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**LOS ANDES COPPER LTD.
Management Discussion & Analysis
For the Quarter and Six Months ended March 31, 2008**

All figures expressed in Canadian Dollars except where noted

The following discussion and analysis of the results of operations and financial position of Los Andes Copper Ltd. (“Los Andes”) together with its subsidiaries (collectively, the “Company”), is prepared as of May 6, 2008, and should be read in conjunction with the Company’s unaudited financial statements and notes thereto as of March 31, 2008 and the Company’s audited consolidated financial statements and the notes thereto prepared as at September 30, 2007.

Company Overview

Los Andes is a Canadian mineral exploration and development company focused on the acquisition, exploration and development of advanced stage copper deposits in Latin America. The Company’s current focus is the Vizcachitas porphyry copper-molybdenum project, located 120 km north of Santiago, Region V, Chile. The property contains a NI43-101 compliant indicated resource of 144 M tonnes grading 0.52% copper and 0.015% molybdenum, and additional inferred resources of 211 M tonnes grading 0.46% Cu and 0.016% Mo at a 0.4% copper cut-off.

Effective January 1, 2007, the Company disposed of its former mineral properties in China and on February 8, 2007 completed the acquisition of the Vizcachitas property, as described below. Expenses associated with the former Chinese operations in the six months ended March 31, 2007 have been reclassified as a loss from discontinued operations.

Overall Performance

In the quarter ended March 31, 2008 (“Q2-2008”) the Company incurred a loss of \$99,080 compared to a loss of \$237,111 in the comparative quarter of March 31, 2007 (“Q2-2007”). These quarters have the first set of comparative financial statements under the Company’s current operations in Chile.

The major variances explaining the reduced loss in Q1-2008 are lower professional fees and transfer agent, filing and regulatory fees in the current quarter; these fees were higher in Q2-2007 in connection with a significant private placement and the acquisition of Vizcachitas.

During Q2-2008 the Company incurred acquisition costs for water rights of \$2,103,667 and deferred development costs of \$1,510,799, an aggregate investment of \$3,614,466 in the Vizcachitas property. A second-phase drilling program continued in Vizcachitas during the quarter.

In Q2-2008, the Company completed a private placement for aggregate gross proceeds of \$500,000.

The Company's cash and cash equivalents balance and working capital at March 31, 2008 were \$3,020,857 and \$2,268,417, respectively. Los Andes' healthy capitalization has allowed it to carry out the phase two drilling program and the acquisition of significant water rights.

Acquisition of Vizcachitas Property

On February 8, 2007, Los Andes acquired from Global Copper Corp ("Global") all of the issued and outstanding shares of Vizcachitas Limited. Vizcachitas Limited owns 399 of the 400 issued and outstanding shares in Compañía Minera Vizcachitas Holding ("CMV"), a company incorporated under the laws of Chile. The remaining share in CMV is owned by Los Andes. CMV owns the following interests which comprise the Vizcachitas Property:

1. 51% of the shares of Sociedad Legal Minera San José Uno de Lo Vicuña, El Tártaro y Piguchén de Putaendo ("San José SLM"), a Chilean Sociedad Legal Minera, which is the owner of the San José mining concessions (the "SJ Concessions");
2. 32 mining rights (the "Mining Rights"), of which 8 are existing exploitation mining concessions encircling the SJ Concession, 19 are exploitation mining concessions in process of constitution (exploitation claims) encircling the SJ Concession and 5 are exploration mining concessions in process of constitution (exploration claims) protecting the SJ Concession; and
3. An option agreement to purchase 100% of six additional exploitation mining concessions (the "Additional Concessions" and together with the SJ Concessions and the Mining Rights, the "Property"), also encircling the SJ Concession.

All the Concessions, with the exception of the SJ Concession, are subject to NSR royalties of 2% on any surface production and 1% on any underground production on the claims. In the case of the SJ Concessions, Company's portion of NSR royalties is 1.02% on surface mining and 0.51% on underground mining.

The Property is located in the province of San Felipe, Region V, Chile, an area of low elevation with excellent infrastructure, including water and power. A.C.A. Howe International Limited described NI43-101 compliant mineral resources for the Property in a technical report dated June 29, 2006 (updated February 2007). The resource calculation was based on 68 drill holes for a total of 18,300 metres. Results showed an indicated resource of 144 million tonnes grading 0.52% copper and 0.015% molybdenum and an inferred resource of 211 million tonnes grading 0.46% copper and 0.016% molybdenum at a 0.40% copper cutoff.

