



Plata Latina Minerals Corporation

**Condensed Consolidated Interim Financial Statements
For the Nine Months ended September 30, 2017**

(Unaudited)

Notice of No Auditor Review

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3)(a), the Company discloses that the unaudited condensed consolidated interim financial statements, and accompanying notes thereto, for the nine months ended September 30, 2017, have been prepared by and are the responsibility of the Company's management. They have been reviewed and approved by the Company's Audit Committee and the Board of Directors.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Canadian Professional Accountants of Canada.

Plata Latina Minerals Corporation

Condensed Consolidated Interim Statements of Financial Position (unaudited)
(Expressed in Canadian Dollars)

	September 30, 2017	December 31, 2016
Assets		
Current assets		
Cash	\$ 349,515	\$ 166,718
Amounts receivable (Note 4)	21,453	241,426
Prepaid expenses	5,231	7,397
	376,199	415,541
Non-current assets		
Exploration and evaluation assets (Note 5)	3,330,574	3,417,067
Property, plant and equipment	-	327
Total assets	\$ 3,706,773	\$ 3,832,935
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	379,369	497,236
Loan payable (Note 7 and 9)	310,833	292,083
	690,202	789,319
Deferred tax liability	183,727	174,150
Shareholders' equity		
Share capital (Note 8)	\$ 11,072,622	\$ 11,072,622
Reserves (Note 8)	846,337	529,416
Deficit	(9,086,115)	(8,732,572)
	2,832,844	2,869,466
Total liabilities and shareholders' equity	\$ 3,706,773	\$ 3,832,935

Nature of operations and going concern (Note 1)
Commitment (Note 10)

Approved and authorized by the Board of Directors on November 15, 2017:

/s/ Gilmour Clausen
Director

/s/ Michael Clarke
Director

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Plata Latina Minerals Corporation

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (unaudited)
(Expressed in Canadian Dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Expenses:				
Salaries and benefits (Note 9)	\$ 12,959	\$ (64,504)	\$ 34,790	\$ 82,366
Directors' fees (Note 9)	15,000	13,750	45,000	36,250
Professional fees (Note 9)	44,619	53,495	172,110	141,661
Office and administration	8,377	972	23,332	17,332
Investor relations	395	2,977	6,647	2,977
Filing and regulatory services	411	8,750	12,347	14,177
Travel	29	246	8,287	4,867
Project investigation costs (Note 5)	21,372	2,725	33,964	6,252
Share-based payments (Note 8)	-	4,292	1,664	5,198
Depreciation	-	196	327	588
Loss from operations	(103,162)	(22,899)	(338,468)	(311,668)
Interest income	101	10,065	5,227	10,434
Foreign exchange gain	2,810	6,815	(1,593)	16,466
Interest expense (Note 7)	(6,180)	(6,389)	(18,750)	(19,028)
Net loss before tax	(106,431)	(12,408)	(353,584)	(303,796)
Income tax recovery (expense)	-	-	41	-
Net loss for the period	(106,431)	(12,408)	\$ (353,543)	\$ (303,796)
Other comprehensive income				
Items that may be reclassified to profit or loss:				
Foreign currency translation differences	86,330	(230,197)	315,257	(1,100,830)
Comprehensive loss for the period	\$ (20,101)	\$ (242,605)	\$ (38,286)	\$ (1,404,626)
Basic and diluted net loss per share	\$ (0.002)	\$ (0.000)	\$ (0.005)	\$ (0.005)
Weighted average number of shares outstanding	67,432,826	67,432,826	67,432,826	67,432,826

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Plata Latina Minerals Corporation

Condensed Consolidated Interim Statements of Changes in Equity (unaudited)
(Expressed in Canadian Dollars)

	Share Capital (Note 8)		Reserves					Total Equity
	Number of Shares	Amount	Accumulated other comprehensive income (loss)	Options and Warrants	Total Reserves	Deficit		
Balance, December 31, 2016	67,432,826	\$ 11,072,622	\$ (1,089,436)	\$ 1,618,852	\$ 529,416	\$ (8,732,572)	\$ 2,869,466	
Share-based payments	-	-	-	-	1,664	-	1,664	
Comprehensive income (loss)	-	-	315,257	-	315,257	(353,543)	(38,286)	
Balance, September 30, 2017	67,432,826	\$ 11,072,622	\$ (774,179)	\$ 1,618,852	\$ 846,337	\$ (9,086,115)	\$ 2,832,844	

