



LATIN METALS INC.

Latin Metals and Patagonia Gold Agree Terms for Acquisition of Mina Angela Project, Chubut Province, Argentina

Total consideration of US\$1 million cash and 1% NSR Royalty

NR19-09

August 13, 2019

Vancouver, B.C. – Latin Metals Inc. (“Latin Metals” or the “Company”) - (TSXV: LMS) (OTCQB: LMSQF) announces that it has signed an offer letter (the “Offer Letter”) with Patagonia Gold Corp. (TSXV: PGDC) (“Patagonia”), which provides for a six-month due diligence period for Patagonia and sets out the proposed commercial terms of a definitive option agreement (the “Definitive Agreement”) whereby Patagonia will be provided with the option (the “Option”) to acquire the Company’s interest in the Mina Angela project (“Mina Angela” or the “Project”) located in the Province of Chubut, Argentina. To exercise the Option in full, Patagonia will be required to make payments to Latin Metals in the aggregate amount of US\$1 million cash and Patagonia will be required to grant to Latin Metals a 1% net smelter returns royalty (“NSR Royalty”)¹ on any future production from the Project. The Offer Letter was accepted by Patagonia on August 12, 2019 and Patagonia has made the initial cash payment of US\$40,000 to Latin Metals as contemplated under the Offer Letter (see Table 1 below).

“The proposed sale of Mina Angela is consistent with the Company’s strategy of placing its assets in the hands of capable partners and allowing Latin Metal’s shareholders retain exposure to the assets’ future potential,” stated Keith Henderson, Latin Metal’s President & CEO. “Mina Angela is a former producing mine with significant exploration upside. I believe that the management team at Patagonia has the ability to finance and execute the exploration necessary to realize that potential upside and, if they are successful, Latin Metals and its shareholders stand to benefit from royalty payments on any future production from Mina Angela.”

Commercial Terms

The Offer Letter sets out the expected terms of the Definitive Agreement, whereby Patagonia can acquire 100% of the Company's interest in the Project, subject to the NSR Royalty in favour of the Latin Metals as follows:

Table 1: Schedule of Proposed Commercial Terms

| Schedule of Payments | Cash Payments | Royalty Payments | Cumulative Earned Interest |
|---|--------------------------------|-----------------------------|----------------------------|
| Within ten days from acceptance of the Offer Letter | US\$40,000 (paid) ² | -- | -- |
| Upon signing the Definitive Agreement | US\$250,000 | -- | -- |
| Upon exercise of the Option (within six months of signing the Definitive Agreement) | US\$250,000 | -- | 100% |
| Within 30 days of verification that the legal restrictions preventing development of mining activity in the Chubut Province and at the Project have been lifted (to Patagonia's satisfaction) | US\$500,000 | -- | 100% |
| Commencement of Production at the Project | -- | 1% NSR Royalty ¹ | 100% |

Notes:

1. Patagonia can purchase 50% of the NSR Royalty (0.5%) from the Company at any time for US\$1 million cash.
2. Upon receipt of the US\$40,000, the Company agreed to deal exclusively with Patagonia in respect of Mina Angela

Upon exercising the Option, Patagonia is expected to take responsibility for keeping the mining properties comprising Mina Angela in good standing. Latin Metals will be responsible for all obligations arising or accrued on Mina Angela until Patagonia exercise the Option.

The closing of the acquisition of Mina Angela by Patagonia is subject to certain customary closing conditions, including the entry into of the Definitive Agreement and receipt of TSX Venture Exchange ("TSX-V") acceptance.

About the Mina Angela Property

The Mina Angela property is situated in the Somuncura Massif of southern Argentina and is comprised of 44 individual claims located approximately 50 km east-southeast of Patagonia's 100% owned Calcatreu gold project. The Navidad silver and base metal deposit is located 45 km further to the south-southeast of Mina Angela. Cardero Argentina S.A., Latin Metal's wholly-owned subsidiary, is currently the 100% owner of the mineral claims comprising the Project, subject to a 1% NSR from future production on Mina Angela

About Patagonia Gold

Patagonia Gold Corp. is a TSX Venture Exchange listed company that seeks to grow shareholder value through exploration and development of gold and silver projects in the Patagonia region of Argentina. The Company is primarily focused on the Calcatreu project in Rio Negro and the development of the Cap Oeste underground project. Patagonia, indirectly through its subsidiaries or under option agreements, has mineral rights to over 350 properties in several provinces of Argentina, Chile and Uruguay and is one of the largest landholders in the province of Santa Cruz, Argentina

About Latin Metals

Latin Metals is a mineral exploration company acquiring a diversified portfolio of assets in South America. The Company operates with a Prospect Generator model focusing on the acquisition of prospective exploration properties at minimum cost, completing initial evaluation through cost-effective exploration to establish drill targets, and ultimately securing joint venture partners to fund drilling and advanced exploration. Shareholders are exposed to the upside of a significant discovery without the dilution associated with funding the highest-risk drill-based exploration.