San José SLM is a Chilean Sociedad Legal Minera ("SLM") and the Company owns an indirect 51% majority interest in San Jose SLM. Chilean legal counsel have advised that a Chilean Sociedad Legal Minera, or SLM, is regulated by the Chilean Mining Code (the "Code"), according to which (i) the administrators of the SLM are appointed in shareholders meetings, and they have the power to administer the SLM, including entering into labour contracts, buying materials necessary for the exploration or exploitation of the mine or processing of the mine's products, paying debts and collecting credits of the SLM and selling ore extracted from the SLM's properties; (ii) all other matters not entrusted by the Code to the administrator are decided in shareholders' meetings, which are presided over by the shareholder with the highest number of shares; (iii) in most cases matters are decided by the majority of the shares, including

the determination of the amount of contributions for expenses of maintenance and exploration or exploitation of the concessions (the "Expenses"); and (iv) the shareholders are required to contribute to the payment of the Expenses in proportion to the shares they hold in the SLM.

The Company understands a single Chilean company ("Minority Shareholder") owns the remaining minority 49% of San José SLM. The Company has not yet determined how development of the Property will proceed and looks forward to further discussions with the shareholders and principals of the Minority Shareholder to determine if a mutually beneficial plan of action may be developed.

The property rights outlined above contain the balance of the known mineralization, and are considered to have potential for expanding or adding to the existing resource on the Property. The area will also provide for critical waste stripping and development tenure for the resource identified to date. Work programs on the Property will, in part, focus on testing the potential of these areas to host extensions or additions to the existing mineralization, with a view to further enhancing the economics of the Property.

Consideration for the acquisition of the Vizcachitas property was comprised of US\$10,400,000 in cash and the issuance to Global of 6,280,000 shares and 3,900,000 share purchase warrants in the capital of the Company. Each warrant enables Global to acquire one additional share of the Company for a period of three years to February 8, 2010, at an exercise price of \$1.00 per share. In addition, Global was granted net smelter royalties of 2% on revenues generated from open pit operations and 1% on revenues generated from underground operations on certain of the claims comprising the Vizcachitas property.

In connection with the acquisition, the Company recorded a future income tax liability of \$3,458,027, as required by Canadian GAAP to account for the potential tax effect resulting from the limited tax pools available to offset taxable income earned in the Company, relative to the carrying cost of the acquired asset on the Company's balance sheet. At the time the future income tax liability was recorded, an increase of \$3,458,027 to the value of the acquired asset was also recorded by the Company.

Disposition of Subsidiary Corporation

Los Andes, through its former wholly owned subsidiary, Tun Resources Inc. ("Tun") owned interests in three mineral properties located in the Zhen Yuan Mining District, China (together, the "Yunnan Yuntong Properties"): the Shangzhai exploration licence area and mining concession, which had been in production since 2001; the Bianfushan exploration licence area and mining concession; and the Jiazutian (formerly Lanintang) exploration licence area, which were in the exploration and development stage.

Tun entered into a Joint Venture Agreement with the Yunnan Province Dianxi Geological Engineering, Exploration Development Company on August 8, 1994 ("Dianxi"). The joint venture was called the Yunnan Yuntong Exploration Company Limited Joint Venture (the "Yunnan Yuntong JV"). Tun's initial capital investment was US\$800,000, to earn a 60% interest in the Yunnan Yuntong JV and was later increased to US\$1,400,000 to earn an 82% interest in the Yunnan Yuntong JV.

On August 29, 2006, the Yunnan Yuntong JV sold three of its non-producing, exploration mineral properties in China to a branch of the Chinese government for net sale proceeds (after taxes and finder's fees) of approximately \$1,000,000. The Company continued to mine, develop and explore its remaining Chinese properties until January 1, 2007 at which time Los Andes

entered into an agreement to sell all of the outstanding shares of Tun for consideration on closing of \$1,000,000 and the assumption by the purchaser (the "Purchaser") of liabilities of Los Andes in the aggregate amount of \$473,412. The Company recorded a gain of \$634,442 on disposition of these properties.