	Share Capital (Note 8)		Reserves					Total Equity
	Number of Shares	Amount	Accumulated other comprehensive income (loss)	Options and Warrants	Total Reserves	Deficit		
Balance, December 31, 2015	67,432,826	\$ 11,072,622	\$ 128,484	\$ 1,613,654	\$ 1,742,138	\$ (5,733,907)	\$ 7,080,853	
Share-based payments	-	-	-	5,198	5,198	-	5,198	
Comprehensive loss	-	-	(1,100,830)	-	(1,100,830)	(303,796)	(1,404,626)	
Balance, September 30, 2016	67,432,826	\$ 11,072,622	\$ (972,346)	\$ 1,618,852	\$ 646,506	\$ (6,037,703)	\$ 5,681,425	

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Plata Latina Minerals Corporation

Condensed Consolidated Interim Statements of Cash Flows (unaudited) (Expressed in Canadian Dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Operating activities				
Net loss before tax	\$ (106,431)	\$ (12,408)	\$ (353,584)	\$ (303,796)
Items not affecting cash:				
Share-based payments	-	4,292	1,664	5,198
Depreciation	-	196	327	588
Interest expense	6,180	6,389	18,750	19,028
Unrealized foreign exchange loss (gain)	19,372	(217,550)	(9,864)	(113,803)
	(80,879)	(219,081)	(342,707)	(392,785)
Net changes in non-cash working capital items:				
Amounts receivable	(5,326)	171,131	183,923	310,873
Prepaid expenses	(2,200)	6,471	2,166	(309)
Accounts payable and accrued liabilities	(17,931)	(56,394)	45,534	172,265
Cash (used in) provided by operating activities	(106,336)	(97,873)	(111,084)	90,044
Investing activities				
Exploration and evaluation expenditures	(91,288)	(30,593)	(303,162)	(250,546)
Property option payments	294,122	252,031	563,114	252,031
Cash provided by investing activities	202,834	221,438	259,952	1,485
Effect of exchange rate changes on cash	5,417	(4,716)	33,929	(6,919)
Increase in cash	101,915	118,849	182,797	84,610
Cash, beginning of period	247,600	21,031	166,718	55,270
Cash, end of period	\$ 349,515	\$ 139,880	\$ 349,515	\$ 139,880

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

Plata Latina Minerals Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months ended September 30, 2017

(Expressed in Canadian Dollars, unless otherwise stated)

1. Nature of Operations and Going Concern

Plata Latina Minerals Corporation (“Plata” or the “Company”) was incorporated on April 1, 2010 and is organized under the laws of British Columbia, Canada. Plata’s registered and records office is located at Suite 1100 – 1111 Melville Street, Vancouver, British Columbia Canada, V6E 3V6. The condensed consolidated interim financial statements as at September 30, 2017 consist of Plata and its five wholly-owned subsidiaries: Plaminco S.A. de C.V. (“Plaminco”), Minera Central Vaquerias S.A. de C.V. (“MCV”), Minera Exploradora del Centro S.A. de C.V. (“MEC”), Servicio PLMC (“Servicio”) and Plata Latina US Ltd. (“Plata US”), collectively referred to as the “Company”. Plaminco, MCV, MEC and Servicio are organized under the laws of Mexico and Plata US is organized under the laws of Colorado. On April 11, 2012, Plata began trading on the TSX Venture Exchange under the symbol “PLA”.

The Company is in the business of acquiring and exploring mineral property interests and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The amounts of exploration and evaluation expenditures represent acquisition and exploration costs and do not necessarily represent current values. Recoverability of the exploration and evaluation costs is dependent upon: the discovery of economically viable mineral reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain financing to carry out exploration and development of its mineral properties, future profitable production or proceeds from the disposition of the mineral properties.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to continue its operations for the foreseeable future and meet its obligations in the normal course of business. Plata has incurred ongoing losses and will continue to incur further losses in the course of developing its business. At September 30, 2017, Plata had a working capital deficiency of \$314,003 and a deficit of \$9,086,115 (December 31, 2016 - \$8,732,572).

On February 8, 2017, Plata entered into a definitive option agreement with Fresnillo PLC (“Fresnillo”). Under the agreement, Plata will receive a total cash payment of US \$1,650,000 (US \$650,000 were received) over three years. Notwithstanding the option payments received from Fresnillo in 2017, the Company will not have sufficient working capital to fund its operations for the current fiscal year. This indicates the existence of a material uncertainty about the Company’s ability to continue as a going concern. The Company recognizes that it will require to raise further funding through equity financing and/or debt financing. However, there is no assurance that the Company will be able to obtain such additional funding or on acceptable terms. These condensed consolidated interim financial statements do not give effect to adjustments which would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the condensed consolidated interim financial statements.

