Plata Latina Minerals Corporation

Management's Discussion & Analysis
For the Year ended December 31, 2017

INTRODUCTION

This management's discussion and analysis ("MD&A") of Plata Latina Minerals Corporation ("Plata" or the "Company") for the year ended December 31, 2017, takes into account information available up to and including April 4, 2018, the date of the MD&A. This MD&A should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2017, prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC", together "IFRS"). The consolidated financial statements referred to above are available on the Company's website at www.plminerals.com and on the SEDAR website at www.sedar.com. The information provided herein supplements, but does not form part of, the audited consolidated financial statements for the year ended December 31, 2017.

The financial information disclosed in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and comply with International Accounting Standard, IAS 34, *Interim Financial Reporting.*

FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking information which deals with intentions, beliefs, expectations and future results as they pertain to the Company and the Company's industry. This forward-looking information also includes information regarding the financial condition and business of the Company, as they exist at the date of this MD&A. Forward-looking information is often, but not always, identified by the use of words such as "seeks", "believes", "plans", "expects", "intends", "estimates", "anticipates", "objective", "strategy" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. This forward-looking information includes, without limitation, information about the Company's opportunities, strategies, competition, expected activities and expenditures as the Company pursues its business plan, the adequacy of the Company's available cash resources and other statements about future events or results. In particular, and without limiting the generality of the foregoing, this MD&A contains forward-looking information concerning its exploration of the Naranjillo Property (defined herein) and the Company's other properties, which information has been based on exploration on the Naranjillo Property to date, the exploration of other properties of the Company, the proposed expenditures for exploration work and ability to raise further capital. Forward-looking information is information about the future and is inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, such as business and economic risks and uncertainties, including, without limitation, those referred to under the heading "Risks and Uncertainties". The forward-looking information is based on a number of assumptions, including assumptions regarding general market conditions, the availability of financing for proposed transactions and programs on reasonable terms, the ability of outside service providers to deliver services in a satisfactory and timely manner, prevailing commodity prices and exchange rates and prevailing regulatory, tax and environmental laws and regulations. The Company's forward-looking information is based on the beliefs, expectations and opinions of management of the Company on the date the information is provided. For the reasons set forth above, investors should not place undue reliance on forward-looking information.

The Company undertakes no obligation to reissue or update any forward-looking statements or information as a result of new information or events after the date hereof except as may be required by law. All forward-looking statements and information herein are qualified by this cautionary statement.

This MD&A includes many cautionary statements, including those stated under the heading "Risks and Uncertainties". You should read these cautionary statements as being applicable to all related forward-looking information wherever it appears in this MD&A.

DESCRIPTION OF BUSINESS

Plata was incorporated pursuant to the *Business Corporations Act* (British Columbia) on April 1, 2010. The Company's registered and records office is at 1100–1111 Melville Street, Vancouver, BC V6E 3V6, Canada. The Company has 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"). Plaminco is organized under the laws of Mexico and holds the Company's interests in the Naranjillo Property, the Vaquerias Property and holds the two other properties in the Mexican Silver Belt. MCV, MEC and Servicio were incorporated in Mexico in 2013. Plata US is organized under the laws of Colorado, U.S. and was incorporated for administrative purpose. On April 11, 2012, Plata began trading on the TSX Venture Exchange under the symbol "PLA".

Plata and its wholly owned subsidiary, Plaminco, are engaged in mineral exploration, principally in the Mexican Silver Belt in the states of Guanajuato, Aguascalientes and Jalisco, Mexico.

Strategy

The Company's objective is the discovery of one or more new silver-gold vein districts in the style of the historical San Dimas, Fresnillo, Zacatecas, Guanajuato and Pachuca-Real del Monte districts of Mexico. To achieve this objective, the Company is pursuing a strategy that focuses its efforts on the Mexican Silver Belt and applying knowledge gained from experience working with this deposit style to identify and discover sub-cropping or non-outcropping ore deposits. The Company intends to identify and explore a number of prospects and commenced its initial efforts on the Naranjillo Property where it has discovered a blind, high-grade epithermal silver-gold vein system. Plata is in the process of expanding its focus to the Vaquerias Property and its other properties. In addition, the Company is actively pursuing a field program to identify new opportunities throughout Mexico.

