



Plata Latina Minerals Corporation

Management's Discussion & Analysis

For the three and six months ended June 30, 2014

INTRODUCTION

This management's discussion and analysis ("MD&A") of Plata Latina Minerals Corporation ("Plata" or the "Company") for the three and six months ended June 30, 2014, takes into account information available up to and including August 27, 2014. This MD&A should be read in conjunction with the condensed consolidated interim financial statements (unaudited) for the three and six months ended June 30, 2014 and the audited consolidated financial statements for the year ended December 31, 2013, which are available on the Company's website at www.plminerals.com and on the SEDAR website at www.sedar.com. The Company has prepared the condensed consolidated interim financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements including IAS 34, *Interim Financial Reporting*. The information provided herein supplements, but does not form part of, the condensed consolidated interim financial statements for the three and six months ended June 30, 2014. This discussion covers the three and six months ended June 30, 2014, and the subsequent period up to the date of this MD&A.

Throughout this document the terms we, us, our, the Company and Plata refer to Plata Latina Minerals Corporation and its subsidiaries in the year. All financial information in this document is presented in Canadian dollars unless otherwise indicated.

Additional information about the Company can be requested from Ms. Letitia Cornacchia, Vice President, Investor Relations and Corporate Communications at +1 416 860 6310, located at 2nd Floor – 181 Bay Street, Toronto, Ontario M5J 2T3.

FORWARD-LOOKING STATEMENTS

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

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

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

ABOUT RESERVES AND RESOURCES

National Instrument 43-101 ("NI 43-101") of the Canadian Securities Administrators – Standards of Disclosure for Mineral Projects – requires that each category of mineral reserves and mineral resources be reported separately. Readers should refer to the Company's continuous disclosure documents available at www.sedar.com for this detailed information, which is subject to the qualifications and notes set forth therein.

DESCRIPTION OF BUSINESS

Plata was incorporated pursuant to the *Business Corporations Act* (British Columbia) on April 1, 2010. The Company's head office as well as registered and records office is located at #555 – 999 Canada Place, Vancouver, British Columbia, V6C 3E1. The Company has five wholly-owned subsidiaries, Plaminco S.A. de C.V. ("Plaminco"), Minera Central Vaquerias S.A. de C.V. ("MCV"), Minera Exploradora del Centro S.A. de C.V. ("MEC"), Servicio PLMC ("Servicio") and Plata Latina US Ltd. ("Plata US"). Plaminco is organized under the laws of Mexico and holds the Company's interest in the Naranjillo Property, the Vaquerias Property and holds the three other properties in the Mexican Silver Belt. MCV, MEC and Servicio were incorporated in Mexico in 2013. Plata US is organized under the laws of Colorado and was incorporated for administrative purposes. On April 11, 2012, Plata began trading on the TSX Venture Exchange ("TSX-V") under the symbol "PLA".

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

Strategy

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

Naranjillo Property

The Company began its focus on the exploration of its 100% owned Naranjillo Property ("Naranjillo" or the "Naranjillo Property"), which is situated in Guanajuato, Mexico. Naranjillo consists of four government mineral exploration concessions issued by the Mexican General Directorate of Mines ("GDM"), La Sibila, La Sibila I, La Sibila II and La Sibila III (the "Concessions"), totaling 29,555 hectares in area. The Company holds its interest in the Concessions through Plaminco. Under Mexican law, the Company may retain the mineral rights for 50 years from issue of the title.

The mineral exploration concessions were issued by the GDM as follows:

| Licence | Hectares | Date received | Licence valid until |
|---------------|----------|--------------------|---------------------|
| La Sibila | 4,749 | April 20, 2011 | April 19, 2061 |
| La Sibila I | 2,957 | September 23, 2011 | September 22, 2061 |
| La Sibila II | 3,790 | August 26, 2011 | August 25, 2061 |
| La Sibila III | 18,059 | April 10, 2013 | April 9, 2063 |

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

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

Vaquerias Project

The Vaquerias project consists of the Vaquerias license held by way of an interest through a purchase option agreement between Plaminco and David Espinosa and Pedro Fernandez (the "Vendors") dated June 30, 2011 and extended on June 15, 2014. The option agreement gives Plaminco the right to purchase the Vaquerias licence, for US\$530,000 over 78 months from June 30, 2011, with the Vendors retaining a 2% net smelter return (the "Vaquerias Option"). Under the terms of the option, the final option payment is due in December 2017 for US\$330,000. In addition, the agreement provides Plaminco with the option of purchasing the net smelter return for US\$500,000 within 18 months of exercising the Vaquerias Option. The Vaquerias license covers 100 hectares and several old silver mines.