Results of Operations

Quarter Ended March 31, 2008

Financial Review

In Q2-2008 the Company completed a payment of \$2,103,667 for the acquisition of a 250 litres per second ("lps") water right, which is an entitlement to permanent, continuous, consumptive use of 250 lps of flow from the Aconcagua River located near Vizcachitas.

Under the terms of the agreement, the Company agreed to pay the vendor US\$17,000 per lps, for a total of US\$4,250,000, as follows:

- US\$2,125,000 on execution of contract (completed)
- US\$1,062,500 in March 2009, the first anniversary of the agreement
- US\$1,062,500 in March 2010, the second anniversary of the agreement

In the quarter, the Company also incurred \$1,510,799 in deferred exploration expenses. The breakdown of the expenses is as follows:

	<u>\$</u>
Automobile and travel	11,772
Assaying	13,975
Camp rehabilitation, maintenance and security	34,012
Core handling and storage	1,450
Drilling	708,026
Equipment rental	90,660
Exploration administration	34,955
Food and accommodation	52,145
Geological consulting	16,063
Other	102
Property and surface rights, taxes and tenure fees	50,883
Studies and other consulting	57,704
Subcontractor	307,664
Supplies	131,388
	<u>1,510,799</u>

The Company incurred a net loss of \$99,080 or \$nil per share in Q2-2008 (Q2-2007: net loss of \$237,111 or \$0.01 per share).

In Q2-2008 the most significant expense was consulting, salaries and management fees of \$71,302 (Q2-2007: \$26,036), due to the addition of a management team under the Company's new operations, which has more than offset the cost of professional fees (Q2-2008: \$37,696 compared to \$135,676 in Q2-2007), mostly from reduced legal fees. Professional fees were also higher in Q2-2007 from external legal fees in connection with a private placement and the acquisition of Vizcachitas.

Other relevant expenses include \$18,327 in transfer agent, filing and regulatory fees (Q2-2007: \$79,677), shareholder communications of \$15,304 (Q2-2007: \$3,600) and \$14,092 in travel, promotion and entertainment (Q2-2007: \$15,049). Transfer agent, filing and regulatory fees were higher in the comparative quarter due to significant transactions in that period. Shareholder communication expense increased due to the Company's participation in mining trade shows, publications and websites.

In Q2-2008 the Company received interest income of \$44,467 (Q2-2007: \$7,228) and recorded a gain on foreign exchange of \$19,434 (Q2-2007: expense of \$3,981).

Deferred Exploration

The following paragraphs summarize the nature of the exploration undertaken on Vizcachitas during Q2-2008. All exploration was supervised by Roger Moss, Ph.D., P.Geo., President of the Company and qualified person for the project under NI 43-101.

Project Description

The Vizcachitas Property covers a porphyry copper-molybdenum deposit that offers potential for a low strip, open pit operation in an area of low elevation with excellent infrastructure, including water and power in central Chile. The Vizcachitas deposit occurs in the same metallogenic belt as the large copper-molybdenum porphyries Rio Blanco-Los Bronces, Los Pelambres-El Pachon and El Teniente. Based on 68 drill holes previously completed by General Minerals Corporation and Placer Dome, the project contains an indicated resource of 232 million tonnes grading 0.46% copper and 0.014% molybdenum and an inferred resource of 619 million tonnes grading 0.38% copper and 0.013% molybdenum at a 0.30% copper cutoff as detailed in the NI43-101 compliant technical report of A.C.A. Howe International Limited dated February 7, 2007. The technical report can be viewed on the company's website at www.losandescopper.com.

During the 2nd quarter, the Company's exploration focus continued to be the second phase diamond drilling campaign currently ongoing at Vizcachitas.

A total of 4,697.45 metres was drilled in 20 holes (LAV-102 to LAV-120) during the quarter as the Company continued to test the limits of the Vizcachitas porphyry system in an effort to expand the current resource. Highlights of the drilling include:

