

The Andean Pivot: Unlocking Mining Value in a New Regulatory Era

A strategic briefing on navigating the convergence of regulatory reform and technology in Chile and Peru for a first-mover advantage.



KPMG

 **Mining
Council**

 NotebookLM

Chile's mining sector is trying to build a skyscraper with a 1990s operating system.

Chile's Decline in Investment Attractiveness

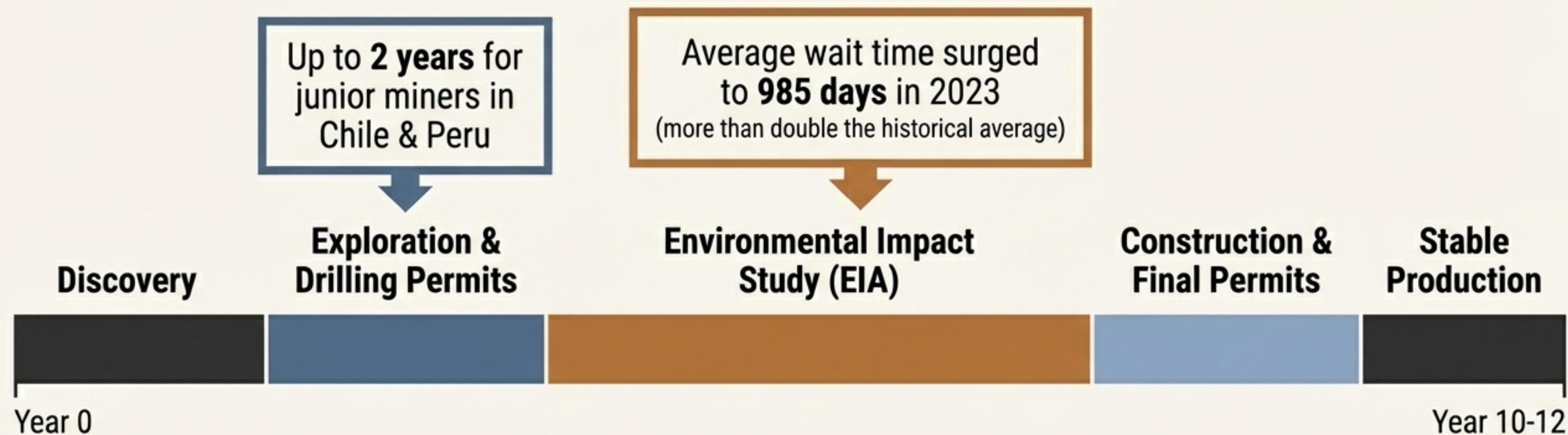


Source: Fraser Institute Annual Survey of Mining Companies

The core issue is "permisología"—a paralyzing bureaucratic web that has pushed Chile from a top-tier investment destination to its worst ranking in history. Investors cite regulatory uncertainty and inconsistent environmental criteria as the primary risks, choking supply just as global demand for copper and lithium is rising.



The result is a 10-year barrier from discovery to production, with approval times doubling.



The steady decline in new discoveries is a direct consequence of this “exploration crisis,” as capital is exhausted long before drilling can even begin.

The paralysis stems from a complex web of uncoordinated permits and political interference.



Permit Overload

Over **380 individual authorizations** are required, many from uncoordinated, disjointed agencies.



Political Interference

Technical evaluations are frequently overridden by political agendas, exemplified by the "Committee of Ministers."



Property Hoarding

Low annual fees encourage land speculation, with owners holding concessions without ever exploring, locking up valuable territory.



Labor Scarcity

The industry has only **5-10% of the qualified personnel** needed to meet future production demands, a problem exacerbated by project delays.

This bureaucratic friction acts as a hidden tax, costing 0.58% of GDP and inflating project costs by 65%.

0.58%

Annual GDP loss, equivalent to
~\$1.958 billion in 2023.

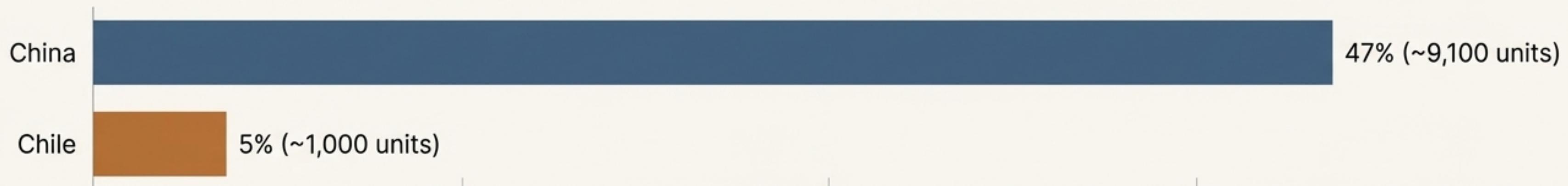
65%

Average cost increase for
large-scale mining projects due
to administrative delays.