Naranjillo Property

The Company's focus has been on the exploration of its 100% owned Naranjillo Property ("Naranjillo" or the "Naranjillo Property"), which is situated in Guanajuato, Mexico. After initial early drilling and as a result of the Company's unique exploration strategy, the Company made a high-grade discovery and has continued to explore and evaluate its potential. Naranjillo consists of four government mineral exploration concessions issued by the Mexican General Directorate of Mines ("GDM"), La Sibila, La Sibila I, La Sibila II and La Sibila III (the "Concessions"), totaling 20,655 hectares in area. The Company holds its interest in the Concessions through Plaminco. Under the Mexican law, the Company may retain the mineral rights for 50 years from issue of the title.

The mineral exploration concessions were issued by the GDM 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

A Technical Report prepared by David S. Dunn, an independent "Qualified Person" as defined under NI 43-101 was completed with respect to the Naranjillo Property on February 27, 2012 (the "Technical Report"). The Technical Report recommended that the Company carry out a phase three diamond core drilling program of approximately 10,000 metres as well as a supporting ground-magnetic geophysical survey. Portions of the information identified and contained in this document are based on assumptions, qualifications and procedures which are not fully described herein. Reference can be made to the full text of the Technical Report, which is available for review under the Company's profile on the Sedar website at www.sedar.com.

Prior to the Company's involvement, there have been no known exploration drill holes and the amount of sampling and geological mapping carried out under previous owners is unknown.

On February 8, 2017, the Company entered into an option agreement ("Agreement") with a wholly owned subsidiary of Fresnillo PLC ("Fresnillo") for the Naranjillo Property. The Agreement provides Fresnillo the right to explore and acquire Naranjillo over a three-year period. Refer to the section below under "Year *in Review*" for details.

Vaquerias Project

The Vaquerias project consisted of the Vaquerias license held by way of an interest through a purchase option agreement (the "Vaquerias Option Agreement") between Plaminco and the vendors entered on June 30, 2011. The Vaquerias license covered 100 hectares and several old silver mines. The Vaquerias Option Agreement gave Plaminco the right to purchase the Vaquerias licence for US $530,000 until December 31, 2017, with the vendors retaining a 2% net smelter return (the "Vaquerias Option"). In addition, Plaminco had the option to purchase the 2% net smelter return for US $500,000 within 18 months of exercising the Vaquerias Option.

Besides the optioned Vaquerias property, the Company also holds two titled adjacent concessions: Sol and Luna. The Sol and Luna licenses were issued by the GDM on December 13, 2011 and December 8, 2011, respectively and are valid for fifty years. Together these two licenses cover 4,411 hectares.

Other Mineral Exploration Interests

In addition to Naranjillo and Vaquerias projects, the Company has the following exploration concessions:

(a) Palo Alto Project

The Palo Alto Project is in the state of Aguas Calientes, Mexico and drill permitting is currently underway. Palo Alto 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.

(b) La Joya Project

The La Joya Project is located in the state of Hidalgo, Mexico, and is the same conceptual target as Naranjillo. 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.

YEAR IN REVIEW

Naranjillo Property - Option Agreement entered with Fresnillo

On February 8, 2017, the Company entered into an option agreement (the "Naranjillo Option Agreement") with a wholly owned subsidiary of Fresnillo PLC ("Fresnillo"). The Naranjillo Option Agreement (which superseded the Letter of Intent signed on July 12, 2016) provides Fresnillo the right to explore the Naranjillo Property for a total cash payment of US $1,650,000 over three years (of which US $900,000 have been received as of April 4, 2018). In addition, Fresnillo is required to spend US $3,000,000 in exploration on the Naranjillo property over the three-year period. If Fresnillo fails to meet the obligations of the Naranjillo Option Agreement, it will forfeit all rights to the Naranjillo property.

At the end of the three-year period, Fresnillo has the option to acquire the Naranjillo Property for an additional US $500,000 and grants the Company a 3% net smelter return royalty ("Royalty"). Fresnillo will be required to pay advance royalty payments of US $100,000 annually ("Advanced Royalty Payment"), until the earlier of (a) a maximum of US $1,000,000 in Advance Royalty Payment having been paid, or (b) commercial production of minerals commences from the Naranjillo 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. The respective additional payments of US $500,000, US $1,000,000 and US $5,000,000 are collectively referred to as the "Additional Option Payments".