2. Basis of Presentation

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and comply with IAS 34, *Interim Financial Reporting*.

These condensed consolidated interim financial statements do not include all the information and notes to the annual consolidated financial statements required by IFRS and should be read together with the Company’s audited consolidated financial statements for the year ended December 31, 2016.

Plata Latina Minerals Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months ended September 30, 2017

(Expressed in Canadian Dollars, unless otherwise stated)

3. Changes in Accounting Policies

New accounting standards, amendments and interpretations

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC. Some updates that are not applicable or are not consequential to the Company may have been excluded.

IFRS 9, *Financial Instruments* addresses classification, measurement and recognition of financial assets and financial liabilities. In July 2014, IASB completed the final version of the Standard which replaces IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 provides a revised model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a reformed approach to hedge accounting. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company does not expect any impact from this standard.

IFRS 2 – *Share-based Payment* has been revised to address the accounting for cash-settled, share-based payments and equity-settled awards that include a 'net settlement' feature in respect of withholding taxes. The amendments are effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company has not assessed the impact from this amendment.

4. Amounts Receivable

	September 30, 2017	December 31, 2016
Mexican value added tax ("IVA") recoverable	\$ 16,674	\$ 239,772
Input tax credits	4,779	1,654
	<u>\$ 21,453</u>	<u>\$ 241,426</u>

During the nine months ended September 30, 2017, the Company received IVA refunds of \$183,923. The Company applied the remaining 2016 IVA receivable against the IVA payable of 2017.

5. Exploration and Evaluation Assets

The Company holds interest in its mineral properties through its wholly-owned subsidiary, Plaminco.

On February 8, 2017, Plata entered into an option agreement ("Agreement") with a wholly-owned subsidiary of Fresnillo PLC ("Fresnillo") on the terms based on the Letter of Intent ("LOI") signed on July 12, 2016. Under the Agreement, Fresnillo has the option to explore and acquire the Naranjillo property ("Property") for a total cash payment of US \$1,650,000 (US \$650,000 were received) over 3 years. In addition, Fresnillo is required to spend in exploration of US \$3,000,000 on the Property over the period. If Fresnillo fails to meet the obligations of the Agreement, it will forfeit all rights to the Property. At the end of the three-year period, if Fresnillo wishes to acquire the Property, it will pay the Company an additional US \$500,000 and grant the Company with a 3% net smelter return royalty ("Royalty") on the Property. Fresnillo will be required to pay advance royalty payments of US \$100,000 annually, until the earlier of (a) a maximum of US \$1,000,000 in advance royalty payments having been paid, or (b) commercial production of minerals commences from the Property. Fresnillo has the option to reduce the Royalty to 2% by paying an additional US \$1,000,000, and, thereafter, may reduce the remaining 2% Royalty to nil by paying an additional US \$5,000,000. On April 3, 2017, the transaction received the required approval from the TSX Venture Exchange.

On May 2, 2017, Fresnillo and the Company signed an amendment to the Agreement which reduced the Naranjillo claims parcel by excluding La Sibila III license, one of the four licenses, from the Agreement. The reduced claim package did not impact Fresnillo's purchase price of the Naranjillo property with the acquisition costs for the three licenses remaining the same at US \$500,000.

Plata Latina Minerals Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months ended September 30, 2017

(Expressed in Canadian Dollars, unless otherwise stated)

Naranjillo Project

Issued by the Mexican General Directorate of Mines ("GDM"), the mineral exploration concessions of Naranjillo project are as follows:

Licence	Hectares	Date received	Licence valid until
La Sibila	4,749	April 20, 2011	April 19, 2061
La Sibila I	2,957	September 23, 2011	September 22, 2061
La Sibila II	3,776	August 26, 2011	August 25, 2061
La Sibila III	9,173	April 10, 2013	April 9, 2063

Vaquerias Project

On June 30, 2011, the Company entered into a Purchase Option Agreement (the "Agreement") with the vendors of Vaquerias. The Agreement gives the Company the right to purchase the Vaquerias License (the "License") for US \$530,000 over six and half years until December 31, 2017, with the vendors retaining a 2% net smelter return ("Vaquerias Option"). In addition, the Company has the option to purchase the net smelter return for US \$500,000 within 18 months of exercising the Vaquerias Option. As of September 30, 2017, the Company has paid the vendors US \$200,000 on the License with the final payment of US \$330,000 due on December 31, 2017. During the period ended September 30, 2017, the term of the final payment was extended to December 15, 2018. Along with the extension, Plata will make two additional payments: (i) US \$20,000 on December 15, 2017 and (ii) US \$20,000 on June 15, 2018 to the vendors.

