

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

1. **Name and Address of Company**

Latin American Minerals Inc. (the “Company”)  
409 Granville Street, Suite 1001  
Vancouver, British Columbia V6C 1T2

2. **Date of Material Change**

June 12, 2018

3. **News Release**

A press release disclosing the material change was released on May 13, 2018, through the facilities of The Newswire.

4. **Summary of Material Change**

The Company announced that it closed its previously announced non-brokered private placement by issuing 13,844,000 units (“Unit”) at a price of \$0.05 per Unit for gross proceeds of \$692,200 (the “Offering”). Each Unit is comprised of one common share (a “Common Share”) of the Company and one Common Share purchase warrant (a “Warrant”). Each Warrant entitles the holder thereof to purchase one Common Share for a period of two (2) years from the closing of the Offering at a price of \$0.10 per Common Share.

5. **Full Description of Material Change**

The material change is fully described in the Company’s press release which is attached as Schedule “A” and is incorporated herein.

The following supplementary information is provided in accordance with Section 5.2 of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”).

**(a) a description of the transaction and its material terms:**

In connection with the closing of the Offering, 3,750,000 Units were acquired by insiders of the Company.

**(b) the purpose and business reasons for the transaction:**

The proceeds of the Offering will be used to reconfigure the mill, improve recoveries, initiate a drill program on the Paso Yobai gold project and for general working capital purposes.

**(c) the anticipated effect of the transaction on the issuer’s business and affairs:**

The completion of the Offering will provide the Company with funds to be used for general working capital purposes.

**(d) a description of:**

**(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:**

2176423 Ontario Ltd, a company controlled by Eric Sprott, a control person of the Company, subscribed for 8,333,334 Units of the Company.

Mat Wilson, an officer and director of the Company subscribed for 600,000 Units of the Company.

Richard Patricio, a director of the Company subscribed for 1,150,000 Units of the Company.

**(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:**

Following completion of the Offering, Mr. Sprott owns, directly and indirectly, an aggregate of 35,333,334 Common Shares of the Company, representing approximately 27.2% of the Company's issued and outstanding Common Shares. If Mr. Sprott were to exercise all of his convertible securities he would own, directly and indirectly, an aggregate of 70,666,668 Common Shares, representing approximately 42.8% of the Company's then outstanding Common Shares, on a partially diluted basis.

Following completion of the Offering, Mr. Wilson owns an aggregate of 1,182,000 Common Shares, representing approximately 0.009% of the issued and outstanding Common Shares. If Mr. Wilson were to exercise all of his convertible securities he would own an aggregate of 3,532,000 Common Shares or approximately 0.02% of the issued and outstanding Common Shares, on a partially diluted basis.

Following completion of the Offering, Mr. Patricio owns an aggregate of 2,300,000 Common Shares, representing approximately 0.01% of the issued and outstanding Common Shares. If Mr. Patricio were to exercise all of his convertible securities he would own an aggregate of 4,450,000 Common Shares or approximately 0.03% of the issued and outstanding Common Shares, on a partially diluted basis.

**(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:**

A resolution of the board of directors was passed in accordance with the *Canada Business Corporations Act* on June 1, 2018 approving the Offering. No special committee was established in connection with the transaction, and no materially contrary view or abstention was expressed or made by any director.

- (f) **A summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:**

Not applicable.

- (g) **disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:**

- (i) **that has been made in the 24 months before the date of the material change report:**

Not applicable.

- (ii) **the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:**

Not applicable.

- (h) **the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:**

Other than a subscription agreement to purchase the Units pursuant to the Offering, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the Offering. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the Offering.

- (i) **disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:**

The closing of the Offering constituted a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 ("MI 61-101") as an insiders of the Company including an officer and director of the Company subscribed for an aggregate of 3,750,000 Units. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Offering by the insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the private placement, which the Company deems reasonable in the circumstances in order to avail itself of the proceeds of the private placement and complete the Offering in an expeditious manner.

6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

The report is not being filed on a confidential basis.

7. **Omitted Information**

No significant facts have been omitted from this Material Change Report.

8. **Executive Officer.**

For further information, contact Richard Patricio, a director of the Company at Toronto: (1-416) 363-0841 or Vancouver: (1-604) 418-3856.

9. **Date of Report.**

This report is dated at Toronto, this 19<sup>th</sup> day of June, 2018.