In addition to the Vaquerias Option, the Company holds three titled adjacent concessions, known as Sol, Luna and Tierra. The Sol, Luna and Tierra licenses were issued by the GDM to Plaminco on December 13, 2011, December 8, 2011, and April 13, 2012, respectively (collectively with the Vaquerias Option, the "Vaquerias Property" or "Vaquerias"). Together, all three licenses cover 15,900 hectares and are valid for fifty years following issuance of title.

Vaquerias contains a historical shallow silver mine, on a major structural target, that was abandoned during the Mexican revolution with old workings exhibiting samples of up to 1,340 g/t silver¹.

Other Mineral Exploration Interests

In addition to the Naranjillo Property, the Company has mineral exploration interests in various early-stage exploration concessions:

Los Agustinos Project

The Los Agustinos project consists of the titled Felipe Mateo license issued by the GDM to Plaminco on December 13, 2011. This license covers 6,966 hectares and is valid for fifty years following issuance of title.

La Joya Project

The La Joya project consists of the titled La Carmen license issued by the GDM to Plaminco on December 21, 2010. This licence and covers 5,635 hectares and is valid for fifty years following issuance of title.

¹ Samples from old workings are taken from 1983 Mexican Government Vaquerias Sampling and Report. These results have not been verified by Plata Latina or a Qualified Person.

Palo Alto Project

The Palo Alto project consists of the Catalina, Catalina II, Catalina III, and Catalina IV licenses. The Catalina, Catalina II and Catalina III licenses were titled and issued by the GDM to Plaminco on November 22, 2012, November 4, 2011 and November 30, 2011, respectively. Together, all three licenses cover 5,655 hectares and are valid for fifty years following issuance of title. The Catalina IV licence is pending issuance by the GDM.

The project falls within a Protected Natural Area and requires a submission of an environmental impact assessment ("EIA") and state permission to drill.

QUARTER IN REVIEW

During the three months ended June 30, 2014, Plata has continued to evaluate its alternatives for securing financing whether through a financing or other alternative structure, such as a strategic alliance. In addition, the Company has continued to analyse and interpret the exploration results to date.

DEVELOPMENTS SINCE JUNE 30, 2014

Exploration at the Naranjillo Property

In late August, Plata commenced drilling on the Naranjillo Property for the next drill program which contemplates six holes (4,750 metres) to optimize orientation of subsequent drilling for resource definition. Drilling at Naranjillo, which is located approximately 35 kilometres from Guanajuato and on the same structural trend that hosts Guanajuato's veins, has identified a target having geology identical to that hosting Guanajuato's Veta Madre ore bodies. Planned drilling is therefore set to explore both the Guanajuato Veta Madre-style setting as well as neighbouring veins.

Financing

On August 27, 2014, Plata completed a non-brokered private placement of 11,230,000 units at \$0.10 per unit ("Units") for gross proceeds of \$1,123,000 (the "Offering"). Each Unit comprises a common share and one-half of one common share purchase warrant. Each whole warrant is exercisable into one common share of the Company at an exercise price of \$0.25 per common share for a period of two years expiring on August 27, 2016.

The Company intends to use the net proceeds of the Offering for the next drill program at Naranjillo and for general corporate purposes.

OUTLOOK

The Company plans to continue to explore its properties in Mexico and intends to enhance its project portfolio through successful exploration. The Company's primary exploration focus for the remainder of 2014 continues to be the advancement of the Naranjillo Property with the drill program that commenced in late August 2014 at the initial high-grade discovery.

In addition, the Company may commence a drill program on Vaquerias to explore the structure under the historical shallow silver mine.

In March 2013 the Mexican government denied the Company's initial application for a permit to drill at the Palo Alto Property. The Company has appealed the decision and a review by an appointed, independent magistrate is underway. Resolution is expected in 2014, and assuming a favorable outcome, the Company intends to carry out an initial drill program focused on exploring potential structures that have been identified through mapping and surface sampling.

La Joya and Los Agustinos may have exploration programs initiated in 2014. The Company continues prospecting and placing exploration licenses on any promising ground of interest. Negotiations for prospective ground will proceed as opportunities arise.

To support these activities, in the short-term the Company is evaluating its options with respect to a securing additional financing whether through a financing or other alternative structure, including a strategic alliance. The Company intends to move forward prudently taking into account the current cash position and working capital.