In early October, the Company initiated a small drilling program on the Vaquerias property to test the lateral extent of mineralization exposed in historical mine workings. Full analytical results are expected in late November.

In addition to the Vaquerias Option, the Company holds three titled adjacent concessions: Sol, Luna and Vaquerias. The Sol and Luna licenses were issued by the GDM to Plaminco on December 13, 2011 and December 8, 2011, respectively. Together, the two licenses of Sol and Luna cover 4,411 hectares and are valid for fifty years following issuance of title.

Palo Alto Project

The Palo Alto project consists of the Catalina, Catalina II, and Catalina III licenses. The Catalina, Catalina II and Catalina III licences were issued by the GDM to Plaminco on November 22, 2012, November 4, 2011, and November 30, 2011 respectively. Together, all three licenses cover 4,722 hectares and are valid for fifty years following issuance of mineral concession title.

The Palo Alto project falls within a Protected Natural Area in the state of Aguas Calientes and requires the submission of an environmental impact assessment ("EIA") and Federal permission to drill. The Company is currently in the process of obtaining the necessary approvals to commence drilling. Assuming permits are received later in 2017 and subject to financing, the Company intends to carry out an initial drill program focused on exploring potential structures that have been identified through mapping and surface sampling.

Plata Latina Minerals Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months ended September 30, 2017

(Expressed in Canadian Dollars, unless otherwise stated)

Capitalized

Exploration and evaluation expenditures for the nine months ended September 30, 2017 were as follows:

	Naranjillo	Vaquerias	Palo Alto	Total
Balance, December 31, 2016	\$ 2,325,035	\$ 942,261	\$ 149,771	\$ 3,417,067
<i>Field work phase</i>				
Assaying			564	564
Contractor and general labour	-	-	1,670	1,670
Travel and vehicle costs	-	-	3,415	3,415
<i>Drilling phase</i>				
Contractor and general labour	21,233	12,302	-	33,535
Camp costs, supplies and other	10,966	2,353	-	13,319
Travel and vehicle costs	2,061	1,925	-	3,986
<i>Other</i>				
Claims, taxes and acquisitions costs	-	52,243	20,641	72,884
Salaries and benefits	30,151	2,319	2,319	34,789
Legal fees	5,812	-	-	5,812
	70,223	71,142	28,609	169,974
Option payment ⁽¹⁾	(563,114)	-	-	(563,114)
Foreign exchange movements	255,704	44,724	6,219	306,647
Subtotal additions	(237,187)	115,866	34,828	(86,493)
Balance, September 30, 2017	\$ 2,087,848	\$ 1,058,127	\$ 184,599	\$ 3,330,574

⁽¹⁾ The option payments (US \$450,000) was related to the Agreement with Fresnillo signed in February, 2017.

Project Investigation Costs

La Joya Project

The GDM issued title to the La Carmen license for the La Joya Project on December 21, 2010. The La Carmen concession covers 924 hectares, and is valid until December 20, 2060.

Expenditures of La Joya are not capitalized as the board of directors had not approved a spending plan for the property and until such time the project costs are expensed as project investigation costs.

La Joya project along with additional new project investigation expenses for the three and nine months ended September 30, 2017 and 2016 were as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Contractor and labour	\$ 9,782	\$ 1,166	\$ 15,453	\$ 1,731
Travel and vehicles costs	7,234	-	10,310	76
Claims and taxes	2,770	1,448	5,626	4,334
Assaying	1,586	111	2,575	111
Total	\$ 21,372	\$ 2,725	\$ 33,964	\$ 6,252

Plata Latina Minerals Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months ended September 30, 2017

(Expressed in Canadian Dollars, unless otherwise stated)

6. Accounts Payable and Accrued Liabilities

	September 30, 2017	December 31, 2016
Trade payables	\$ 84,559	\$ 161,292
Accrued liabilities	294,810	325,886
Income tax payable	-	10,058
	<u>\$ 379,369</u>	<u>\$ 497,236</u>

7. Loan Payable

In May 2015, the Company received a \$250,000 loan from a director of the Company bearing interest at 10% per annum, subject to any prepayment by the Company, payable on the earlier of December 31, 2015; the date the Company completes a financing by way of sale of securities greater than \$2,000,000 or the issuance of any debt instrument by the Company, unless consented by the Director. In March 2016, the term of the loan was extended to March 31, 2017 and in November 2016, the term was further extended to December 31, 2017. At September 30, 2017, interest payable on the loan was \$60,833. See also note 9.

