



LATIN METALS INC.

Latin Metals and AngloGold Enter into Definitive Option Agreement Regarding Gold Exploration Projects, Salta Province, Argentina

NR22-05

June 6, 2022

Vancouver, British Columbia – Latin Metals Inc. (“Latin Metals” or the “Company”) - (TSXV: LMS, OTCQB: LMSQF) announces that it has entered into a binding option agreement (the “Option Agreement”) with AngloGold Argentina Exploraciones S.A. (“AngloGold”), a wholly owned subsidiary of AngloGold Ashanti Ltd. (NYSE: AU, JSE: ANG, ASX: AGG) made as of May 27, 2022. Subsequently, AngloGold provided notice that all conditions precedent have been satisfied, and as a result the Option Agreement’s commencement date (the “Commencement Date”) has been established as June 2, 2022. Under the terms of the Option Agreement, Latin Metals granted to AngloGold the option to earn up to an 80% interest in the Company’s Organullo, Ana Maria, and Trigal Gold projects (the “Projects”) located in Salta Province, northwestern Argentina (**Figure 1**).

“We are delighted to welcome AngloGold as an option partner. AngloGold Ashanti is the fourth largest gold producer globally, with operations across four continents” said Keith Henderson, President and CEO of Latin Metals. “AngloGold’s investment of up to USD \$ 12.575 million for a 75% ownership interest in the Projects is a significant investment and, if AngloGold were to exercise its top-up right for an aggregate 80% ownership, additional investments by AngloGold would include delivery of a Mineral Resource estimate and further cash payments commensurate with defined ounces to Latin Metals.”

Mr. Henderson added, “I am particularly pleased to have concluded this agreement so soon after completing a similar deal with Barrick Gold Corporation in February. Securing high-quality, technically excellent, and financially capable partners is a very important part of our prospect generator model and we hope to conclude additional deals as we continue to market our project portfolio.”

Option Agreement Terms

Under the terms of the Option Agreement (**Table 1**), AngloGold has been granted the option to earn an initial 75% interest in the Projects (the “Option”) by making cash payments to Latin Metals in the aggregate amount of USD \$2,575,000 and spending an aggregate amount of USD \$10,000,000 on exploration expenditures related to the Projects within five years of the Commencement Date (the “Option Period”). During the Option Period, Latin Metals will receive exploration results and data from AngloGold on a quarterly basis.

Upon the fulfilment of the payment obligations and exploration expenditures set forth above, and the delivery by AngloGold to Latin Metals of a notice of exercise of the Option (the “Option Exercise Date”) and subject to the exercise of Top-Up Right (as defined below), AngloGold and Latin Metals will be deemed to have formed a joint venture (the “Joint Venture”) for the continued exploration, development and, if warranted, commercialization of the Projects, in respect of which the initial participating interests of the parties will be, AngloGold as to 75% and Latin Metals as to 25%.

Upon the exercise of the Option, AngloGold may give notice to Latin Metals of its intention to increase its interest in the Projects to 80% (the “**Top-Up Right**”). The Top-Up Right may be exercised within 150 days of the Option Exercise Date by AngloGold:

- (i) preparing and delivering to Latin Metals an independent Measured and Indicated Mineral Resource estimate prepared in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) on one or more deposits contained within the Projects; and
- (ii) paying to Latin Metals an amount of USD \$4.65 per gold equivalent ounce contained within the Measured and Indicated Mineral Resource estimate.

Upon the exercise of the Top-Up Right, the parties’ interests in the Joint Venture will be adjusted such that the participating interests of the parties will be AngloGold as to 80% and Latin Metals as to 20%.

If and when the parties form the Joint Venture, the provisions of the agreement governing the Joint Venture will be negotiated and settled by the parties and will provide, among other things, that if the participating interest of either party falls below 10%, the interest of such party shall be converted to a 2% net smelter returns royalty, half of which (being 1%) can be purchased by the other party for USD \$5,000,000 at any time until the date that is three (3) months after a production decision concerning one or more of the Projects has been made.