FINANCIAL REVIEW AND RESULTS OF OPERATIONS

The following summary of financial information has been derived from the condensed consolidated interim financial statements of the Company which have been prepared in accordance with IFRS as noted in the 'Introduction'.

| | Three months ended June 30, | | Six months ended June 30, | |
|---------------------------------------------------|-----------------------------|--------------|---------------------------|--------------|
| | 2014 | 2013 | 2014 | 2013 |
| Expenses: | | | | |
| Salaries and benefits | \$ 76,295 | \$ 79,792 | \$ 151,843 | \$ 169,882 |
| Office and administration | 28,589 | 22,689 | 54,782 | 47,765 |
| Rent | 19,936 | 12,194 | 39,741 | 27,666 |
| Professional services | 15,439 | 17,609 | 27,212 | 43,819 |
| Share-based payments | 5,015 | 15,941 | 14,267 | 55,084 |
| Filing and regulatory | 4,243 | 5,694 | 5,160 | 11,138 |
| Exploration | 4,051 | 7,130 | 19,631 | 15,451 |
| Fiscal and advisory services | 2,877 | 3,965 | 3,999 | 6,097 |
| Travel | 2,622 | 32 | 4,956 | 3,440 |
| Investor relations | 1,300 | 4,599 | 8,661 | 28,188 |
| Depreciation | 377 | 376 | 754 | 869 |
| Loss from operations | (160,744) | (170,021) | (331,006) | (409,399) |
| Interest income | 1,150 | 6,767 | 2,648 | 13,285 |
| Foreign exchange loss | (1,072) | (373) | (1,862) | (1,092) |
| Finance costs | (257) | (367) | (1,070) | (875) |
| Net loss before tax | (160,923) | (163,994) | (331,290) | (398,081) |
| Income tax expense | (1,246) | - | (2,408) | (1,096) |
| Net loss for the period | (162,169) | (163,994) | (333,698) | (399,177) |
| Other comprehensive income: | | | | |
| Items that may be reclassified to profit or loss: | | | | |
| Foreign currency translation differences | (177,577) | (109,746) | 78,549 | 226,120 |
| Comprehensive loss for the period | \$ (339,746) | \$ (273,740) | \$ (255,149) | \$ (173,057) |
| Basic and diluted net loss per share | \$ (0.003) | \$ (0.003) | \$ (0.006) | \$ (0.007) |
| Weighted average number of shares outstanding | 56,202,826 | 56,202,826 | 56,202,826 | 54,244,069 |

The three months ended June 30, 2014 compared to the three months ended June 30, 2013

For the three months ended June 30, 2014, the Company incurred a net loss of \$162,169 as compared to a \$163,994 net loss for the three months ended June 30, 2013. Costs remained largely in line with the comparative period in 2013.

The other comprehensive income (loss) with respect to foreign currency translation difference varies at each reporting date given the fluctuations between the Canadian Dollar and the Mexican Peso and United States Dollar. This foreign currency translation difference includes the impact of foreign exchange on intercompany loans whose retranslation is treated as equity (until the foreign operation is disposed of) and the translation of the foreign operation from its functional currency into Canadian Dollars. For the three and six months ended June 30, 2014, the impact of the foreign currency translation differences was a comprehensive loss of \$177,577 and comprehensive income of \$78,549, respectively.

The six months ended June 30, 2014 compared to the six months ended June 30, 2013

For the six months ended June 30, 2014, the Company incurred a net loss of \$333,698 as compared to a \$399,177 net loss for the six months ended June 30, 2013. The largest portion of this difference is attributable to the fair value associated with the April 2012 option grant recognized as share-based payments which is reducing in line with the vesting conditions. In the six month period to June 30, 2014 the share based payments charge was \$14,267 as compared to \$55,084 attributable to the same period in 2013. The decrease in costs in the six month period is also attributable to lower expenses associated with decreased corporate activity in the first quarter of 2014 made up largely of reductions to investor relations (\$19,527), salaries and benefits (\$18,039), and professional services (\$16,607).

PROJECT COSTS CAPITALIZED

As at June 30, 2014, the carrying value of exploration and evaluation assets was \$6,809,669 which increased by \$351,803 from \$6,457,866 as at December 31, 2013 as follows:

| | Naranjillo Project | Vaquerias Project | Palo Alto Project | Total |
|---------------------------------------------|-----------------------|----------------------|----------------------|--------------|
| Balance, January 1, 2014 | \$ 5,605,109 | \$ 772,304 | \$ 80,453 | \$ 6,457,866 |
| Field work phase | | | | |
| Contractor and general labour | - | - | 1,714 | 1,714 |
| Camp costs, supplies and other | - | - | 82 | 82 |
| Vehicles and related costs | - | - | 201 | 201 |
| Drilling phase | | | | |
| Assaying | 6,916 | - | - | 6,916 |
| Contractor and general labour | 35,961 | 22,017 | - | 57,978 |
| Travel, food and accommodations | 8,141 | 2,870 | - | 11,011 |
| Camp costs, supplies and other | 12,362 | 2,367 | - | 14,729 |
| Vehicles and related costs | 4,059 | 2,873 | - | 6,932 |
| Equipment rentals | - | 2,058 | - | 2,058 |
| Other | | | | |
| Claims, taxes and acquisitions costs | 18,208 | 33,324 | 4,304 | 55,836 |
| Salaries, benefits and share-based payments | 80,366 | 6,892 | 6,053 | 93,311 |
| Legal | 4,065 | 4,981 | 7,812 | 16,858 |
| Depreciation | 5,104 | - | - | 5,104 |
| Environmental | 1,909 | - | - | 1,909 |
| Foreign exchange movements | 67,178 | 9,097 | 889 | 77,164 |
| Subtotal additions | 244,269 | 86,479 | 21,055 | 351,803 |
| Balance, June 30, 2014 | \$ 5,849,378 | \$ 858,783 | \$ 101,508 | \$ 6,809,669 |

During the six months ended June 30, 2014 there was limited activity relative to 2013 as there was no drilling program underway and thus the most significant expenditures related to time allocated to on-going analysis and interpretation of the exploration results to date and the payment of semi-annual land taxes.

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

EXPLORATION EXPENSES

The following is a summary of exploration and evaluation expenditures expensed by category:

| | Three months ended June 30, | | Six months ended June 30, | |
|---------------------------------|-----------------------------|-----------------|---------------------------|------------------|
| | 2014 | 2013 | 2014 | 2013 |
| Contractor and general labour | \$ 232 | \$ 2,718 | \$ 604 | \$ 2,718 |
| Travel, food and accommodations | - | 3,469 | - | 3,469 |
| Camp costs, supplies and other | - | 147 | - | 147 |
| Vehicles and related costs | 74 | 356 | 131 | 356 |
| Claims and taxes | 611 | - | 15,762 | 8,321 |
| Legal | 3,134 | 440 | 3,134 | 440 |
| Total | <u>\$ 4,051</u> | <u>\$ 7,130</u> | <u>\$ 19,631</u> | <u>\$ 15,451</u> |

As noted above under the sections 'Quarter in Review' and 'Project Costs Capitalized' the primary focus of Plata has been on Naranjillo and Vaquerias where the exploration and evaluation costs are being capitalized. The exploration expenses incurred in the year relate to most significantly to the on-going requirements associated with maintaining the Los Agustinos and La Joya properties.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2014, the Company had cash and cash equivalents of \$338,129 (March 31, 2014 - \$646,954; December 31, 2013 - \$921,943) and working capital of \$1,312,322 (March 31, 2014: \$1,617,000; December 31, 2013 - \$1,876,781). Cash and working capital decreased \$308,825 and \$304,678, respectively, from March 31, 2014 to June 30, 2014 and decreased \$583,814 and \$564,459, respectively for the six month period to June 30, 2014. Amounts receivable as at June 30, 2014 totaled \$937,811 (March 31, 2014: \$954,884; December 31, 2013 - \$912,833) of which over 99 percent is made up of IVA recoverable to the Company from the Government of Mexico, for which the Company expects a full recovery. The decrease in value of the amounts receivable was driven by the effect of foreign exchange fluctuations on the IVA balance.

Operating activities for the three months ended June 30, 2014 used cash in the amount of \$191,863 as compared to the \$246,991 in the same period in 2013. Operating activities for the six months ended June 30, 2014 used cash in the amount of \$321,756 as compared to \$395,709 in the same period in 2013. The decrease in operating spend relative to the same period in 2013 is due to the decrease in corporate activity as described above.

In the second quarter of 2014 there was limited activity on the properties with spend of \$115,726 relating to exploration and evaluation expenditures mostly due to the land rents as compared to the same period in 2013 when drilling programs were underway on Naranjillo and Vaquerias, with associated spend of \$648,369 and \$1,346,856 in the three and six months to June 30, 2013.

There were no financing activities in the first half of 2014. On August 27, 2014 Plata completed the Offering for gross proceeds of \$1,123,000. Refer to the Subsequent Event section below.