Impairment Assessments on the Naranjillo Property

During the year ended December 31, 2016, the Company assessed the Naranjillo Property based on the terms of the Naranjillo Option Agreement with Fresnillo. The assessment determined that the carrying value of the Naranjillo Property was lower than its recoverable amount, which is the greater of the its value in use (the "VIU") and its fair value less cost to sell (the "FVLCS"). The recoverable amount was determined to be the FVLCS. In calculating the FVLCS, the Company used significant assumptions and estimates (the "Assumptions and Estimates") as follows: i) discount rate of 15%, and ii) probability-weighted cash flows from the Option Payment, the Advanced Royalty Payments, and the Additional Option Payments. As a result of the impairment assessment, the Company recognized an impairment loss of $3,305,263 in profit or loss of fiscal year 2016.

During the year ended December 31, 2017, the Company reviewed the estimated probabilities of the Advanced Royalty Payments, the Additional Option Payments and the remaining Option Payments of the Option Agreement. Based on Fresnillo's active exploration program on the Naranjillo Property in 2017, the Company concluded that Fresnillo will continue its commitments and obligations pursuant to the terms of the Naranjillo Property Agreement. As such, the Company determined that there have been no changes to the Assumptions and Estimates that were used in the impairment assessment performed in fiscal year 2016. During the year ended December 31, 2017, the Company incurred a total of $82,810 in exploration expenditures. As these costs were not expected to be recovered under the Naranjillo Option Agreement, the Company has written off the entire amount resulting in an impairment loss of $82,810 in profit or loss of fiscal year 2017.

Vaquerias Optioned Property – Termination of the Vaquerias Option Agreement

The Company entered into a Purchase Option Agreement (the "Vaquerias Option Agreement") with the vendors of 100-hectare Vaquerias license in June 2011. The Vaquerias Option Agreement gave the Company the right to purchase the Vaquerias license for US $530,000 until December 31, 2017, with the vendors retaining a 2% net smelter return.

As at December 31, 2017, the Company had paid the vendors US $200,000 (CAD $213,195) on the Vaquerias license. In October 2017, the Company completed a small drilling program on the optioned Vaquerias property to test the lateral extent of mineralization exposed in historical mine workings. The assaying results showed minimal potential on the Vaquerias vein within the small optioned license. As a result, on November 20, 2017, the Company provided the vendors a notice to terminate the Vaquerias Option Agreement effectively immediately, and the final option payment of US $330,000 was cancelled accordingly.

Besides the optioned Vaquerias property, the Company also holds two titled adjacent concessions: Sol and Luna totalling 4,411 hectares in size. These licenses cover several kilometres of the projected continuation of the Vaquerias vein beneath post-mineral cover to the east of the old workings and will be the subject of future exploration drilling.

Upon the termination of the Vaquerias Option Agreement, the Company recognized an impairment loss of $546,834 (2016 - $nil), which represents the total capitalized costs related to the optioned Vaquerias property, to profit or loss of fiscal year 2017.

OUTLOOK

With the completion of the Naranjillo Option Agreement with Fresnillo on the Naranjillo property in April 2017, the Company will receive proceeds in totalling US $1,650,000 over the next three years (as of the date of this MD&A, a total of US $900,000 has been received). Plata intends to use the proceeds to conduct geologic field work to define high potential drill targets on its other two properties in the Mexican Silver Belt as well as initiating drilling to test these targets.

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 in 2018 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.

The Company continues prospecting and placing exploration licenses on any promising ground of interest. Negotiations for prospective ground will proceed as opportunities arise.

SELECTED ANNUAL INFORMATION

The Company's selected annual information for the three most recently completed financial years is as follows:

	For the years ended December 31, 2017	2016	2015
Total revenue	$ -	$ -	$ -
Loss for the year	(1,078,946)	(2,998,665)	(860,905)
Basic and diluted loss per share	(0.02)	(0.04)	(0.01)
Total assets	2,660,651	3,832,935	8,938,890
Total long term liabilities	(170,673)	(174,150)	(1,025,013)

SUMMARY OF QUARTERLY RESULTS

The following summarizes the Company's quarterly results for the last eight quarters:

	2017				2016			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net loss	$ (725,403)	$ (106,431)	$ (161,842)	$ (85,270)	$ (2,694,869)	$ (12,408)	$ (139,825)	$ (151,563)
Total comprehensive (loss) income	$ (1,047,827)	$ (20,101)	$ (122,756)	$ 104,571	$ (2,811,959)	$ (242,605)	$ (607,486)	$ (554,535)
Basic and diluted loss per share	$ (0.01)	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.04)	$ (0.00)	$ (0.00)	$ (0.00)

For the fourth quarter of fiscal year 2017 and 2016, upon impairment assessments on its exploration and evaluation assets, the Company wrote off $629,644 and $3,305,263, respectively from the carrying values of the mineral property assets.

