



LATIN METALS INC.

(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE THREE MONTHS ENDED JANUARY 31, 2024

Dated: March 26, 2024

Corporate Registered Office

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INTRODUCTION

This Management's Discussion and Analysis ("MD&A") for Latin Metals Inc. ("Latin Metals" or the "Company") for the three months ended January 31, 2024 has been prepared by management in accordance with the requirements of National Instrument 51-102 and compares its financial results for the three months ended January 31, 2024 to the same period in 2023. This MD&A provides an analysis of the business of Latin Metals and should be read in conjunction with the Company's interim consolidated financial statements for the three-month period ended January 31, 2024 and 2023, as well as the Company's audited consolidated financial statements and the accompanying notes for the years ended October 31, 2023 and 2022.

All financial information, unless otherwise indicated, has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars unless otherwise noted.

The effective date of this MD&A is March 26, 2024.

NATURE OF BUSINESS

Latin Metals Inc. is a mineral resources exploration company, and its principal business activity is the acquisition, exploration and evaluation of mineral resource properties located in South America. At the date of this document, the Company has projects in Argentina and Peru. The Company operates with a Prospect Generator model focusing on the acquisition of prospective exploration properties at a low 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.

Latin Metals' common shares are listed on the TSX Venture Exchange ("TSX-V") and trade under the symbol "LMS" as well as on the OTCQB Venture Market under the symbol "LMSQF".

The Company's mailing address is Suite 890 – 999 West Hastings Street, Vancouver, BC, V6C 2W2, Canada. The registered and records offices of the Company are located at Suite 880 – 320 Granville Street, Vancouver, BC, V6C 1S9, Canada.



HIGHLIGHTS FOR THE THREE MONTHS ENDED JANUARY 31, 2024 AND THE PERIOD UP TO MARCH 26, 2024

Corporate highlights

- **Equity Financing.** On February 6, 2024, the Company closed its previously announced non-brokered private placements of 10,000,000 units at \$0.07 per unit for gross proceeds of \$700,000. Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant, with each whole warrant entitling the holder thereof to purchase one common share at a price of \$0.15 per share until February 6, 2026.

Exploration highlights

- **Huachi Property Acquisition.** On March 13, 2024, the Company announced that it has entered into a binding letter agreement with Golden Arrow Resources Corp. ("Golden Arrow") to earn up to a 100% interest in the 3,500-hectare Huachi property. Huachi is contiguous with the Company's Esperanza project, located in San Juan Province, Argentina. Under the terms of the letter agreement, Latin Metals has been granted the option to earn an initial 75% interest in the Huachi project by incurring exploration expenditures totalling US\$1,000,000 and making cash payments of US\$1,000,000 to Golden Arrow over a four-year period. Following the exercise of the option, Latin Metals shall have a top-up right whereby Latin Metals can purchase the remaining 25% interest in the Huachi property (aggregate 100%) by paying US\$2,000,000 cash to Golden Arrow. Upon completion of the acquisition, Golden Arrow's interest shall be reduced to a 1% NSR royalty.
- **Terraza project.** On January 23, 2024, the Company announced that it acquired by staking 68,000-hectared Terraza copper exploration project located within Jujuy Province, Argentina, and with this increased its sediment-hosted copper exploration ground holding to more than 500,000 hectares in total across 4 projects.



FORWARD-LOOKING STATEMENTS

This MD&A contains forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian and U.S. securities legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. Information concerning mineral resource/reserve estimates and the economic analysis thereof contained in preliminary economic analyses or prefeasibility studies also may be deemed to be forward-looking statements in that they reflect a prediction of the mineralization that would be encountered, and the results of mining that mineralization, if a mineral deposit were developed and mined. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate, plans and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company’s strategies and objectives, both generally and in respect of its specific mineral properties or exploration and evaluation assets;
- the timing of decisions regarding the timing and costs of exploration programs with respect to, and the issuance of the necessary permits and authorizations required for, the Company’s exploration programs;
- the Company’s estimates of the quality and quantity of the resources and reserves at its mineral properties;
- the timing and cost of planned exploration programs of the Company and the timing of the receipt of result thereof;
- the Company’s ability to meet its financial obligations as they come due, to be able to raise the necessary funds to continue operations, and general economic conditions.

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company’s ability to predict or control, including, but not limited to, risks related to the Company’s inability to raise the necessary capital to be able to continue in business and to implement its business strategies, to identify one or more economic deposits on its properties, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the Company’s inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, and other risks identified under “*Risk Factors*”, disclosed in the Company’s MD&A for the year ended October 31, 2023.

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on several assumptions which may prove incorrect, including, but not limited to, assumptions about:

- the level and volatility of the price of commodities;
- the timing of the receipt of regulatory and governmental approvals, permits and authorizations necessary to implement and carry on the Company’s planned exploration;
- conditions in the financial markets generally;
- the Company’s ability to attract and retain key personnel;
- the accuracy of the Company’s resource/reserve estimates (including with respect to size and grade) and the geological, operational and price assumptions on which these are based.

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.



Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations. See "Risk Factors – Insufficient Financial Resources/Share Price Volatility" disclosed in the Company's MD&A for the year ended October 31, 2023.

All the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via www.sedarplus.com and the Company's website at www.latin-metals.com and readers are urged to review these materials.

EXPLORATION AND EVALUATION ASSETS

The Company has exploration properties in Argentina and Peru, which are described in more detail below.

Salta Properties, Argentina

Salta Properties include the Organullo property, Ana Maria property, and Trigal property.

Pursuant to an agreement dated October 1, 2004 between the Company and an Argentinean individual, the Company purchased a 100% interest in eight minas in Salta Province, Argentina, know as Organullo property, in consideration of the issuance of 70,000 common shares. The Ana Maria property was acquired through staking and comprises three separate exploration claims, totaling almost 10,000 hectares and located near and partly contiguous with the Company's Organullo gold project. The Trigal property is a grassroots gold and silver exploration project, which is contiguous with the El Quevar property- an advanced PEA-stage silver exploration project owned by Golden Minerals Company and currently held under option by Barrick Gold Corporation.