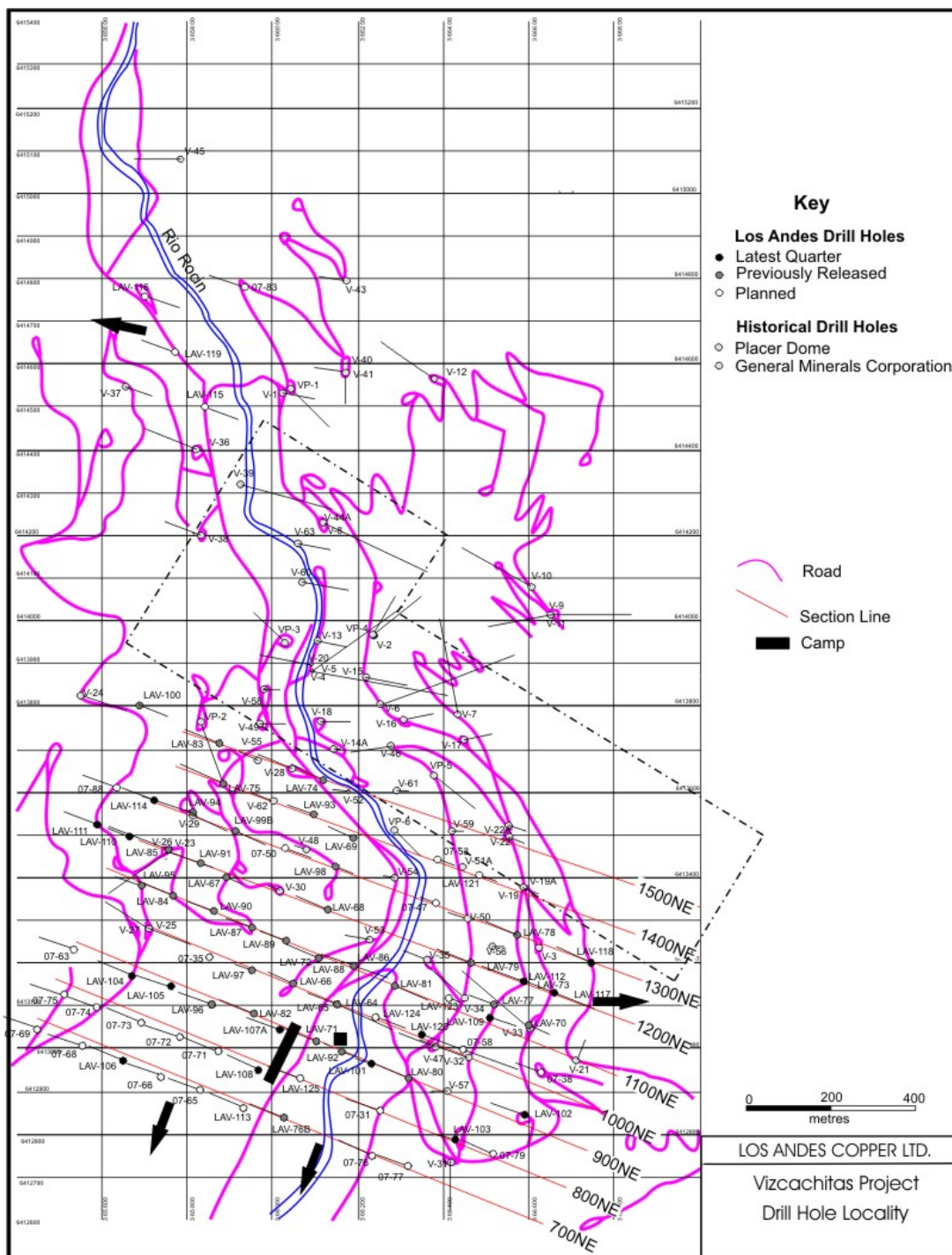
- LAV-107A drilled on section 900NE on the east side of the Rio Rocin, intersected 0.31%Cu and 0.014% Mo (0.40% Cu equivalent) over 300 metres.
- LAV-108 drilled 100 metres to the southwest of LAV-107A that intersected near surface higher grade mineralization grading 0.70% Cu between 42 and 88 metres within a longer interval of 218 metres grading 0.57% Cu.
- LAV-109 drilled on section 1100NE on the west side of the river that intersected 198 metres grading 0.41% Cu and 0.015% Mo (0.51% Cu Eq.*) that included an interval of 68 metres grading 0.50% Cu and 0.026% Mo (0.67% CuEq.*)

A summary of the highlights of the drilling conducted during the quarter, for which results are available, is shown in the table below.