**LATIN AMERICAN MINERALS INC.**

Per: “Richard Patricio” (Signed)  
Richard Patricio  
Director

## SCHEDULE "A"



### LATIN AMERICAN MINERALS ANNOUNCES CLOSING OF OVERSUBSCRIBED PRIVATE PLACEMENT

**June 12, 2018 – Toronto, Ontario** – Latin American Minerals Inc. (TSXV: LAT) (the “**Company**”) announces that it has closed its previously announced non-brokered private placement by issuing 13,844,000 units (“**Unit**”) at a price of \$0.05 per Unit for gross proceeds of \$692,200 (the “**Offering**”). Each Unit is comprised of one common share (a “**Common Share**”) of the Company and one Common Share purchase warrant (a “**Warrant**”). Each Warrant entitles the holder thereof to purchase one Common Share for a period of two (2) years from the closing of the Offering at a price of \$0.10 per Common Share.

The proceeds of the Offering will be used to reconfigure the mill, improve recoveries, initiate a drill program on the Paso Yobai gold project and for general working capital purposes. The securities issued pursuant to the Offering are subject to a hold period expiring on October 13, 2018.

Certain eligible persons (the “**Finders**”) were issued Common Shares equal to 8% of the proceeds raised from subscribers introduced to the Company by such Finder, and also issued broker warrants (the “**Broker Warrants**”) equal to 8% of the securities purchased by such subscribers. Each Broker Warrant entitles the holder thereof to purchase one Unit for a period of two (2) years from the closing of the Offering at a price of \$0.05 per Unit. Each Unit is comprised of one Common Share of the Company and one Warrant. Each Warrant entitles the holder thereof to purchase one Common Share for a period of two (2) years from the closing of the Offering at a price of \$0.10 per Common Share.

The closing of the Offering constituted a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 (“**MI 61-101**”) as an insiders of the Company including an officer and director of the Company subscribed for an aggregate of 3,750,000 Units. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Offering by the insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the private placement, which the Company deems reasonable in the circumstances in order to avail itself of the proceeds of the private placement and complete the Offering in an expeditious manner.

Eric Sprott, through his holding company, 2176423 Ontario Ltd., participated in the Offering, purchasing 2,000,000 Units for total consideration of \$100,000 (representing a change in holdings of approximately 1.7% of the outstanding Common Shares on a non-diluted basis and 2.1% on a partially diluted basis assuming the exercise of all of Mr. Sprott’s Common Share purchase warrants). As a result of this purchase, Mr. Sprott beneficially owns 35,333,334 Shares and 35,333,334 Share purchase warrants (approximately 27.2% on an undiluted basis and 42.8% on a partially diluted basis). Prior to this purchase, Mr Sprott beneficially owned 33,333,334 Shares and 33,333,334 Share purchase warrants

(approximately 28.9% on an undiluted basis and 44.9% on a partially diluted basis). The Units were acquired for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities either on the open market or through private acquisitions or sell the securities either on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors. A copy of 2176423 Ontario Ltd.'s early warning report will appear with the Company's documents on the System for Electronic Analysis and Retrieval and may also be obtained by contacting Mr. Sprott at (416) 362-7172 (200 Bay Street, Suite 2600, Royal Bank Plaza, South Tower, Toronto, Ontario M5J 2J1).

## **About the Company**

Latin American Minerals Inc. is a mineral exploration and gold mining company which holds its core gold project in Paraguay. The Company is currently expanding its Independencia Mine gold processing plant to encompass vat-leach gold recovery from mineralization extracted in open pit bulk mining activities at its fully permitted mining concession.

Management has identified exploration targets at Independencia Mine, and six new gold zones on the Company's adjacent exploration claims, for drill testing. This property package comprises the Company's 15,020 hectare Paso Yobai gold project.

### **For more information, please contact:**

Mathew Wilson, President & CEO  
Toronto: (1-416) 643-7630

E-mail: [information@latinamericanminerals.com](mailto:information@latinamericanminerals.com)  
Website: [www.latinamericanminerals.com](http://www.latinamericanminerals.com)

The Company's public documents may be accessed at [www.sedar.com](http://www.sedar.com).  
For further information, please visit our website at [www.latinamericanminerals.com](http://www.latinamericanminerals.com) or email us at [information@latinamericanminerals.com](mailto:information@latinamericanminerals.com).

*Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.*

*This news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "would", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the information is provided, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company's Management's Discussion and Analysis. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.*

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