RESULTS OF OPERATIONS

The following financial information is derived from the Company's consolidated financial statements for the years ended December 31, 2017 and 2016.

Three months ("Q4") ended December 31, 2017 vs. three months ended December 31, 2016

Loss for the three months ended December 31, 2017 was $725,403 as compared to $2,694,869 for the same quarter in 2016. The major variances are described below.

- In 2017 Q4, salaries and benefits were $17,185 (2016 – recovery of $32,988). In 2016, the CEO renounced his 2015 outstanding salaries as well reducing his 2016 annual salaries, resulting in a recovery of salary expenses.
- Professional fees for 2017 fourth quarter were $60,751 (2016 - $63,537). The higher costs in 2016 Q4 was attributing to the consulting fees related to the filings of the Mexican value added tax.
- Impairment on exploration and evaluation assets for 2017 was $629,644 (2016 - $3,305,263). In 2016 Q4, the Company wrote down the Naranjillo project's carrying value by $3,305,263 based on the terms of the Naranjillo option agreement with Fresnillo. In 2017, Naranjillo's exploration expenditures of $82,810 were written off as these costs were not expected to be recovered. In addition, the Company also wrote off $546,834 from the capitalized costs of the optioned Vaquerias project.

Year ended December 31, 2017 vs. year ended December 31, 2016

Loss for the year ended December 31, 2017 was $1,078,946 (2016 - $2,998,665). The variances are as follows:

- Directors' fees accrued were $60,000 (2016 – $46,250). The higher 2017 directors' fees were related to the appointment of a new director started in August 2016.
- Professional fees were $232,861 (2016 - $205,198). In 2017, additional audit fees of $10,000 were incurred from the 2016 audit of impairment assessment. Legal fees were higher by $6,755 in 2017, due to the Naranjillo option agreement entered with Fresnillo. In addition, increased charges from the accounting consultants also contributed to the higher 2017 costs.
- Office and administration were $35,169 (2016 - $29,434). In 2017, the Company incurred rents of $3,400 and $1,800 respectively for its Vancouver and Mexican offices whereas no office rental incurred in 2016.
- Investor relations were $6,647 (2016 - $2,977). The higher 2017 costs were primarily related to the annual general meeting held in May 2017.
- Project investigations were $38,773 (2016 - $6,431). In 2017, increased activities were conducted in the La Joya project as well prospecting on other properties.

Other Comprehensive Income (Loss)

Other comprehensive income (loss) with respect to foreign currency translation difference varies at each reporting date given the fluctuations between the Canadian Dollar and the Mexican Peso and United States Dollar. This foreign currency translation difference includes the impact of foreign exchange on intercompany loans whose retranslation is treated as equity (until the foreign operation is disposed of) and the translation of the foreign operation from its functional currency into Canadian Dollars. For the year ended December 31, 2017, the impact of the foreign currency translation differences was comprehensive loss of $7,167 (December 31, 2016 – comprehensive loss of $1,217,920)

EXPLORATION AND EVALUATION ASSETS

At December 31, 2017, the carrying value of exploration and evaluation assets was $2,446,785 (2016 - $3,417,067). In 2017, the value of the exploration and evaluation assets were reduced mainly due to: i) costs recovery from Fresnillo's option payments of $523,102 (US $450,000) on the Naranjillo project, ii) the write-off of Naranjillo expenditures of $82,810, and iii) impairment loss of $546,834 on the optioned Vaquerias project after the termination of the Vaquerias option agreement in November 2017.

In 2016, Fresnillo's option payments received were $241,923 (US $200,000), the write-off of Naranjillo's carrying value was $3,305,263 and impairment on the optioned Vaquerias project was nil.

In 2017, a small drilling program on the optioned Vaquerias property was carried out whereas in 2016 the significant expenditures were related to time allocated to on-going analysis and interpretation of the exploration results to date and the payments of land taxes and land option payments to keep the concessions in good standing.