Table 1: Option Terms

<i>Date</i>	<i>Cash Payments (USD)</i>	<i>Expenditure Commitments (USD)</i>
On or before June 17, 2022	\$275,000	-
On or before June 2, 2023	\$100,000	-
On or before June 2, 2024	\$150,000	\$2,000,000
On or before June 2, 2025	\$200,000	-
On or before June 2, 2026	\$850,000	\$4,000,000
On or before June 2, 2027	\$1,000,000	\$4,000,000
Total	\$2,575,000	\$10,000,000

About The Projects

The Projects are in Salta Province, in northwest Argentina (**Figure 1**). Latin Metals currently holds a 100% interest in each of the Projects. The Projects are located within the Argentine Puna region; the southern extension of the Altiplano of southern Peru.

Organullo Project

The Organullo project was historically explored and mined on a small scale at the Julio Verne Mine in the 1930’s, producing copper, bismuth and gold. Subsequent explorers include Triton Mining Corporation, Northern Orion Exploration, Newmont Corporation, Cardero Resources Corp., Latin Metals and most recently Yamana Gold Inc. (2018 to 2020). Historical exploration includes 28 diamond drill holes (5,872m), 30 reverse circulation drill holes (5,107m), 3,158 rock samples, as well as extensive surface geochemistry and geophysical surveys. The project is well known as a gold-focused project with locally high-grade gold outcropping at surface, but exploration shows juxtaposed epithermal and porphyry mineralization, and evidence for multiple copper-gold endowed magmatic hydrothermal centers. The project has a large alteration and mineralization footprint with multiple untested epithermal gold and copper porphyry targets. The project is accessed via existing roads and is located just 20 km south of a regional center called San Antonio de Los Cobres.

Ana Maria Project

The Ana Maria project was acquired by Latin Metals through staking and consists of three mining claims partially contiguous with the more advanced Organullo Project. The project has not been subject to prior detailed exploration. The area is prospective for epithermal gold deposits and associated mineralization. The area was covered by a BLEG sampling program, which was undertaken in partnership with Newmont in 2008.

Trigal Project

The Trigal project is a gold and silver exploration project, which was first identified as having potential following a BLEG sampling program undertaken by the Company in partnership with Newmont Corporation. The project is contiguous with the El Quevar project owned by Golden Minerals Company, an advanced exploration-stage silver exploration project, with an indicated and inferred mineral resource. In April 2020, the El Quevar project was optioned by Barrick Gold Corporation.

Readers are cautioned that the mines and deposits described above are adjacent properties and Latin Metals has no interest in or right to acquire any interest in the properties outside of the Projects. Mineral deposits on adjacent properties and any production therefrom or economics with respect thereto, are not in any way indicative of mineral deposits on the Projects or the potential production from, or cost or economics of, any future mining on the Projects. The adjacent properties are described to highlight the potential of the belt and certain properties contained within it.