Option Agreement with AngloGold

On May 27, 2022, the Company entered into a binding option agreement with AngloGold Argentina Exploraciones S.A. ("AngloGold"), a wholly owned subsidiary of AngloGold Ashanti Ltd. Subsequently, AngloGold provided notice that all conditions precedent have been satisfied, and as a result the option agreement's 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 "Salta Properties") located in Salta Province, northwestern Argentina.

Under the terms of the option agreement, AngloGold has been granted the option to earn an initial 75% interest in the Salta Properties 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.

| Date | Payments in cash (US\$) | Expenditures commitments (US\$) |
|----------------------------|----------------------------|------------------------------------|
| On or before June 17, 2022 | 275,000 (received) | - |
| On or before June 2, 2023 | 100,000 (received) | - |
| 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 | US\$ 2,575,000 | US\$ 10,000,000 |

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 Salta Projects to 80% (the "Top-Up Right"). The Top-Up Right may be exercised within 150 days of the Option Exercise Date by AngloGold:

- 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 Salta Properties; and
- 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 Salta Properties has been made.

Tres Cerros Properties, Argentina

Tres Cerros properties are located within the highly prospective Deseado Massif in Santa Cruz Province, Argentina.

Option agreement with underlying property owners

On February 7, 2019, the Company entered into a definitive option agreement, as amended, pursuant to which the Company was granted options to acquire a 100 % interest, subject to certain royalty conditions, in the Tres Cerros properties: the Cerro Bayo, Cerro Bayo Sur and Flora Este properties ("Tres Cerros").

The Company can earn an initial 80% interest (the "First Option"), followed by the remaining 20% interest (the "Second Option"), by making staged cash and common shares payments.

Details on the consideration the Company is required to pay and issue shares in respect to the Tres Cerros is as follows:

| Due Date | Payments in cash (US \$) | Shares | Payments in shares or cash (US \$) | Cumulative earned interest |
|------------------|-------------------------------------|------------------|---|---|
| April 8, 2019 | 12,500 (paid) | - | | - |
| May 1, 2020 | 7,500 (paid) | 175,000 (issued) | | |
| November 1, 2020 | 8,750 (paid) | 175,000 (issued) | | |
| April 30, 2021 | 8,750 (paid) | - | | - |
| May 1, 2021 | 50,000 (paid) | 450,000 (issued) | | - |
| May 10, 2022 | 75,000 (paid) | | 77,334 (paid) | 35% |
| May 10, 2023 | 100,000 (paid) | | 133,577 (paid) | 51% |
| May 10, 2024 | 200,000 | | 182,789 | 71% |
| May 10, 2025 | 500,000 | | 253,093 | 80% |
| Total | US \$962,500 | 800,000 | US \$646,732 | 80% |



As part of the earn-in commitment, Latin Metals is required to deliver a technical report in accordance with NI 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101").

For a period of 120 days after the exercise of the First Option for each property group, the Company will have the Second Option to acquire the remaining 20% (aggregate 100%) interest, by making a payment of US \$400,000 cash and a payment of US \$400,000 payable in common shares of the Company, or in cash (at the Company's option) to the underlying owners.

Acquisition of 100% is subject to a 0.75% NSR royalty, of which two-thirds of the royalty (0.5%) can be purchased at any time for US\$ 1,000,000.

If the Company elects not to exercise the Latin Metals Second Option, the parties will be deemed to have entered a joint venture, with the initial participating interests of Latin Metals being 80% and the vendors being 20%. If either party's participating interest falls below 10% then that party's interest will be converted to a 1% NSR Royalty, one half of which (0.5%) can be purchased by the other party for US \$1,000,000.

Barrick Earn-in agreement

On February 5, 2022, Latin Metals and Barrick entered into an earn-in agreement whereby Barrick has the right to acquire up to an 85% interest in the Tres Cerros. Barrick's earn-in right consisted of an initial option (the "Barrick First Option") to acquire a 70% interest in the properties and a second option (the "Barrick Second Option") to acquire an additional 15% (aggregate 85%) interest by fulfilling certain requirements.

On October 27, 2023, the Company announced that Barrick had provided notice to the Company of their intention to relinquish the option and terminate the earn-in agreement, effective January 25, 2024. During the agreement period Barrick made cash payments to the Company in the amount of \$259,000, made payments to the underlying owner of the property in the amount of \$519,000 and incurred exploration expenditures of approximately \$1.85 million.

The Tres Cerros property is drill ready and is available for partnership.

Esperanza Project, Argentina

The Esperanza copper-gold project is in San Juan Province in northwestern Argentina. It is approximately 135 km north of the city of San Juan and consists of 32 Minas and 10 demacias totaling 516 hectares (the "Esperanza Property"), as well as a single cateo totaling approximately 3,500 hectares (the "Huachi Property"). Elevations at the project range from 2,800 m to 3,250 m above sea level. The property is accessible by road and exploration can generally be conducted year-round.

The Esperanza copper-gold mineralization is associated with a porphyry-epithermal system. A total of 23 drill holes have been completed on the project between 2007 and 2018 for a total of 7,600 m. Most recently, the Company completed 965 m of drilling in 2018, again focusing on the copper-gold-porphyry system. Drill hole 18-ESP-025 collared in mineralization and continued to drill mineralized rock to end of hole (387m; hole abandoned due to drilling difficulties). Laboratory results for the drill hole grade 0.57% copper and 0.27g/t gold. This includes 232 m from surface grading 0.74% copper and 0.33g/t gold. Mineralization remains open at depth.

All drill holes targeting porphyry-style mineralization intersected copper-gold mineralization and many of the holes were terminated in mineralization. Furthermore, several drill holes demonstrate increasing grade with depth. Porphyry style mineralization is open in all directions, in particular to the west and north where porphyry style alteration is mapped at surface and untested by drilling. With mineralized drill holes open laterally and at depth, there is considerable work to be done to complete drill testing of existing priority drill targets.