Foreign exchange movements represent the non-cash impact of the retranslation of Plaminco's exploration and evaluation expenditures, denominated in Mexican pesos. The exchange variations resulting from the retranslation at closing rate are recognized in other comprehensive income as part of the foreign currency translation reserve.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2017, the Company had cash of $172,557 (2016 – $166,718) and working capital deficiency of $491,095 (2016 – negative working capital of $373,778).

Amounts receivable as at December 31, 2017 was $33,846 (2016 - $241,426) of which $24,528 was made up of Mexican value added tax recoverable ("IVA") from the Government of Mexico. During the year ended December 31, 2017, Plata received IVA refunds of $183,923. The balance of the 2016 IVA has been applied against the 2017 IVA payable.

Cash Flows

Under operating activities, for the year ended December 31, 2017, cash of $168,680 was used for the operations whereas in fiscal year 2016, $192,976 was provided to fund the operations. In fiscal years 2017 and 2016, cash was provided by the IVA refunds, $183,923 and $545,543 respectively.

In the investing activities, the Company spent $386,929 in 2017 (2016 - $315,552) on exploration and evaluation assets. The expenditures for both 2017 and 2016 were mainly payments for land taxes, property options and on-going analysis and interpretation on the properties. The Company received in 2017 option payments of $523,102 (US $450,000) and in 2016 advanced option payments of $241,923 (US $200,000) from Fresnillo on the Naranjillo property.

GOING CONCERN

The Company has not generated revenue from operations. It has incurred ongoing losses and will continue to incur further losses in the course of developing its business. On February 8, 2017, the Company executed an option agreement with Fresnillo. Under the agreement, the Company will receive a total cash payment of US $1,650,000 (as of the MD&A date, US $900,000 have been received). Over the next two years, the remaining payments are US $750,000. Based on the annual budget of 2018, the Company will have sufficient working capital to fund its operations for the next twelve months.

As at December 31, 2017, the Company had an accumulated deficit of $9,811,518 and working capital deficiency of $491,095. The Company recognizes that it will require to raise additional 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 obtain it on acceptable terms. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern. These consolidated 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 consolidated financial statements.

COMMITMENT

The Company does not have any commitments except to certain land taxes payments in order to maintain its titles in good standing.

OUTSTANDING SHARE DATA

As at April 4, 2018, the Company's issued and outstanding common shares were 67,432,826; stock options outstanding were 550,000 with a weighted average exercise price at $0.06 per share with expiry dates between 2020 and 2022.

PROPOSED TRANSACTIONS

There are no undisclosed proposed transactions that will materially affect the Company.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not have off balance sheet arrangements as at the report date of this MD&A.

CORPORATE MANAGEMENT CHANGE

On June 2, 2017, Purni Parikh stepped down as the VP Corporate Secretary of the Company. Patricia Fong, the Company's CFO, was appointed to take on the role of Corporate Secretary.

RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management includes the Company's directors and officers. Their remuneration paid or payable for the three and year ended December 31, 2017 and 2016 was as follows:

	2017	2016
Salaries	$ 51,975	$ 49,378
Salaries capitalized to exploration and evaluation assets	51,975	-
Directors' fees	60,000	46,250
Professional fees	59,000	20,000
Share-based payments (Note 8(c))	1,664	3,219
Total	$ 224,614	$ 118,847

At December 31, 2017, included in accounts payable and accrued liabilities were $309,810 (2016 - $249,810) 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. As at December 31, 2017, interest payable on the loan was $63,958 (2016 - $42,083) and interest expense on the loan for the year ended December 31, 2017 was $21,875 (2016 - $25,416). On March 12, 2018, the Company and the director agreed to restructure the debt into equity by converting it into the common shares of the Company. 6,976,845 common shares will be issued to settle the total indebtedness of $313,958.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements requires management to make certain judgments, estimates and assumptions that impact the Company's reported financial position. Actual outcomes could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in future periods affected.