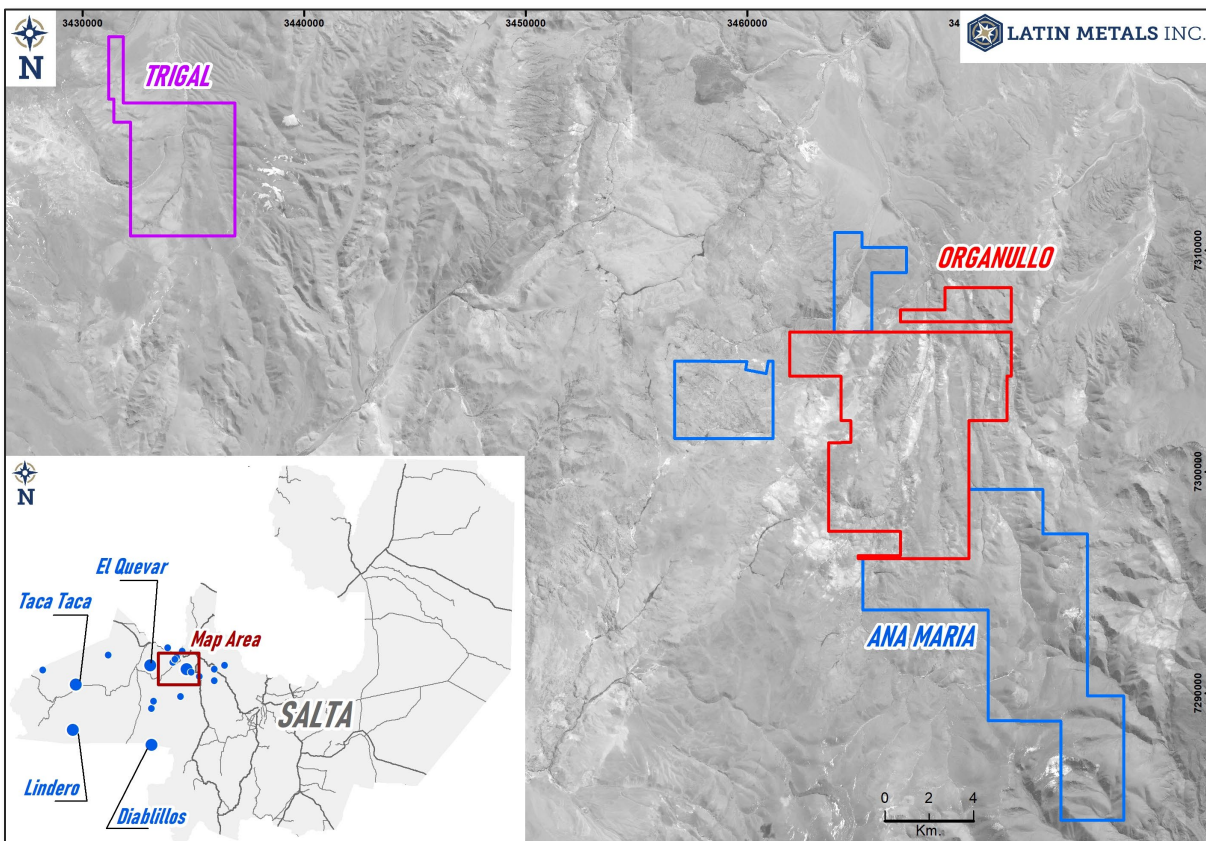


Figure 1: Location of the Organullo, Ana Maria, and Trigal Projects, Salta Province, Argentina.

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 gain exposure to the upside of a significant discovery without the dilution associated with funding the highest-risk drill-based exploration. Latin Metals has recently concluded deals to option out exploration properties to Barrick Gold Corporation, and Libero Copper and Gold.

Qualified Person

Keith J. Henderson P. Geo is the Company's qualified person as defined by NI 43-101, and has reviewed and approved for disclosure the scientific and technical information contained in this news release. 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.

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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.

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 exercise of the Option and the Top-Up Right by AngloGold, the entering into of the Joint Venture, future exploration of the Projects, anticipated exploration program results from exploration activities, the discovery and delineation of mineral deposits/resources/reserves, 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. Often, but not always, forward looking information can be identified by words such as "pro forma", "plans", "expects", "may", "will", "should", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", "potential" or variations of such words including negative variations thereof, and phrases that refer to certain actions, 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 obtain TSX Venture Exchange acceptance, if applicable, and the required corporate approvals for the proposed transaction, that 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, 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 information. Such risks and other factors include, among others, operating and technical difficulties in connection with mineral exploration and development and mine development activities at the Projects, estimation or realization of mineral reserves and mineral resources, requirements for additional capital, future prices of precious metals and copper, changes in general economic conditions, changes in the financial markets and in the demand and market price for commodities, possible variations in ore grade or recovery rates, possible failures of plants, equipment or processes to operate as anticipated, accidents, labour disputes and other risks of the mining industry, delays or the inability of the Company to obtain any necessary permits, consents or authorizations required, including of the TSX Venture Exchange, financing or other planned activities, changes in laws, regulations and policies affecting mining operations, currency fluctuations, title disputes or claims limitations on insurance coverage and the timing and possible outcome of pending litigation, environmental issues and liabilities, risks relating to epidemics or pandemics such as COVID-19, including the impact of COVID-19 on the Company's business, risks related to joint venture operations, and risks related to the integration of acquisitions, as well as those factors discussed under the heading "Risk Factors" in the Company's latest Management 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.