Esperanza Property Option Agreement

On March 1, 2017, the Company received TSX-V approval on the Esperanza Property option agreement to acquire a 100% interest in the Esperanza copper-gold porphyry deposit. On July 9, 2018 (as amended), the Company entered into a Definitive property option agreement in respect to Esperanza.

Under the option the Company has the right to earn a 100% interest in the project through the payment of US \$2,306,000 and the issuance of common shares of the Company valued at US\$ 500,000 (at the time of issuance) to the vendor.

On December 14, 2023, the Company executed an amended option agreement with the underlying vendors, which amended the amount and schedule of remaining cash payments and share issuances. The amending agreement postpones the December 31, 2023 cash payment until May 5, 2024, and reduces the amount of the payment to US\$100,000 (which payment is an irrevocable commitment). The remaining payments to fulfill the amended terms of the definitive property option agreement is as follows:

| Date | Payments in cash (US\$) | Payments in shares (US\$) |
|---|----------------------------|------------------------------|
| Payments made as of October 31, 2021 and 2022 | 623,000 (paid) | |
| January 10, 2023 | 200,000 (paid) | - |
| June 30, 2023 | 250,000 (paid) | - |
| May 5, 2024 | 100,000 | - |
| 30 days following receipt of a drilling permit ⁽¹⁾ | 250,000 | - |
| 12 months following receipt of a drilling permit | 250,000 | - |
| 18 months following receipt of a drilling permit | 250,000 | 250,000 |
| 24 months following a receipt of a drilling permit | 383,000 | 250,000 |
| Total | \$ 2,306,000 | \$ 500,000 |

⁽¹⁾ If a drill permit for Esperanza is not secured by the Company on or prior to July 31, 2025, the underlying optionor has the right to terminate the definitive option agreement.

Upon completion of the option payments and share issuances the Company will be deemed to have exercised the option and will have earned an undivided 100% legal and beneficial interest in and to the project, subject to a 2% NSR royalty to be granted to the vendor. The Company will have a right to buy back 0.5 % of the NSR royalty for US\$ 1,000,000, at which time the NSR royalty payable to the vendor shall be 1.5%.

During the year ended October 31, 2023, the Company issued 711,400 common shares fair valued at \$96,039 (US\$ 70,820) as a final payment in shares of the finder's fee of US\$ 172,800 for Esperanza property.

Huachi Property Option Agreement

On March 13, 2024, the Company announced that it has entered into a binding letter agreement with Golden Arrow Resources Corp. to earn up to a 100% interest in the 3,500-hectare Huachi property. Huachi is contiguous with the Company's Esperanza project, located in San Juan Province, Argentina. Under the terms of the letter agreement, Latin Metals has been granted the option to earn an initial 75% interest in the Huachi project by incurring exploration expenditures totalling US\$1,000,000 and making cash payments of US\$1,000,000 to Golden Arrow over a four-year period. Following the exercise of the option, Latin Metals shall have a top-up right whereby Latin Metals can purchase the remaining 25% interest in the Huachi property (aggregate 100%) by paying US\$2,000,000 cash to Golden Arrow. Upon completion of the acquisition, Golden Arrow's interest shall be reduced to a 1% NSR royalty.



Earn-in agreement with Libero Copper and Gold

On January 20, 2021, the Company signed a letter agreement with Libero Copper and Gold (“Libero”), pursuant to which Libero has been granted an option to acquire a 70% interest in the Esperanza Property. In order to exercise the option, Libero was required to make cash payments in the aggregate of US\$ 2,403,000 and incur exploration expenditures on Esperanza project of US\$ 2,000,000.

On December 21, 2023, the Company announced that it had issued a Notice of Default and Termination to Libero and terminated the earn-in agreement due to Libero’s failure to make a payment in the amount of US\$ 350,000 on or before December 6, 2023. For the duration of the agreement Libero had paid the Company US\$ 920,000.

The Esperanza project is drill-ready and available for partnership.

Mina Angela Property NSR Royalty, Argentina

The Mina Angela property is in Chubut province in southern Argentina. The property was explored by several companies between 1951 and 1978 and production commenced in 1978. The underground mine was operated by Cerro Castillo SA until 1992 producing more than 150,000 ounces of gold. The mineralized system remains open at depth. Government records from 1983 until the mine closed in 1992 show mining production was 1.04 million tonnes for this period with average grades of: 4.0 g/t gold; 48.4 g/t silver; 2.0% lead; 0.4% copper; 4.6% zinc.

In April 2004, the Company entered into an acquisition agreement, pursuant to which and in consideration of aggregate cash payments to the vendor of US\$ 400,000, the Company acquired a 100% interest in 44 mineral concessions, known as Mina Angela, in Chubut Province, Argentina, subject to a 1% net smelter return royalty (“NSR Royalty”) to the vendor.

On September 12, 2020, the Company signed an option agreement with Patagonia Gold Corp. (“Patagonia”) under the terms of which Patagonia was granted an irrevocable option to acquire a 100% interest in the Mina Angela property. On March 12, 2021, the Company received an option exercise notice from Patagonia. As of the date of this MD&A, the Company received in aggregate US\$ 590,000 from Patagonia, pursuant to the option agreement for Mina Angela. A final payment of US\$ 500,000 is due to be paid within thirty days of verification that the legal restrictions preventing development of mining activity in the Chubut Province and at the Mina Angela property have been lifted.

Latin Metals is entitled to receive a 1.25% NSR Royalty on any future production from the property, half of which royalty can be repurchased by Patagonia from Latin Metals at any time for cash consideration of US\$ 1,000,000.

El Quemado Property NSR Royalty, Argentina

The project area is in Salta Province, approximately 80 km west of the city of Salta and consists of 7,959 hectares in 19 claims. The El Quemado pegmatite is part of the El Quemado pegmatite field, at the northern end of the Pampean pegmatite province. Several known pegmatite occurrences are located within the property, some of which have seen historical exploitation for niobium, tantalum, and bismuth.

