granted to a Director, Employee or Consultant providing services to the Company in the State of California be less than 85% of the fair value of the underlying security at the time the Option is granted; except that the price shall not be less than 110% of the fair value in the case of any person who owns securities possessing more than 10% of the total combined voting power of all classes of securities of the Company possessing voting power.

3.7 EXERCISE PRICE AND REDUCTION IN EXERCISE PRICE

The Exercise Price shall be that price per Share, as determined by the Board in its sole discretion and announced as of the Award Date, at which an Option Holder may purchase a Share upon the exercise of an Option, provided that it shall not be less than the closing price of the Company's Shares traded through the facilities of the Exchange (or, if the Shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the Shares are listed or quoted for trading) on the day preceding the Award Date, less any discount permitted by the Exchange, or such other price as may be required or permitted by the Exchange.

Disinterested shareholder approval will be obtained for any reduction in the exercise price of an Option if the Option Holder is an insider of the Company at the time of the proposed amendment.

3.8 ASSIGNMENT OF OPTIONS

Options may not be assigned or transferred, provided however that the Personal Representative of an Option Holder may, to the extent permitted by section 4.1, exercise the Option within the Exercise Period.

3.9 ADJUSTMENTS

If prior to the complete exercise of any Option the Shares are consolidated, subdivided, converted, exchanged or reclassified or in any way substituted for (collectively the "Event"), an Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Event in the manner the Board deems appropriate. No fractional Shares shall be issued upon the exercise of the Options and accordingly, if as a result of the Event an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

3.10 PROVISIONS APPLICABLE TO INCENTIVE STOCK OPTIONS

Notwithstanding the other provisions of the Plan to the contrary, the following provisions shall apply to the Incentive Stock Options:

- (a) Eligibility. An Incentive Stock Option may be granted only to an individual who, at the time the option is granted, is an employee of the Company and who the Board may from time to time select for participation in this Plan. Members of the Board shall not be eligible for grants of Incentive Stock Options unless they are also employees of the Company.
- (b) Price of Shares. The price per Share at which each option is exercisable (the "exercise price") shall be as established as follows:

- (i) With respect to Incentive Stock Options intended to qualify under Section 422 of the Internal Revenue Code, the exercise price shall be not less than the fair market value per Share at the time the Incentive Stock Option is granted;
 - (ii) With respect to Incentive Stock Options granted to greater than 10% shareholders, the exercise price shall be as required by subsection 3.10(f);
 - (iii) The minimum exercise price must not be less than the discounted market price per Share for the purpose of determining the exercise price under this subsection 3.10(b) shall be determined by the Board in its sole discretion in good faith at the time the option is granted.
- (c) Termination if Incentive Stock Options. In the case of an Incentive Stock Option, an Option Holder may exercise the Incentive Stock Option as provided in section 3.4; provided, in no circumstances shall an Incentive Stock Option terminate later than the expiration of the three (3) month period following cessation of employment. If an Option Holder dies while he or she has a relationship with the Company, or dies within the three (3) month period following cessation of such relationship, any Incentive Stock Option held by such Option Holder to the extent that the Option Holder would have been entitled to exercise such option, may be exercised within one year after his or her death by the personal representative of his or her estate or by the person or persons to whom the Option Holder's rights under the option shall pass by will or by the applicable laws of descent and distribution.
- (d) Modification and Amendment of Option. Except as otherwise provided in this Plan, no outstanding Incentive Stock Option shall be terminated without the consent of the Option Holder. Unless the Option Holder agrees otherwise, any changes or adjustments made to outstanding Incentive Stock Options granted under this Plan shall be made in such a manner so as not to constitute a "modification" as defined in Code Section 424(h) and so as not to cause any Incentive Stock Option issued hereunder to fail to continue to qualify as an Incentive Stock Option as defined in Code Section 422(b).
- (e) Limitation on Value for Incentive Stock Options. As to all Incentive Stock Options granted under the terms of this Plan, to the extent that the aggregate fair market value (determined at the time the Incentive Stock Option is granted) of the stock with respect to which Incentive Stock Options are exercisable for the first time by the Option Holder during any calendar year (under this Plan and all other incentive stock option plans of the Company) exceeds \$100,000, those options (or the portion of an option) beyond the \$100,000 threshold shall be treated as nonqualified stock options. The previous sentence shall not apply if the Internal Revenue Service publicly rules, issues a private ruling to the Company, any Option Holder, or any legatee, personal representative or distributee of an Option Holder or issues regulations changing or eliminating such annual limit.
- (f) Greater Than 10% Shareholders.
- (i) If Incentive Stock Options are granted under this Plan to employees who own more than 10% of the total combined voting power of all classes of Shares of the Company, the term of such Incentive Stock Options shall not exceed five years and the exercise price shall be not less than 110% of the fair market value of the Shares at the time the Incentive Stock Option is granted. This provision shall control notwithstanding any contrary terms contained in an Option Certificate or any other document;
 - (ii) For purposes of subsection 3.10(f), in determining Share ownership, an employee shall be