60%

of Chilean copper is exported as
low-value concentrate due to a
lack of local smelting capacity.

Global Smelting Capacity (thousands of tonnes of Copper Fine)



Source: Mining Council

The Canadian model reveals the scale of the missed opportunity: a vibrant junior ecosystem driving discovery.



Canada (The North Star)

1,000+

active exploration projects.

1.8X

the exploration efforts of major producers.

Success driven by hubs in **Nunavik** (Quebec) and **Labrador (NL)**.



Chile (The Current Reality)

Stagnant production; only 4% of new projects are greenfield.

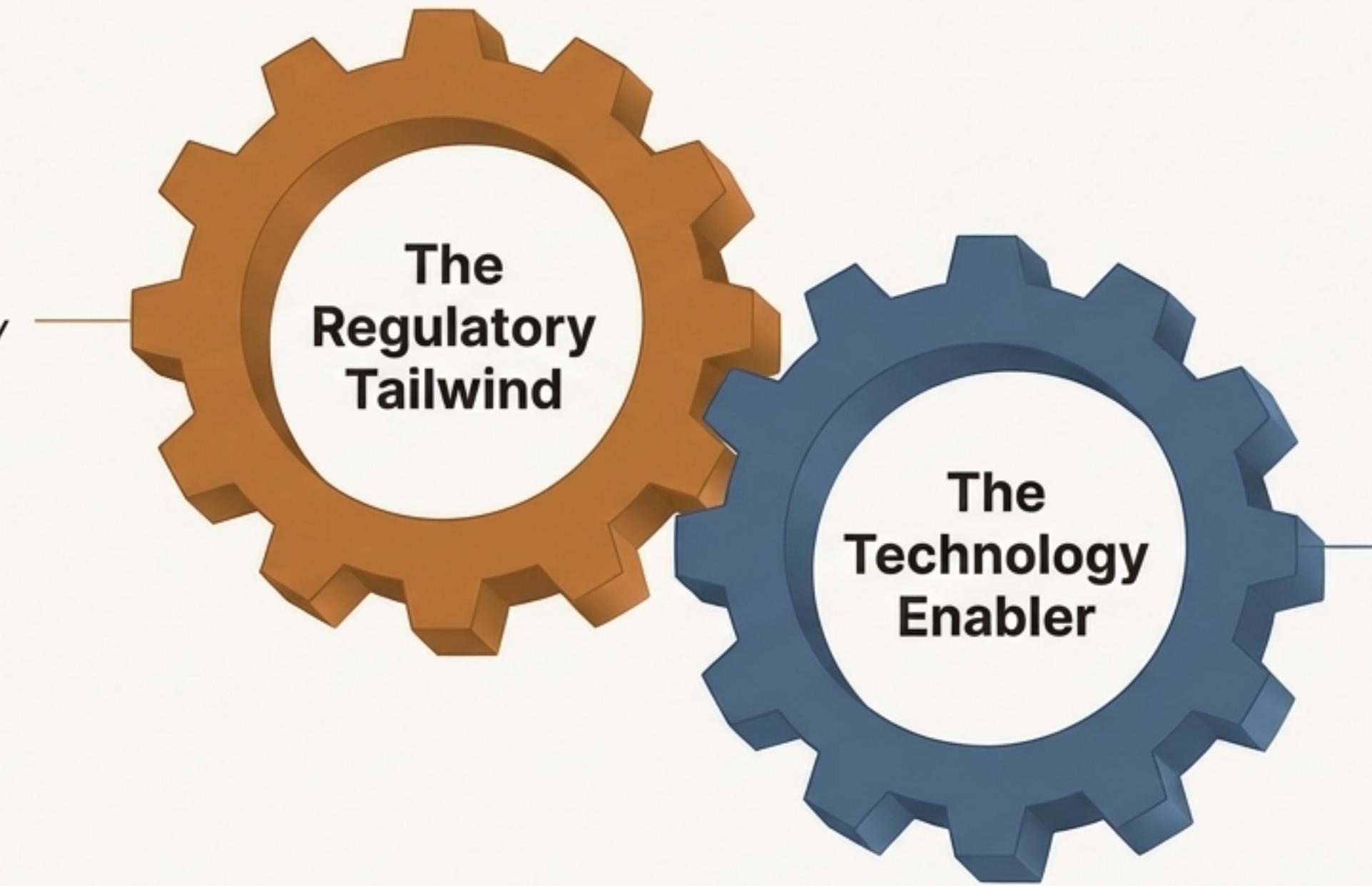
0.2X

the exploration efforts of major producers.