The Company entered into an option agreement with an arm’s length individual in June 2016 to acquire 100% interest in El Quemado property. In September 2018, the Company exercised the option following the issuance of 357,500 shares, earning a 100% interest, subject to a 2% NSR Royalty. During the year ended October 31, 2022, the Company and the vendor agreed to extinguish the 2% NSR Royalty for a cash payment of 1,500,000 Argentinian pesos (\$16,207) made by the Company to the vendor.



On March 3, 2023, the Company announced sale of a 100% interest in the El Quemado project to South American Lithium Ltd. ("SALi") for total consideration of \$400,000 in cash (received) and 1,000,000 units (received) in the capital of SALi. Each unit consists of 1,000,000 common shares issued at a deemed price of \$0.50, and 1,000,000 share purchase warrants exercisable at \$1.00 for a period of 5 years.

Latin Metals retain a 2% NSR Royalty on the project. One half of the 2% NSR Royalty can be purchased at any time prior to production by SAL from the Company for US\$3,000,000 cash.

Mirador, Solario, Ventana and Terraza Properties, Argentina

During the year ended October 31, 2023, and to date, the Company acquired Mirador, Solario and Ventana properties in Salta Province and the Terraza property in Juyay Province. The Mirador property consists of approximately up to 99,000 hectares acquired by staking. The approximately 170,000-hectare Solario property and the approximately 176,000-hectare Ventana property were each acquired for cash payments \$1 million Argentina pesos under the terms of two sale and purchase agreements. Finally, the approximately 68,000-hectare Terraza project was acquired by staking.

The properties are grass roots exploration properties, which are prospective for sediment-hosted copper mineralization. Initial reconnaissance at Mirador has identified outcropping mineralization at several locations within the property and with one sample grading 2.4% copper and 628ppm vanadium. Planned work includes extensive stream sediment sampling to geochemically screen the four properties in their entirety.

Lacsha Property, Peru

The Company acquired the Lacsha copper property, located in the Peruvian Coastal Copper Belt, by staking. The property is located approximately 110 km by road from Lima, 40 km from the coast, and is accessible year-round by paved road. The 4,000-hectare Lacsha property was selected for staking based on the results of historical multi-element geochemistry and anomalies that extend over an area measuring 5.0 km x 2.5 km. The claims lie immediately south and contiguous with a large block hosting Newmont Corporation's Sumacwayra copper-molybdenum discovery.

The Company has completed extensive surface exploration including surface geochemical sampling through stream sediment sampling, talus fine sampling, continuous rock chip sampling, a ground magnetic survey of the property, and an extensive induced polarization survey.

Surface lithology, structure and geochemistry together with new geophysical data at Lacsha are consistent with porphyry-related sulphide mineralization and strengthen a series of compelling drill targets. The ground magnetic survey identified several zones with highly magnetic response, which are interpreted to be associated with magnetite mineralization within a central porphyry potassic alteration. The IP survey defined extensive areas of high chargeability (>20 mv/v), which is a signature often associated with sulphide mineralization. The cores of these anomalies reach 25 mv/v at depths of approximately 100m from surface and potentially reflect copper sulphide mineralization. Areas of high resistivity (>2,000 ohm*m) are consistent with silicification (overlying a vertically zoned porphyry system).

Integration of surface geochemistry with geophysics further supports drill targets. Copper (>300ppm, up to 1590ppm) and molybdenum (>10ppm, up to 85ppm) anomalies (talus samples) are centered over the interpreted porphyry system where a copper rich core may be present. Zinc and lead depleted above the target (proximally), with anomalous values distally which is considered a typical geochemical zonation for upright, intact porphyry copper systems. The geochemistry dovetails with the surface geophysics where copper and molybdenum geochemical anomalies are coincident with magnetic (high) and IP chargeability (high) features increasing confidence in the drill targets.



In January 2023, the Company announced that it has secured a drill permit at the Lacsha copper project. The drill permit is an FTA (Ficha Tecnica Ambiental) consisting of permission to construct all necessary access roads and 20 drill pads, from which up to 43 drill holes may be completed to depths up to 1000m below surface.

The Lacsha property is drill-ready, drill-permitted, and available for partnership.

Auquis Property, Peru

The Company acquired the Auquis copper property, located in the Peruvian Coastal Copper Belt, by staking and recently expanded the project to 3,600 hectares. The Project is located approximately 377 km south by road from Lima, 95 km from the coast, and is accessible year-round by paved road.

Soil sampling results define high-grade anomalous copper over a 3km x 2km area. A total of 253 soil samples within this area show copper-in-soil values greater than 500 ppm (0.05%) and up to 2,300 ppm (0.23%) copper. Subsequent rock sampling of 234 rock chip samples were collected to follow up on anomalous soil samples. Rock chip sampling highlighted copper grades ranging from 22 ppm to 12.8% copper across the property. Follow-up surface rock sampling added a total of 200 additional rock samples, returning anomalous mineralization grading up to 5.8% copper and 236ppm molybdenum. A total of 434 rock samples have now been collected across the project area, defining a core area of high-grade mineralization that measures 1.5km by 1.5km. Within this core area, combined results of 265 rock sample results return grades ranging from 6ppm to 5.8% copper (average 0.10% copper) and from 0.3ppm to 236ppm molybdenum (average 4.9ppm molybdenum).

Follow up exploration resulted in the discovery of new copper porphyry (Tinto zone) and skarn (Blanco zone) mineralization at the Auquis property. Sampling at the Blanco Zone returned values of up to 9.3% zinc, 6.1% lead, 2.8% copper, 176 g/t silver and 82 ppb gold. The Company subsequently completed a ground magnetic survey resulting in the interpretation of significant anomalies adjacent to and underlying mapped zones of porphyry and skarn mineralization.

The Auquis property is available for partnership.

Jacha Property, Peru

The Company acquired the Jacha copper property by staking. The 100% owned property consists of 2,200 hectares and is located in the Southern Peru Copper Belt, 150 km from Cuzco, and is accessible year-round by paved and unpaved road.

The Southern Peru Copper Belt is an Eocene-Oligocene-aged belt hosting numerous productive copper-gold porphyry and skarn systems, including Las Bambas, Tintaya, Constancia, Haquira and Antapaccay. The Jacha exploration property is located centrally within the belt.