deemed to own the Shares owned, directly or indirectly, by or for his brothers, sisters, spouse, ancestors and lineal descendants. Shares owned, directly or indirectly, by or for a corporation, partnership, estate or trust shall be deemed to be owned proportionately by or for its shareholders, partners or beneficiaries. If an employee or a person related to the employee owns an unexercised option or warrant to purchase Shares of the Company, the Shares subject to that portion of the option or warrant which is unexercised shall not be counted in determining Share ownership. For purposes of this subsection 3.10(f), Shares owned by an employee shall include all Shares actually issued and outstanding immediately before the grant of the Incentive Stock Option to the employee.

ARTICLE IV EXERCISE OF OPTION

4.1 EXERCISE OF OPTION

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part, subject to any applicable exercise restrictions, at any time or from time to time during the Exercise Period up to 5:00 p.m. (Vancouver time) on the Expiry Date by delivering to the Administrator an Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft (or other payment method acceptable to the Company) payable to the Company in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Option.

4.2 EXERCISE RESTRICTIONS

The Board may, at the time an Option is awarded or upon renegotiation of the same, attach restrictions relating to the exercise of the Option in addition to the vesting provisions specified in section 3.9. Any such restrictions shall be recorded on the applicable Option Certificate.

4.3 ISSUE OF SHARE CERTIFICATES

As soon as practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased bearing such legends denoting trading restrictions as may be required by applicable securities laws and/or the Exchange. It is the Option Holder's responsibility to comply with any such trading restrictions. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall forward a new Option Certificate to the Option Holder concurrently with delivery of the aforesaid share certificate for the balance of the Shares available under the Option.

4.4 CONDITION OF ISSUE

The issue of Shares by the Company pursuant to the exercise of an Option is subject to this Plan and compliance with the laws, rules and regulations of all regulatory bodies applicable to the issuance and distribution of such Shares and to the listing requirements of any stock exchange or exchanges on which the Shares may be listed. The Option Holder agrees to comply with all such laws, rules and regulations and agrees to furnish to the Company any information, report and/or undertakings required to comply with and to fully cooperate with the Company in complying with such laws, rules and regulations.

4.5 TAKE-OVER BID

If there is a takeover bid or tender offer (an "Offer") made for all or any of the issued and outstanding Shares, then the Board may, in its sole and absolute discretion and if permitted by applicable legislation, unilaterally determine that outstanding Options, whether fully vested and exercisable or subject to vesting provisions or other limitations on exercise, will be conditionally exercisable in full to enable the Shares subject to such Options to be conditionally issued and tendered to the Offer, subject to the condition that if the Offer is not duly completed the exercise of such Options and the issue of such Shares will be rescinded and nullified and the Options, including any vesting provisions or other limitations on exercise which were in effect, will be re-instated.

4.6 CHANGE OF CONTROL

If a Change of Control occurs, all Option Shares subject to each outstanding Option will become vested, whereupon such Option may be exercised in whole or in part by the Option Holder, subject to the approval of the Exchange, if necessary.

ARTICLE V ADMINISTRATION

5.1 ADMINISTRATION

The Plan shall be administered by the Administrator on the instructions of the Board or such committee of the Board authorized to act in respect of matters relating to the Plan. The Board or such committee may make, amend and repeal at any time and from time to time such regulations not inconsistent with the Plan as it may deem necessary or advisable for the proper administration and operation of the Plan and such regulations shall form part of the Plan. The Board may delegate to the Administrator or any other person such administrative duties and powers as it may see fit.