Canada's success is built on a regulatory framework that empowers junior miners—the primary engine of new discoveries.

The System Upgrade is Here: A two-engine solution is set to unlock the Andean bottleneck.

Government-led reform (LMAS 2025) creates the *opportunity* by streamlining the system and imposing discipline on the bureaucracy.



AI-powered tools provide the *means* for junior miners to navigate the new system faster and more efficiently than ever before, capitalizing on the opportunity.

Engine 1: The LMAS 2025 Law creates a time-sensitive competitive advantage for the prepared.



Fixed Deadlines

All authorizations are bound by a **30 to 120-day maximum review period**, ending indefinite delays.



Positive Administrative Silence

If an agency fails to respond within the deadline, **the permit is automatically considered approved**. This is a game-changer for stalled projects.



Digital Single Window (VUD)

A centralized digital portal for all permits, eliminating duplicate paperwork and conflicting requests. (Note: Peru's pilot already integrates 9 state entities).

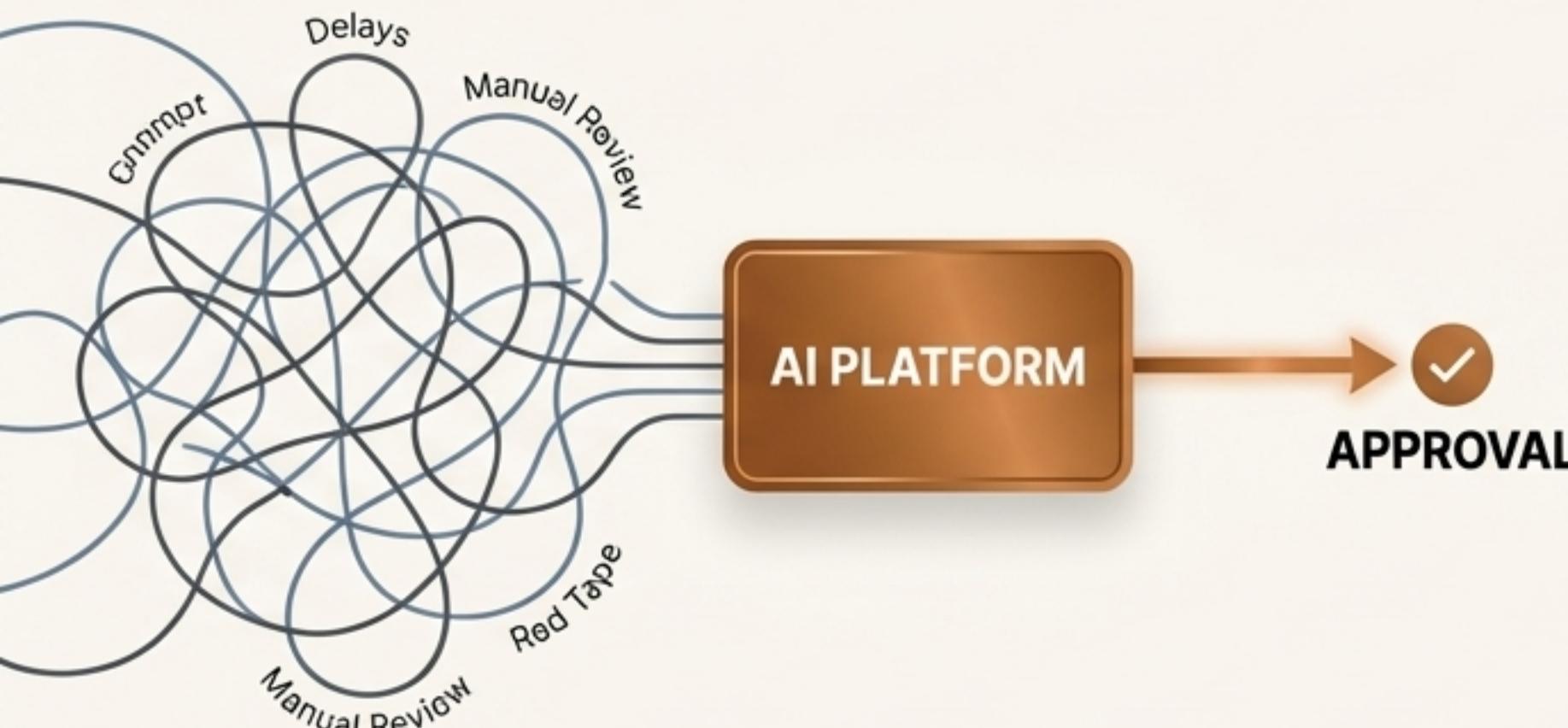


Technical Sovereignty

The process aims to eliminate political committees, making environmental evaluations **100% technical and data-driven**.

The January 2025 implementation date creates a strategic window for first-movers.

Engine 2: AI-powered platforms are the key to navigating the new landscape and maximizing the LMAS advantage.



For the System (Project Revi)

- '**Norman**': An AI tool for state reviewers to detect errors and inconsistencies in applications.
- '**Clara**': An AI tool for private sector applicants to prepare perfect, error-free dossiers from the start.

Proven to reduce permit processing times by **25%**.

For the Applicant (Alertness AI)

- **AI-Powered Navigation**: Services claim to navigate the entire Chilean mining bureaucracy **50% faster**.
- **Core Functions**: AI-powered permit tracking, document generation, and real-time alerts for LMAS deadlines and 'administrative silence' triggers.

These tools shift the burden from manual navigation and expensive legal hours to automated, intelligent compliance.

First-movers will gain market share by pairing legal expertise with AI-driven efficiency.