The Jacha project has potential for porphyry and skarn copper mineralization. Historical geochemistry consists of more than 1,000 soil samples, which define copper anomalies over two areas of approximately 3.0 km by 1.5 km and 2 km by 0.5 km. Soil values within the anomalous area range from 2 ppm to 446 ppm copper and up to 46 ppm molybdenum. The geochemical anomaly is open to the north and south.

In October, 2023, the Company signed an agreement with the community located in Paruro, Cusco region, which cleared that path for exploration to begin at the Jacha project. The Company has commenced Phase I soil and rock chip sampling program covering 1,000 hectares of the project.

The Jacha property is available for partnership.



Tillo Property, Peru

The 2,000-hectare Tillo project is located in Peru's Coastal Copper Belt. Latin Metals' work has begun with the geochemical sampling of soils and talus fines for 253 geochemical samples. Several anomalous samples have been delineated, including the largest zone, which measures approximately 2,500m x 1,000m in area. Within this zone, copper values range from 250 ppm to a peak of 1,050 ppm copper, with supporting molybdenum mineralization. A suite of three rock samples were collected returning copper grades ranging from 0.19% to 1.36%, with associated molybdenum mineralization ranging from 5ppm to 94ppm. Rock sampling of the main 2,500m x 1,000m anomaly returned positive results with rock 24 samples from 140 collected grading greater than 0.2% copper, with a maximum grade of 5.9% copper and 421 ppm molybdenum.

The Tillo property is available for partnership.

Para Property, Peru

The 1,900-hectare Tillo project is located in Peru's Coastal Copper Belt. The Company has discovered zones of high-grade copper mineralization with initial work focusing on geochemical sampling of talus fines for a total of 56 geochemical samples. The results of talus sampling have been very positive with anomalous copper analysis ranges from 251 ppm to a peak of 1,505 ppm copper, with supporting molybdenum mineralization up to 46 ppm. The geochemical anomalies are open to the northwest, and as a result, Latin Metals has staked an additional 1,300 hectares for a new total of 1,900 hectares.

The Para property is available for partnership.

Qualified Person and Quality Control/Quality Assurance

Keith Henderson, PGeo., is the Company's qualified person as defined by NI 43-101, has reviewed the scientific and technical information that forms the basis for the mineral property disclosure in this MD&A and has approved the disclosure herein. Mr. Henderson is not independent of the Company, as he is an employee and a shareholder of the Company.

**LATIN METALS INC.**

(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION & ANALYSIS**For the three months ended January 31, 2024***Exploration and evaluation assets continuity*

| | ARGENTINA | PERU | TOTAL |
|---|--------------|--------------|--------------|
| Balance, October 31, 2022 | \$ 3,863,326 | \$ 1,041,988 | \$ 4,905,314 |
| <i>Acquisition costs</i> | | | |
| Shares issued for option payment, fair value | 181,785 | - | 181,785 |
| Shares issued for finder's fees, fair value | 96,039 | - | 96,039 |
| Option payments | 634,419 | - | 634,419 |
| Option proceeds | (987,090) | - | (987,090) |
| Sale proceeds | (900,000) | - | (900,000) |
| Claim maintenance and legal fees | 192,937 | 28,331 | 221,268 |
| Total acquisition costs(proceeds) for the period | (781,910) | 28,331 | (753,579) |
| <i>Exploration costs</i> | | | |
| Community relations | - | 29,872 | 29,872 |
| Field expenses, incl. support contractors | - | 118,544 | 118,544 |
| Geological & geophysical | - | 95,695 | 95,695 |
| Geochemical | - | 17,215 | 17,215 |
| Geophysical | - | 139,043 | 139,043 |
| Salaries | - | 42,400 | 42,400 |
| Share-based compensation | - | 49,463 | 49,463 |
| IVA non-refundable | - | 28,199 | 28,199 |
| Total exploration costs for the period | - | 520,431 | 520,431 |
| Recovery | 457,530 | - | 457,530 |
| Impairment | - | (32,014) | (32,014) |
| Balance, October 31, 2023 | \$ 3,538,946 | \$ 1,558,736 | \$ 5,097,682 |
| <i>Acquisition costs</i> | | | |
| Claim maintenance and legal fees | (2,305) | - | (2,305) |
| Total acquisition costs (proceeds) for the period | (2,305) | - | (2,305) |
| <i>Exploration costs</i> | | | |
| Community relations | - | 7,469 | 7,469 |
| Field expenses, incl. support contractors | 204 | 13,886 | 14,090 |
| Geological consultants and contractors | 19,941 | 4,139 | 24,080 |
| Total exploration costs for the period | 20,145 | 25,494 | 45,639 |
| Balance, January 31, 2024 | \$ 3,556,786 | \$ 1,584,230 | \$ 5,141,016 |