8. Capital and Reserves

a) Share capital

Authorized - unlimited number of common shares without par value

Issued and outstanding – see condensed consolidated interim statements of changes in equity

b) Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the foreign operations, as well as from the translation of inter-group loans that form the Company's net investment in a foreign subsidiary.

c) Options and warrants reserves

Stock options

The Company has a stock option plan which provides directors, officers, employees and consultants with the opportunity to acquire an ownership interest in the Company and is the basis for the Company's long-term incentive scheme.

The Company's stock options during the periods ended below were:

	September 30, 2017		December 31, 2016	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance, start of period	1,365,000	\$0.35	1,265,000	\$0.37
Expired	(890,000)	(\$0.50)	-	-
Granted	75,000	\$0.06	100,000	\$0.06
Balance, end of period	<u>550,000</u>	<u>\$0.06</u>	<u>1,365,000</u>	<u>\$0.35</u>

Plata Latina Minerals Corporation

Notes to the Condensed Consolidated Interim Financial Statements

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(Expressed in Canadian Dollars, unless otherwise stated)

At September 30, 2017, the Company's outstanding and exercisable options were as follows:

Expiry date	Exercise price	Options outstanding and excisable	Weighted average remaining contractual life (year)
March 3, 2020	\$0.06	225,000	2.42
May 25, 2020	\$0.06	75,000	2.65
June 9, 2020	\$0.06	75,000	2.69
August 1, 2021	\$0.06	100,000	3.83
June 5, 2022	\$0.06	75,000	4.68
		550,000	3.05

For the nine months ended September 30, 2017, the Company recognized share-based payments of \$1,664 (September 30, 2016 - \$5,198) against its income. No amount was capitalized to exploration and evaluation assets during the nine months ended September 30, 2017 (September 30, 2016 – \$nil).

The fair value of stock options is determined on the grant date. In order to compute this fair value, the Company uses the Black-Scholes option pricing model which requires management to make certain estimates, judgements, and assumptions in relation to the expected life of options, expected volatility, expected dividend yield and the risk-free interest rate, as well as the number of options expected to be exercised. Comparative companies in the process of exploring mineral resource properties were used to determine the historical volatility of Plata.

Option-pricing models require the input of highly subjective assumptions including the expected share price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's incentive stock options.

Options expired

On April 11, 2017, 890,000 stock options with an exercise price of \$0.50 expired. These options were fully vested prior to expiry.

Options granted

On June 5, 2017, the Company granted 75,000 options to an officer with an exercise price at \$0.06 per share for 5 years from the date of grant of such options, pursuant to the terms of the stock option plan. The fair value of the 75,000 options granted was estimated at \$1,664. The assumptions used in the pricing model were: an expected life of 5 years; annualized volatility of 95%; a risk-free interest rate of 0.94%; and zero expected dividend yield.

Warrants

At September 30, 2017, the Company had no outstanding warrants.

Plata Latina Minerals Corporation

Notes to the Condensed Consolidated Interim Financial Statements
For the Nine Months ended September 30, 2017
(Expressed in Canadian Dollars, unless otherwise stated)

9. Related Party Transactions

Compensation of Key Management

Key management includes the Company's directors and officers. Their compensation paid or payable for the three and nine months ended September 30, 2017 and 2016 was as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Salaries	\$ 12,959	\$ (64,504) ⁽¹⁾	\$ 34,790	\$ 82,366
Salaries capitalized to exploration and evaluation assets	12,959	-	34,789	-
Directors' fees	15,000	13,750	45,000	36,250
Professional fees	16,000	4,000	44,000	8,000
Share-based payments	-	-	1,664	-
Total	<u>\$ 56,918</u>	<u>\$ (46,754)</u>	<u>\$ 160,243</u>	<u>\$ 126,616</u>

⁽¹⁾ In September 2016, the Chief Executive Officer reduced his annual salary to half, resulting in a salary expense recovery from prior periods.