The LMAS 2025 reform will reward speed and precision. Companies that continue to rely on traditional, manual processes will miss critical “positive silence” deadlines and be outmaneuvered. The winning strategy combines deep local legal knowledge for official processing with AI for preparation, monitoring, and speed.

Example Solution Pathway (Alertness AI Service Packages)

Assessment

€2,500



AI viability analysis and regulatory report to understand the new landscape.

Concession Package

€7,500



AI-driven preparation of the *pedimento* (application), continuous SERNAGEOMIN monitoring, and critical deadline alerts.

Listing Preparation

€5,000 - €10,000



AI-assisted documentation prep to get Chilean/Peruvian assets ready for TSX-V or TSX listing.

Reducing administrative overhead and accelerating timelines preserves capital for what truly drives value: exploration and discovery.

Appendix: The Andean Junior Mining Landscape — Key Players & Prospects

Chile

Hot Chili Ltd (ASX/TSXV: HCH)
Marimaca Copper Corp (TSX: MARI)
San Lorenzo Gold (TSXV: SLG)
Fitzroy Minerals (TSXV: FTZ)
ATEX Resources (TSXV: ATX)
Torq Resources (TSXV: TORQ)
Rio2 Limited (TSX: RIO)
Solaris Resources (TSX: SLS)
Camino Minerals (TSXV: COR)
Mirasol Resources (TSXV: MRZ)
Amerigo Resources (TSX: ARG)
Halcones Precious Metals (TSX: HPM)

Peru

King Copper Discovery (TSXV: KCD)
PPX Mining (TSXV: PPX)
DLP Resources (TSXV: DLP)
Chakana Copper (TSXV: PERU)
Silver X Mining (TSXV: AGX)
Tier One Silver (TSXV: TSLV)
Aftermath Silver (TSXV: AAG)
Palamina Corp (TSXV: PA)
Fortuna Mining (TSX: FVI)
American Lithium (TSX: LI)
Excellon Resources (TSX: EXN)
Peruvian Metals (TSXV: PER)

Argentina

Argentina Lithium (TSXV: LIT)
Lithium Argentina (TSX: LAR)
Alpha Lithium (TSXV: ALLI)
Lithium Chile (TSXV: LITH)
Cerrado Gold (TSXV: CERT)
Aldebaran Resources (TSXV: ALDE)
Sable Resources (TSXV: SAE)
Latin Metals (TSXV: LMS)
Libero Copper (TSXV: LBC)
McEwen Mining (NYSE: MUX)
NGEx Minerals (TSX: NGEX)
Filo Corp (BHP JV) (TSX: FIL)
Austral Gold (ASX: AGD)

This list is for illustrative purposes. Alertness AI maintains an active, updated database of 2,800+ industry contacts for outreach and analysis.
Sources: Junior Mining Network, TSX/TSXV/ASX listings (Dec 2025).