| ARGENTINIAN EXPLORATION PROPERTIES | Salta properties | Tres Cerros | Esperanza | El Quemado | Mirador | Solario | Ventana | TOTAL Argentina |
|---|------------------|-------------|--------------|------------|------------|-----------|-----------|-----------------|
| Balance, October 31, 2022 | \$ - | \$ 255,188 | \$ 3,042,653 | \$ 565,485 | \$ - | \$ - | \$ - | \$ 3,863,326 |
| <i>Acquisition costs</i> | | | | | | | | |
| Shares issued for option pmnt, fair value | - | 181,785 | - | - | - | - | - | 181,785 |
| Shares issued for finder's fees, fair value | - | - | 96,039 | - | - | - | - | 96,039 |
| Option payments and claims staking | - | - | 603,967 | - | 19,270 | 5,591 | 5,591 | 634,419 |
| Option proceeds | (133,750) | (249,650) | (603,690) | - | - | - | - | (987,090) |
| Sale proceeds | - | - | - | (900,000) | - | - | - | (900,000) |
| Claim maintenance and legal fees | - | 16,127 | 16,381 | 10,735 | 125,643 | 12,107 | 11,944 | 192,937 |
| Total acquisition costs for the year | (133,750) | (51,738) | 112,697 | (889,265) | 144,913 | 17,698 | 17,535 | (781,910) |
| Recovery | 133,750 | - | - | 323,780 | - | - | - | 457,530 |
| Balance, October 31, 2023 | \$ - | \$ 203,450 | \$ 3,155,350 | \$ - | \$ 144,913 | \$ 17,698 | \$ 17,535 | \$ 3,538,946 |
| <i>Acquisition costs</i> | | | | | | | | |
| Claim maintenance and legal fees | - | (15,890) | 5,803 | - | 7,469 | 210 | 103 | (2,305) |
| Total acquisition costs (proceeds) for the period | - | (15,890) | 5,803 | - | 7,469 | 210 | 103 | (2,305) |
| <i>Exploration costs</i> | | | | | | | | |
| Field expenses, incl. support contractors | - | - | 204 | - | - | - | - | 204 |
| Geological consultants and contractors | - | - | 19,941 | - | - | - | - | 19,941 |
| Total exploration costs for the period | - | - | 20,145 | - | - | - | - | 20,145 |
| Balance, January 31, 2024 | | \$ 187,560 | \$ 3,181,298 | \$ - | \$ 152,382 | \$ 17,908 | \$ 17,638 | 3,556,786 |

| PERUVIAN EXPLORATION PROPERTIES | Lacsha | Auquis | Jacha | Yanba | Para | Tilo | Loli | Total Peru |
|---|------------|------------|-----------|-----------|-----------|------------|-----------|--------------|
| Balance, October 31, 2022 | \$ 699,355 | \$ 238,129 | \$ 55,566 | \$ 17,612 | \$ 12,627 | \$ 14,574 | \$ 4,125 | \$ 1,041,988 |
| Claim maintenance and legal fees | 7,742 | 2,493 | - | 811 | 5,391 | 7,929 | 3,965 | 28,331 |
| <i>Exploration costs</i> | | | | | | | | |
| Community relations | 15,383 | 7,018 | 4,113 | 296 | 764 | 2,298 | - | 29,872 |
| Field expenses, incl. support contractors | 37,282 | 41,955 | 6,668 | 50 | 20,379 | 12,210 | - | 118,544 |
| Geological | 26,644 | 20,396 | 4,312 | 13,245 | 10,895 | 18,229 | 1,974 | 95,695 |
| Geochemical | - | 426 | - | - | 4,362 | 12,427 | - | 17,217 |
| Geophysical | - | 88,669 | 664 | - | 16,045 | 33,665 | - | 139,043 |
| Salaries | - | 7,554 | 8,727 | - | 8,518 | 8,518 | 9,083 | 42,400 |
| Share-based compensation | 24,732 | 24,731 | - | - | - | - | - | 49,463 |
| IVA non-refundable | - | 16,078 | 120 | - | 3,683 | 8,318 | - | 28,199 |
| Total exploration costs for the year | 104,041 | 206,827 | 24,604 | 13,591 | 64,646 | 95,665 | 11,057 | 520,431 |
| Impairment | - | - | - | (32,014) | - | - | - | (32,014) |
| Balance, October 31, 2023 | \$ 811,138 | \$ 447,449 | \$ 80,170 | \$ - | \$ 82,664 | \$ 118,168 | \$ 19,147 | \$ 1,558,736 |
| <i>Exploration costs</i> | | | | | | | | |
| Community relations | 2,805 | 4,150 | 514 | - | - | - | - | 7,469 |
| Field expenses, incl. support contractors | 1,740 | 8,228 | 3,918 | - | - | - | - | 13,886 |
| Geological consulting | 166 | 892 | - | - | 2,720 | 361 | - | 4,139 |
| Total exploration costs for the period | 4,711 | 13,270 | 4,432 | - | 2,720 | 361 | 19,147 | 25,494 |
| Balance, January 31, 2024 | \$ 815,849 | \$ 460,719 | \$ 84,602 | \$ - | \$ 85,384 | \$ 118,529 | \$ 19,147 | \$ 1,584,230 |



(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended January 31, 2024

SUMMARY OF QUARTERLY RESULTS

The table below sets out the quarterly results for the past eight quarters:

| Quarter ended <i>Amounts in 000's</i> | Jan 31, 2024 | Oct 31, 2023 | Jul 31, 2023 | Apr 30, 2023 | Jan 31, 2023 | Oct 31, 2022 | Jul 31, 2022 | Apr 30, 2022 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Income (loss) and comprehensive income (loss) | \$ (416) | \$ (289) | \$ (244) | \$ 219 | \$ (760) | \$ (322) | \$ (62) | \$ (514) |
| Earnings (loss) per share – basic and diluted | (0.1) | (0.0) | (0.0) | 0.0 | (0.01) | (0.01) | (0.00) | (0.01) |
| Exploration and evaluation assets | 5,141 | 5,098 | 4,890 | 4,648 | 5,192 | 4,905 | 4,850 | 4,688 |
| Total assets | 6,243 | 6,562 | 6,220 | 6,393 | 5,955 | 6,243 | 5,248 | 5,266 |
| Working capital (deficit) | (694) | (332) | 112 | 634 | 517 | 1,002 | 210 | 433 |

During the quarter ended April 30, 2022, the Company recorded an impairment charge of \$315,804 upon termination of the option agreements for two groups of properties, as disclosed under the section *Tres Cerros Properties, Argentina* above.

During the quarter ended July 31, 2022, the Company recorded a recovery of exploration and evaluation assets of \$246,302 (*Salta Properties, Argentina*). In addition, the Company recorded a foreign exchange gain of \$76,790, which was predominantly attributable to the Company's operations in Argentina.

During the quarter ended January 31, 2023, the Company recorded a share-based compensation expense of \$448,259, pursuant to the issuance of 5,030,000 stock options.

During the quarter ended April 30, 2023, the Company recorded a recovery on exploration and evaluation assets of \$653,380 in connection with the sale of El Quemado property.

During the quarter ended July 31, 2023, the Company recorded a recovery on exploration and evaluation assets of \$133,750 in connection with the Salta projects earn-in agreement with AngloGold.