Hole ID	From (m)	to (m)	interval (m)	CuT (%)	Mo (%)	CuEq %*
LAV-105	24	250	226	0.09	0.001	na
including	120	136	16	0.29	0.001	na
including	134	136	2	0.73	0.001	na
LAV-107A	30	330	300	0.31	0.014	0.40
including	30	82	52	0.40	0.018	0.52
and	220	244	24	0.45	0.01	0.52
LAV-107	31.7	127.75	96.05	0.33	0.015	0.42
including	50	58	8	0.51	0.008	na
LAV-108	42	260	218	0.57	0.009	na
including	42	88	46	0.70	0.006	na
including	42	58	16	0.88	0.010	0.95
LAV-109	5.6	256	250.4	0.37	0.014	0.47
including	32	230	198	0.41	0.015	0.51
including	32	100	68	0.50	0.026	0.67

(*Copper equivalent is calculated for Mo values greater than 0.01% using US\$1.50/lb Cu and US\$10.00/lb Mo according to the formula $CuEq\% = Cu\% + (Mo\% \times 10.00/1.50)$ and is not adjusted for metallurgical recoveries or net smelter return which remain uncertain and are assumed to be 100%).

Locations of the drill holes can be found on the plan given below, which highlights holes drilled in the second quarter. Arrows indicate the main directions in which the mineralization remains open.



Drilling at Vizcachitas continues with two diamond drill rigs. The current phase of drilling, amounting to 15,000 metres, is expected to be finished by the end of May, at which point Los Andes will have drilled 20,000 metres, more than the total amount of drilling completed in the 1990s. An updated resource estimate is scheduled to be completed during June. Following the resource update, a scoping study/preliminary economic assessment will begin in June, with results expected in the fourth quarter.

Six Months Ended March 31, 2008

Financial Review

The Company incurred a net loss of \$1,203,774 or \$0.02 per share the six months ended March 31, 2008 ("YTD 2008"), compared to a net loss of \$999,242 or \$0.03 per share in the six months ended March 31, 2007 ("YTD 2007").

The results of operations in YTD 2007 include a loss from discontinued operations of \$689,118.

Comparative analysis of expenses between the two periods is not meaningful due to the change in the nature of the Company's operations, as results for Q1-2007 include operations of the Company's former Chinese properties, and no operations from Vizcachitas.

In YTD 2008 the most significant expense was stock-based compensation expense of \$914,164, incurred in connection with the grant of 2,550,000 options to directors, officers and consultants of the Company. The options have a five-year term to November 30, 2012, vested at the time of grant and are exercisable at \$0.51 per share.

Other major expenses are consulting, salaries and management fees of \$189,891, of which approximately \$56,000 represents one-time costs, professional fees of \$70,773 and transfer agent, regulatory and filing fees of \$57,110.

Deferred Exploration

During Q1-2007, Los Andes, through its former wholly owned subsidiary Tun mined, developed and explored properties in China in association with the Yunnan Province Dianxi Geological Engineering, Exploration Development Company under the "Yunnan Yuntong JV".

Effective January 1, 2007 Los Andes entered into an agreement to sell all of the outstanding shares of Tun, thereby selling its interest in the Chinese properties.

Subsequent to the sale of the Chinese properties, all exploration work carried out was in connection with the acquisition of the Vizcachitas property and the drill programs outlined above.

YTD-2008 the Company has incurred acquisition costs of \$488,186, acquisition of water rights of \$2,103,667 and deferred exploration costs of \$2,783,410, which in aggregate represent and increase to its mineral properties carrying value of \$5,375,263.

Summary of Quarterly Results

	QUARTERS ENDED			
	March 31, 2008 \$	December 31, 2007 \$	September 30, 2007 \$	June 30, 2007 \$
Loss	(99,080)	(1,104,694)	(2,417,493)	(928,508)
Loss Per Share ⁽¹⁾	-	(0.02)	(0.05)	(0.02)
	March 31, 2007 \$	December 31, 2006 \$	September 30, 2006 \$	June 30, 2006 \$
Earnings (Loss)	(237,111)	(762,131)	1,329,723	2,234
Earnings (Loss) Per Share ⁽¹⁾	(0.01)	(0.03)	0.11	-

(1) Presented on an undiluted basis.

Liquidity and Capital Resources

As at March 31, 2008 the Company had cash and cash equivalents of \$3,020,857 and working capital of \$2,268,417, compared to cash of \$1,272,361 and working capital of \$939,205 at September 30, 2007.