At September 30, 2017, included in accounts payable and accrued liabilities were \$294,810 (September 30, 2016 - \$189,810) due to directors and a former officer. Amounts due to related parties are non-interest bearing and have no fixed terms of repayment.

In May 2015, a director of the Company provided a \$250,000 loan to the Company bearing interest at 10% per annum. For the nine months ended September 30, 2017, interest payable on the loan was \$60,833 (December 31, 2016 - \$42,083) (Note 7).

10. Commitment

The Company has a commitment relating to the option payments totally US \$370,000 on the Vaquerias property due in December 2017, June and December 2018. (Note 5).

11. Financial Instrument and Risk Management

Financial Instruments

The carrying values of amounts receivable, accounts payable and accrued liabilities, and loan payable approximate fair value due to the short-term to maturity of these financial instruments.

The financial instruments are classified into the following categories of financial assets and liabilities and shown at carrying values which approximate fair values:

Category	Measurement	September 30, 2017	December 31, 2016
Cash	Loans and receivables	\$ 349,515	\$ 166,718
Amounts receivable	Loans and receivables	\$ 21,453	\$ 241,426
Accounts payable and accrued liabilities	Other financial liabilities	\$ (379,369)	\$ (497,236)
Loan payable	Other financial liabilities	\$ (310,833)	\$ (292,083)

Plata Latina Minerals Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months ended September 30, 2017

(Expressed in Canadian Dollars, unless otherwise stated)

Risk management

The main risks that could adversely affect the Company's financial assets, liabilities and future cash flows are foreign currency risk, liquidity risk, commodity price risk and credit risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The Company manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Foreign currency risk

The Company's operations are in Canada, United States and Mexico. The functional and reporting currency of the parent company is Canadian dollars. Exploration activities in Mexico are denominated in Mexican pesos and US dollars. Consequently, the Company's assets and expenditures are subject to currency translation risk. The fluctuation of the Canadian dollar against the US dollars and Mexican pesos will have an impact upon the profitability as well as the value of the Company's assets and liabilities. The Company does not hedge its exposure to currency fluctuations.

Liquidity risk

Liquidity risk arises through excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company seeks to achieve this by maintaining sufficient cash balances (refer to Note 1 on going concern).

Commodity Price risk

While no resource estimate has yet been prepared for the Company's core mineral resource properties, the market value of the Company is related to the price of silver and the outlook for this mineral. The Company currently does not have any operating mines and hence does not have any hedging or other commodity based risks in respect of its operational activities.

Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure on amounts receivable and long-term recoverable tax. Credit risk exposure on cash is limited through maintaining the Company's balances with high-credit quality financial institutions and assessing institutional exposure. IVA recoverable (Note 4) represents value added tax receivables generated on the purchase of supplies and services, which are refundable from the Mexican government. In January 2017, the Company received majority of the IVA refunds and the remaining recoverable balance was used to offset against the IVA payable. The Company's maximum exposure to credit risk as at September 30, 2017 was the carrying value of its cash and amounts receivable.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to continue the exploration of mineral properties and to maintain flexible capital which optimizes the costs of capital at an acceptable risk level.

In assessing the capital structure of the Company, management includes in its assessment the components of shareholders' equity and cash. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. No changes were made in the objectives, policies or procedures during the period ended September 30, 2017.

Plata Latina Minerals Corporation

Notes to the Condensed Consolidated Interim Financial Statements

For the Nine Months ended September 30, 2017

(Expressed in Canadian Dollars, unless otherwise stated)

In order to maximize funds available for its exploration efforts, the Company does not pay out dividends. The Company is not subject to any externally imposed capital requirements.

12. Segment Information

The Company operates in one industry segment, being mining. Geographic information for the periods ended below was as follows:

	Canada	Mexico	United States	Total
Long-term assets as at:				
September 30, 2017	\$ 1,197,245	\$ 2,133,329	\$ -	\$ 3,330,574
December 31, 2016	\$ 1,153,924	\$ 2,263,470	\$ -	\$ 3,417,394
Net (loss) income before tax for the three months ended:				
September 30, 2017	\$ (81,342)	\$ (28,170)	\$ 3,081	\$ (106,431)
September 30, 2016	\$ (135,760)	\$ (13,100)	\$ 136,452	\$ (12,408)
Net (loss) income before tax for the nine months ended:				
September 30, 2017	\$ (269,827)	\$ (90,816)	\$ 7,100	\$ (353,543)
September 30, 2016	\$ (379,094)	\$ (73,925)	\$ 149,223	\$ (303,796)