In particular, the significant judgments and estimates considered by management in preparing the consolidated financial statements is described below.

a) *Carrying value of exploration and evaluation expenditures*

   The carrying values and assessment of impairment of exploration and evaluation assets are based on costs incurred and management's estimate of net recoverable value. Estimates may not necessarily reflect actual recoverable value as this will be dependent on the development program, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to achieve commercial production. The recoverable amount of the Naranjillo project is dependent on the probabilities assigned to the various option payments and discount rates used in the discounted cash flows calculation. The recoverable value of the Vaquerias project represents historical costs incurred on the two licenses which the Company currently holds.

b) *Going concern*

   The Company uses judgment in assessing its ability to continue as a going concern for the next 12 months. In considering the factors affecting its going concern as disclosed in Note 1, the Company *concluded that there is a material uncertainty that may cast significant doubt on its ability to continue as a going concern.*

c) *Options and warrants*

The fair value of options and warrants is determined on the grant date. To compute the fair value, the Company uses the Black-Scholes option pricing model which requires management to make certain assumptions in relation to the expected life of options and warrants, future volatility of the stock price, expected dividend yield, risk-free interest rate and future forfeiture rate of options.

d) *Income taxes*

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected.

RECENT ACCOUNTING PRONOUNCEMENTS

Certain new standards, interpretations and amendments to existing standards have been issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC"). Some updates that are not applicable or are not consequential to the Company may have been excluded.

IFRS 9, *Financial Instruments,* replaces IAS 39 by providing 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 significant impact on its consolidated financial statements from this standard.

IFRS 16, *Leases*, addresses accounting for leases and lease obligations and replaces the leasing guidance in IAS 17, *Leases*. The standard requires lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The standard is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted. The Company does not expect any significant impact on its consolidated financial statements from this standard.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instrument

The carrying values of cash, amounts receivable, accounts payable and accrued liabilities, and loan payable approximate their fair values 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		December 31, 2017		December 31, 2016
Cash	Loans and receivables	$	172,557	$	166,718
Amounts receivable	Loans and receivables	$	33,846	$	241,426
Accounts payable and accrued liabilities	Other financial liabilities	$	(391,003)	$	(497,236)
Loan payable	Other financial liabilities	$	(313,958)	$	(292,083)

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 presentation currency of the parent company is Canadian dollars. Exploration activities in Mexico are denominated in Mexican pesos and US dollars. The Company maintains Mexican Peso and US Dollar bank accounts in Mexico and USA. The Company is subject to gains and losses from fluctuations in the Mexican Peso and US Dollar against the Canadian Dollar. 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 reserves.

Commodity price risk

While no resource estimate has yet been prepared for the Company's core mineral resource property, 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. 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 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 the majority of the IVA refunds. The Company's maximum exposure to credit risk as at December 31, 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 year ended December 31, 2017.

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.

RISKS AND UNCERTAINTIES

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should participate. An investor should carefully consider the risks described in the Company's Management's Discussion and Analysis for the year ended December 31, 2017, and the other information filed with the Canadian securities regulators before investing in the Company's common shares. Plata's business is subject to a number of risks and uncertainties including those described in the Company's Management's Discussion and Analysis for the year ended December 31, 2017, which is available on the Company's website at www.plminerals.com and SEDAR at www.sedar.com. Any of the risks and uncertainties described in the above-noted document could have a material adverse effect on the Company's business and financial condition and accordingly, should be carefully considered in evaluating the Company's business.

REVIEW BY QUALIFIED PERSON, QUALITY CONTROL AND REPORTS

The technical information contained in this document has been reviewed, approved and verified by Michael Clarke, a Qualified Person as defined under NI 43-101. Mr. Clarke is the President and CEO of Plata and has been a geologist for more than 40 years, which includes work on numerous epithermal gold and silver vein deposits.

QUALITY ASSURANCE AND QUALITY CONTROL

Commercially obtained standards were inserted between every tenth core sample as were blanks obtained from barren rock in nearby road material quarries. Chemex laboratory also inserted a blank and a standard every 20 samples. Rejects and pulps from the high-grade intersection in hole BDD-N-10 were both re-assayed at Act Labs and the average of these two assays and the original Chemex assay are included in the results as previously reported.

Chemex has no relationship with Plata beyond commercially providing analytical services to the Company. The Chemex North Vancouver, Canada, analytical facility is certified to standards within ISO 9001:2008 and has received accreditation to ISO/IEC 17025:2005 from the Standards Council of Canada (SCC) for the analytical methods used on Plata samples. Both the Chemex Guadalajara and Zacatecas, Mexico, prep labs are certified to standards within ISO 9001:2008.

PLATA LATINA MINERALS CORPORATION

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Officers	Michael Clarke – President and Chief Executive Officer Patricia Fong - Chief Financial Officer and Corporate Secretary
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