5.2 INTERPRETATION

The interpretation by the Board or its authorized committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final and conclusive and shall not be subject to any dispute by any Option Holder. No member of the Board or any person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Board and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

5.3 WITHHOLDING TAXES

The Company or any subsidiary may take such steps as are considered necessary or appropriate for the withholding and/or remittance of any taxes which the Company or any subsidiary is required by any law or regulation of any governmental authority whatsoever to withhold and/or remit in connection with any option grant or option exercise including, without limiting the generality of the foregoing, the withholding and/or remitting of all or any portion of any payment or the withholding of the issue of Shares to be issued upon the exercise of any option until such time as the Optionee has paid the Company or any subsidiary for any amount which the Company or subsidiary is required to withhold and/or remit with respect to such taxes.

ARTICLE VI AMENDMENT AND TERMINATION

6.1 PROSPECTIVE AMENDMENT

Subject to applicable regulatory approval, the Board may from time to time amend the Plan and the terms and condition of any Option thereafter to be awarded and, without limiting the generality of the foregoing, may make such amendment for the purpose of meeting any changes in any relevant law, rule or regulation applicable to the Plan, any Option or the Shares, or for any other purpose which may be permitted by all relevant laws, rules and regulations, provided always that any such amendment shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to such amendment.

6.2 RETROSPECTIVE AMENDMENT

Subject to applicable regulatory approval, the Board may from time to time retrospectively amend the Plan and may also, with the consent of the affected Option Holders, retrospectively amend the terms and conditions of any Options which have been previously awarded.

6.3 TERMINATION

The Board may terminate the Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to the date of such termination and notwithstanding such termination the Company, such Options and such Option Holders shall continue to be governed by the provisions of the Plan.

6.4 AGREEMENT

The Company and every person to whom an Option is awarded hereunder shall be bound by and subject to the terms and conditions of the Plan.

ARTICLE VII APPROVALS REQUIRED FOR PLAN

7.1 APPROVALS REQUIRED FOR PLAN

The Plan is subject to the receipt of the necessary acceptance/approvals of the Exchange and the shareholders of the Company.

7.2 SUBSTANTIVE AMENDMENTS TO PLAN

For as long as the Company is listed on the Exchange, any substantive amendments to the Plan shall be subject to the Company first obtaining the necessary approvals of:

- (a) the shareholders of the Company; and
- (b) the Exchange.

Schedule A
LOS ANDES COPPER LIMITED

STOCK OPTION PLAN
OPTION CERTIFICATE

This certificate is issued pursuant to the provisions of the LOS ANDES COPPER LIMITED (the "Company") Stock Option Plan (the "Plan") and evidences that [name of optionee] is the holder of an option (the "Option") to purchase up to [insert] common shares (the "Shares") in the capital stock of the Company at a purchase price of [\$0.●] per Share. Subject to the provisions of the Plan:

- (a) the Award Date of this Option is _____ <date of grant>; and
- (b) the Expiry Date of this Option is _____ <date of expiry>.

Applicable Vesting or Other Restrictions

This Option may be exercised in accordance with its terms at any time and from time to time from and including the Award Date through to and including up to 5:00 p.m. (Vancouver time) on the Expiry Date, by delivering to the Administrator of the Plan an Exercise Notice, in the form provided in the Plan, together with this certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

LOS ANDES COPPER LIMITED

by its authorized signatory:

NAME: _____

TITLE: _____

Schedule B

EXERCISE NOTICE

To: The Administrator, Stock Option Plan
LOS ANDES COPPER LIMITED

The undersigned hereby irrevocably gives notice, pursuant to the LOS ANDES COPPER LIMITED (the "Company") Stock Option Plan (the "Plan"), of the exercise of the Option to acquire and hereby subscribes for (*cross out inapplicable item*):

- (a) all of the Shares; or
- (b) _____ of the Shares, which are the subject of the Option Certificate attached hereto.

Calculation of total Exercise Price:

- (i) number of Shares to be acquired on exercise: _____ Shares
 - (ii) times the Exercise Price per Share: \$ _____
- TOTAL EXERCISE PRICE, enclosed herewith: \$ _____

The undersigned tenders herewith a certified cheque or bank draft (*circle one*) in the amount of \$ _____ payable to the Company in an amount equal to the total Exercise Price of the aforesaid Shares, as calculated above, and directs the Company to issue the share certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address:

DATED the _____ day of _____, 200__.

Signature of Witness

Signature of Option Holder

Name of Witness (please print)

Name of Option Holder (please print)

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