During the quarter ended October 31, 2023, the Company recorded a gain on fair value remeasurement of investments of \$311,526.

The variation seen over such quarters is primarily dependent upon the success of the Company's ongoing property evaluation program and the timing and results of the Company's exploration activities on its then current properties, none of which are possible to predict with any accuracy. There are no general trends regarding the Company's quarterly results, and the Company's business of mineral exploration is not seasonal, except to the extent that exploration works on certain properties may be restricted to certain portions of the year if prevailing weather conditions make such work prohibitively expensive or practically impossible to complete at other times. Quarterly results can vary significantly depending on whether the Company has granted any stock options, paid any employee bonuses and these are factors that account for material variations in the Company's quarterly net losses, none of which are predictable. General operating costs other than the specific items noted above tend to be quite similar from period to period. The variation in income is related solely to the interest earned on funds held by the Company, which is dependent upon the success of the Company in raising the required financing for its activities which will vary with overall market conditions and is therefore difficult to predict.

FINANCIAL RESULTS FROM OPERATIONS

As with most junior mineral exploration companies, financial results of operations are not the main factor in establishing the financial health of the Company. Of far greater significance are the mineral properties in which the Company has, or may earn, an interest, its working capital and how many shares it has outstanding. Quarterly results can vary significantly depending on whether the Company has abandoned any properties, received option payments for a property in excess of the costs incurred, or granted any stock options.

Three months ended January 31, 2024 ("Q1 2024") compared to the three months ended January 31, 2023 ("Q1 2023")

During Q1 2024 the Company incurred a net loss of \$416,996 or loss per share of \$0.01 compared to a net loss of \$759,580 or loss per share of \$0.01 for Q1 2023. The decrease in net loss of \$342,584 was mainly driven by a decrease in the share-based compensation expense in Q1 2024 by \$448,259.

Significant variances are discussed below:

- Share-based compensation of \$448,259 was recognized in Q1 2023 in respect to 5,030,000 stock options fair-valued at \$0.10 per option granted and vested in Q1 2023. Share-based compensation expense allocated to exploration and evaluation assets in Q1 2023 was \$49,463. Share-based compensation in Q1 2024 was \$nil as no stock options were granted or vested during the period.
- Investor relations and promotions increased to \$70,313 in Q1 2024 compared to \$39,670 in Q1 2023, an increase of \$30,643 due to the Company's participation in a number of investment conferences in Q1 2024 which provided enhanced networking opportunities and brand visibility.
- Salaries, directors' fees, and benefits increased to \$87,453 in Q1 2024 from \$47,104 in Q1 2023, an increase of \$40,349 commensurate with the increase in the Company's activities.
- Finance costs increased to \$32,404 in Q1 2024 from \$3,268 in Q1 2023, an increase of \$29,136, mainly due to interest expense and accretion in respect to short-term loans outstanding during Q1 2024. No loans were outstanding during Q1 2023.
- Professional fees were \$24,206 in Q1 2024 compared to \$48,485 in Q1 2023, a decrease of \$24,279, due to a decreased need for corporate matters legal services.

LIQUIDITY AND CAPITAL RESOURCES

The Company has no revenue generating operations from which it can internally generate funds. To date, the Company's ongoing operations have been predominantly financed by the sale of its equity securities by way of private placements and the subsequent exercise of share purchase warrants issued in connection with such private placements as well as loans and convertible debentures. However, the exercise of warrants and options is dependent primarily on the market price and overall market liquidity of the Company's securities, over which the Company has no control, at or near the expiry date of such warrants and options and therefore there can be no guarantee that any existing warrants and options will be exercised.

When acquiring an interest in mineral properties through purchase or option the Company will sometimes issue common shares to the vendor or optionee of the property as partial or full consideration for the property interest to conserve its cash.

The Company expects that it will operate at a loss for the foreseeable future, and that it will require additional financings to maintain its existing level of operations and / or acquire and explore mineral resource properties in its portfolio during and beyond 2024.

MANAGEMENT'S DISCUSSION & ANALYSIS**For the three months ended January 31, 2024**

On September 27, 2023, the Company secured loans in the gross amount of \$600,000, of which \$400,000 are loans from related parties. The loans have a one-year term and bear interest at the rate of 10% per annum, compounded annually. The Company agreed to issue 6,000,000 bonus common-share purchase warrants to the lenders each of which warrants will entitle the holder to purchase one common share of the Company for a period of one year at an exercise price of \$0.10 per share.

As of January 31, 2024, the Company's cash on hand was \$153,275 compared to \$333,624 as of October 31, 2023. The Company had a working capital deficit of \$694,190 as of January 31, 2024 compared to a working capital deficit of \$331,685 as of October 31, 2023.

Net cash flows for the three months ended January 31, 2024 and 2023 were as follows:

| Net cash flow | Three months ended January 31, | |
|-------------------------------|--------------------------------|--------------|
| | 2024 | 2023 |
| Operating activities | \$ (135,588) | \$ (470,613) |
| Investing activities | (74,248) | (185,316) |
| Financing activities | 29,487 | (5,732) |
| Change in cash for the period | (180,349) | (661,660) |
| Cash, beginning of the period | 333,624 | 1,136,196 |
| Cash, end of the period | \$ 153,275 | \$ 474,536 |

Net cash flow from investing activities in the three months ended January 31, 2024, includes cash spent on exploration and evaluation assets of \$69,516 (January 31, 2023 - \$428,247), and cash proceeds from mineral properties option agreements of \$nil (January 31, 2023 - \$273,740).

On February 6, 2024, the Company closed its previously announced non-brokered private placements of 10,000,000 units at \$0.07 per unit for gross proceeds of \$700,000. Each unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant, with each whole warrant entitling the holder thereof to purchase one common share at a price of \$0.15 per share until February 6, 2026.