The increase in cash and working capital is in connection with the closing of two private placements for gross proceeds of \$8,000,000 fiscal year. In connection with the placements, the Company issued 16,000,000 units, each unit consisted of one common share and one-half of one share purchase warrant. Each warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.75 until November 24, 2008 (7,500,000 warrants) and January 12, 2009 (500,000 warrants). In connection with the private placements, the Company paid aggregate finders' fees of \$340,025.

The Company has used cash of \$5,297,109 in fiscal 2008 in investing activities, namely \$2,675,612 for deferred exploration costs (including the effect of changes in accounts payable for deferred exploration in the period), \$2,103,667 for the first payment towards the acquisition of significant water rights, \$488,186 in property acquisition costs and acquisition of fixed assets of \$29,644.

The \$488,186 for property acquisitions in fiscal 2008 is for an option payment pursuant to a September 21, 2005 agreement whereby the Company was granted an option to acquire a 100% interest in the Additional Concessions. The remaining payments under the agreement are as follows:

US\$ 500,000	Due on	May 31, 2008
700,000		November 30, 2008
700,000		May 31, 2009
<u>800,000</u>		November 30, 2009
<u>US\$ 2,700,000</u>		

The Company's long-term debt is comprised of a \$5,659,470 future income tax liability recorded in compliance with Canadian GAAP to account for the potential tax effect derived from the excess carrying cost of the Company's mineral properties, as compared to the properties' tax

basis. The future income tax liability does not represent an amount currently due by the Company to tax authorities in Canada or Chile.

Los Andes relies on the issuance of share capital to fund operations. There can be no assurance that Los Andes will be able to obtain required financing in the future on acceptable terms to fund anticipated mineral development costs and operating losses in upcoming periods. General financial market conditions will have an impact on Los Andes' ability to raise funds in the future.

Transactions with Related Parties

During the quarter ended March 31, 2008, the Company paid or accrued \$41,863 in management fees (Quarter ended March 31, 2007: \$nil), \$16,063 in geological consulting fees (Quarter ended March 31, 2007: \$nil), \$11,440 in directors' fees (Quarter ended March 31, 2007: \$nil) and \$8,025 in legal fees (Quarter ended March 31, 2007: \$8,025) to directors or companies related to directors and officers of the Company.

Included in the accounts payable and accrued liabilities balance at March 31, 2008 are \$20,955 due to officers and directors of the Company (March 31, 2007: \$526).

Amounts due to and from related parties are non-interest bearing, unsecured and have no fixed terms of repayment. These transactions were in the normal course of operations and were measured at fair value as determined by management.

Subsequent Events

Subsequent to March 31, 2008 the Company granted 250,000 share purchase options to a director of the Company. The options vested at the time of grant, have an exercise price of \$0.62 per share and a five year term to April 30, 2013.

Other MD&A Requirements

As of May 6, 2008, the Company has outstanding 78,599,266 common shares, 11,900,000 exercisable warrants (at prices ranging from \$0.75 to \$1.00 per share) and 4,850,000 exercisable stock options (at exercise prices ranging from \$0.40 to \$0.62).

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

Cautionary Statement on Forward Looking Information

This Report contains "forward looking statements". These forward looking statements include, but are not limited to, statements regarding the Company's strategic plans, property search and evaluation plans, estimated levels of expenditures, acquisition targets and commitments. Forward-looking statements express, as at the date of this Report, The Company's plans, estimates, forecasts, projections, or beliefs as to future events or results and the Company does not intend, and does not assume any obligation, to update these forward-looking statements. In certain cases, forward-looking statements can be identified by the use of words such as "plans",

“expects”, or does not expect”, is expected”, “budget”, “schedule” , “estimates”, “intends”, “anticipates”, or “does not anticipate”, “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might”, or “will be taken, “occur”, or “be achieved”. We caution that forward-looking statements involve a number of risks and uncertainties, and there can be no assurance that such statements will prove to be accurate. Therefore, actual results and future events may differ materially from those anticipated in such statements. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward – looking statements include, but are not limited to the success of the Company’s acquisition criteria, the success in completing further financing and closing on any target acquisitions, currency fluctuations, the ability of the Company to conduct its business in Chile, risks inherent with the mining industry, unexpected regulatory changes, delays in the completion of critical activities and other risks inherent to the Company’s activities.