Among the Company's asset portfolio, key assets include the Organullo Gold project; a 100%-owned property in which Yamana Gold Inc. are earning an initial 70% interest through various work commitments and cash payments.

Qualified Person

Keith J. Henderson, P.Geo., is the Company's qualified person as defined by NI 43-101 and has reviewed the scientific and technical information that forms the basis for portions of this news release. He has approved the disclosure herein. Mr. Henderson is not independent of the Company, as he is an employee of the Company and holds securities of the Company.

On Behalf of the Board of Directors of

LATIN METALS INC.

"Keith Henderson"

President & CEO

For further details on the Company readers are referred to the Company's web site (www.latin-metals.com) and its Canadian regulatory filings on SEDAR at www.sedar.com.

For further information, please contact:

Keith Henderson

Suite 2300

1177 West Hastings Street

Vancouver, BC, V6E 2K3

Phone: 604-638-3456

E-mail: info@latin-metals.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation, including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding the negotiation and commercial terms of the Definitive Agreement and exercise of the Option, the anticipated content, commencement, timing and cost of

exploration programs in respect of Mina Angela and otherwise, anticipated exploration program results from exploration activities, and the Company's expectation that it will be able to operate as a Prospect Generator by entering into agreements to acquire interests in additional mineral properties and attracting joint venture partners to fund drilling and conduct advanced exploration on its properties, the discovery and delineation of mineral deposits/resources/reserves on Mina Angela, the anticipated results from exploration activities and the anticipated business plans and timing of future activities of the Company, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: "believes", "will", "expects", "anticipates", "intends", "estimates", "plans", "may", "should", "potential", "scheduled", or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, that it will be able to negotiate the Definitive Agreement and that it will obtain TSX-V acceptance for filing of thereof, market fundamentals will result in sustained precious metals demand and prices, the receipt of any necessary permits, licenses and regulatory approvals in connection with the future development of the Company's Argentine projects in a timely manner, including the lifting of restrictions preventing the development of mining activities at Mina Angela, the availability of financing on suitable terms for the development, construction and continued operation of the Company's projects, and the Company's ability to comply with environmental, health and safety laws.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, actual results of exploration activities, the fact that the Company's granting of the Option to Patagonia is an option only and there is no guarantee that the Option will be exercised by Patagonia or that Patagonia will be satisfied with the lifting of the mining restrictions in the Chubut Province such that it makes the final payment to the Company, the inability of the Company to operate as a Prospect Generator and enter into agreements to acquire interests in additional mineral properties and attract joint venture partners for the exploration and development of same, operating and technical difficulties in connection with mineral exploration and development and mine development activities at the Company's mineral properties, the fact that the Company's interests in certain of its mineral properties are only options and there is no guarantee that the interests, if earned, will be certain, requirements for additional capital, future prices of precious metals, copper-gold and lithium, changes in general economic conditions, changes in the financial markets and in the demand and market price for commodities, other risks of the mining industry, the inability to obtain any necessary governmental and regulatory approvals (including TSX-V acceptance for filing of the Definitive Agreement, any current or future property acquisitions or dispositions), financing or other planned activities, changes in laws, regulations and policies affecting mining operations, hedging practices and currency fluctuations, title disputes or claims limitations on insurance coverage and the timing and possible outcome of pending litigation, environmental issues and liabilities, risks related to joint venture operations, and risks related to the integration of acquisitions, as well as those factors discussed under the heading "Risks and Uncertainties" in the Company's most recent management's discussion and analysis and other filings of the Company with the Canadian Securities Authorities, copies of which can be found under the Company's profile on the SEDAR website at www.sedar.com.

Readers are cautioned not to place undue reliance on forward-looking statements. Except as otherwise required by law, the Company undertakes no obligation to update any of the forward-looking information in this news release or incorporated by reference herein.