The Company currently has no further funding commitments or arrangements for additional financing now (other than the potential exercise of options and warrants) and there is no assurance that the Company will be able to obtain additional financing on acceptable terms, if at all. There is significant uncertainty whether the Company will be able to secure any additional financing in the current equity markets. The quantity of funds to be raised and the terms of any proposed equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

**RELATED PARTY TRANSACTIONS**

All transactions with related parties have occurred in the normal course of operations. All amounts are unsecured, non-interest bearing, and have no specific terms of settlement, unless otherwise noted.

Key management personnel compensation

The Company's key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company's key management personnel comprises officers and directors of the Company. Key management personnel compensation is as follows:

| | January 31, 2024 | January 31, 2023 |
|--|------------------|-------------------|
| Directors' fees, salaries and benefits | \$ 65,813 | \$ 41,250 |
| Consulting fees ¹ | 24,900 | 16,800 |
| Share-based compensation | - | 336,476 |
| | \$ 90,173 | \$ 394,526 |

¹ Fees paid to a corporation for personnel that is acting as key management of the Company.

As at January 31, 2024 the Company had amounts payable to key management personnel of \$86,236 included in accounts payable and accrued liabilities (October 31, 2023 - \$41,706).

No post-employment benefits, termination benefits, or other long-term benefits were paid to or recorded for key management personnel during the three months ended January 31, 2024 and 2023.

Loans from related parties

During the year ended October 31, 2023, the Company secured short-term loans in the amount of \$75,000 from the CEO and \$325,000 from two directors of the Company, totaling \$400,000, as part of the total short-term loans amount of \$600,000 as disclosed in the Liquidity and capital resource section above. The Loans have a one-year term and bear interest at the rate of 10% per annum compounded annually, payable on the maturity date. In connection with the Loans, the Company issued 4,000,000 common share purchase warrants in aggregate to the related parties. Each warrant entitles the holder to purchase one common share of the Company for a period of one year at an exercise price of \$0.10 per share.

As at January 31, 2024, the Company accrued interest of \$17,179 payable to related parties in respect of the Loans (October 31, 2023 - \$7,097), included in accounts payable and accrued liabilities.

Office lease agreement

Effective August 1, 2022, the Company entered into an office sub-lease agreement with a term of three years, with Velocity Minerals Ltd. ("Velocity"). The Company and Velocity share a common officer and director.

| | January 31, 2024 | January 31, 2023 |
|------|------------------|------------------|
| Rent | \$ 12,583 | \$ 10,171 |

As at January 31, 2024 the Company had amounts payable to Velocity of \$4,241 (October 31, 2023 - \$8,342).

Effective February 1, 2024, Velocity, as a head lessee, sublet the office to a third party. The Company and Velocity reached an agreement to terminate the office sub-lease agreement between the Company and Velocity effective February 1, 2024, without any penalties for the Company.



PROPOSED TRANSACTIONS

As at the date of this MD&A there are no proposed transactions.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of recoveries and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, determining whether an acquisition is a business combination or an assets acquisition, fair value measurements of financial instruments and share-based compensation and other equity-based payments, the recognition and valuation of provisions for restoration and environmental liabilities, lease liabilities, and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates and judgments.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

As at January 31, 2024, the Company's financial instruments consist of cash and cash equivalents, accounts receivable, investments, accounts payable and accrued liabilities, and short-term loans. The fair values of accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to their short term to maturity. Short-term loans are measured at amortized cost. The Company's cash and cash equivalents, which is classified under level 1 of the fair value hierarchy, is measured at fair value using quoted market price at period end. The Company's investments in common shares and warrants of South American Lithium Corp. have been fair valued using Level 3 inputs of the fair value hierarchy.

Financial risk management

The Company is exposed in varying degrees to a variety of financial instruments related risks, including, credit risk, currency risks, liquidity risk, interest rate risk, other price risk and capital risk. Details of the primary risks that the Company is exposed to are laid out in the notes to the Company's condensed interim consolidated financial statements for the three months ended January 31, 2024 and 2023.

MATERIAL PROCEEDINGS

The Company is not a party to any material proceedings. The Company continually evaluates new opportunities, including new properties by staking, acquisition, or joint venture.

OUTSTANDING SHARE DATA

| | March 26, 2024 | January 31, 2024 |
|--------------------------------------|-----------------------|-------------------------|
| Common shares issued and outstanding | 81,476,251 | 71,476,251 |
| Options outstanding | 5,985,000 | 5,985,000 |
| Warrants outstanding | 23,528,116 | 18,276,117 |
| Fully diluted | 110,989,367 | 95,737,368 |

DISCLOSURE CONTROLS AND PROCEDURES

As defined in National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, disclosure controls and procedures require that controls and other procedures be designed to provide reasonable assurance that material information required to be disclosed is duly gathered and reported to senior management in order to permit timely decisions and timely and accurate public disclosure. Management is responsible for the establishment and maintenance of a system of internal control over financial reporting. This system has been designed to provide reasonable assurance that assets are safeguarded and that the financial reporting is accurate and reliable. The condensed interim consolidated financial statements as at and for the three months ended January 31, 2024 have been prepared by management in accordance with IFRS and in accordance with accounting policies set out in the notes to the annual audited consolidated financial statements. Management of the Company have evaluated the design of the Company's disclosure controls and procedures and the design of internal controls over financial reporting as required by Canadian securities laws and have concluded that such procedures are adequate to ensure accurate and complete disclosures in public filings.

There are inherent limitations in all control systems and no disclosure controls and procedures can provide complete assurance that no future errors or fraud will occur. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

As a Venture Issuer, the Company is not required to certify the design and evaluation of the issuer's disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"). In addition, there are inherent limitations on the ability of management to design and implement on a cost-effective basis DC&P and ICFR for the Company, which may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports required under securities legislation.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses and exploration and evaluation expenses is provided in the Company's annual consolidated financial statement and interim consolidated financial statements, which are all available on Company's website and its profile on SEDAR+ at www.sedarplus.com.

APPROVAL

The Board of Directors of the Company has approved the disclosures in this MD&A on March 26, 2024.

Additional information on the Company available on SEDAR+ at www.sedarplus.com and on the Company's website www.latin-metals.com.