GOING CONCERN

The Company has not generated revenue from operations. At June 30, 2014, the Company had cash and cash equivalents of \$338,129, working capital of \$1,312,322, a net loss for the six months ended June 30, 2014 of \$333,698, and a deficit of \$4,286,623. On August 27, 2014, Plata closed the Offering for gross proceeds of \$1,123,000. Notwithstanding the Offering, the Company's current funding sources indicate the existence of a material uncertainty that raises substantial doubt about the Company's ability to continue as a going concern and is dependent on the Company raising additional financing. Plata has

historically raised funds principally through the sale of securities. The Company expects that it will obtain funding through equity financing, debt financing or some other means depending on market conditions and other relevant factors at the time. However, there can be no assurance that the Company will be able to obtain such additional funding or obtain it on acceptable terms. The condensed consolidated interim financial statements do not give effect to any adjustment which would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the consolidated financial statements.

CONTRACTUAL OBLIGATIONS

As at June 30, 2014, the Company's contractual obligations were as follows:

| | < 1 Year | 1-3 Years | 3-5 Years | > 5 Years | Total |
|----------------------------------------------------|-------------------|-------------------|------------------|-------------|-------------------|
| Operating leases obligations and other commitments | \$ 61,100 | \$ 110,600 | \$ 56,800 | \$ - | \$ 228,500 |
| Accounts payable and accrued liabilities | 49,974 | - | - | - | 49,974 |
| | <u>\$ 111,074</u> | <u>\$ 110,600</u> | <u>\$ 56,800</u> | <u>\$ -</u> | <u>\$ 278,474</u> |

In addition to the above, Plata has certain optional mineral property acquisition payments relating to the Vaquerias Option and associated net smelter return.

SUMMARY OF QUARTERLY RESULTS (UNAUDITED)

The following table is a summary of the Company's results for the eight most recently completed quarters.

| | Net loss | | | Loss per share | | |
|-------|--------------|----------------|----------------|----------------|------------|-----------|
| | 2014 | 2013 | 2012 | 2014 | 2013 | 2012 |
| Q1 | \$ (171,529) | \$ (235,183) | \$ (191,242) | \$ (0.01) | \$ (0.01) | \$ (0.01) |
| Q2 | (162,169) | (163,994) | (417,303) | (0.01) | (0.01) | (0.01) |
| Q3 | n/a | (183,860) | (268,384) | n/a | (0.01) | (0.01) |
| Q4 | n/a | (850,965) | (190,539) | n/a | (0.015) | (0.01) |
| Total | \$ (333,698) | \$ (1,434,002) | \$ (1,067,468) | \$ (0.01) | \$ (0.026) | \$ (0.01) |

Factors that can cause fluctuations in the Company's quarterly results include: the timing of stock option grants, exploration costs expensed, corporate activity to support the exploration programs and foreign exchange gains or losses related to the Company's holding of US dollars denominated working capital items. Since Plata does not yet have any mining assets in production, the Company believes that its losses and loss per share is not a primary concern to investors in the Company.

SHARE CAPITAL INFORMATION

The Company's authorized capital consists of an unlimited number of common shares without par value. As at August 27, 2014, the following common shares, stock options and warrants are outstanding:

| | Number of units | Exercise Price |
|-------------------------------|-----------------|----------------|
| Common shares | 67,432,826 | |
| Stock Options: ⁽¹⁾ | | |
| Expiring - April 11, 2017 | 1,065,000 | \$0.50 |
| Warrants: | | |
| Expiring - February 12, 2015 | 4,369,850 | \$0.65 |
| Expiring - August 27, 2016 | 5,615,000 | \$0.25 |

⁽¹⁾The Company's outstanding stock options were issued to directors, officers, consultants, and employees.

SUBSEQUENT EVENTS

Financing

On August 27, 2014, Plata completed the Offering, a non-brokered private placement, of 11,230,000 units at \$0.10 per unit for gross proceeds of \$1,123,000. Each unit comprises a common share and one-half of one common share purchase warrant. Each full warrant is exercisable into one common share of the Company at an exercise price of \$0.25 per common share for a period of two years expiring on August 27, 2016. The fair value of the warrants issued was estimated at \$108,034 using the Black-Scholes option pricing model and recorded as an increase in reserves.

PROPOSED TRANSACTIONS

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

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any material off balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company shares office space, equipment, personnel and various administrative services with other companies related by virtue of certain common directors and management. These services have been mainly provided through a management company equally owned by the related companies. Costs incurred by the management company are allocated between the related companies based on time incurred and use of services and are charged at cost. In addition, certain other professional administrative services have been provided by other related companies and charged at cost. The Company was charged for the following with respect to these arrangements:

| | Three months ended June 30, | | Six months ended June 30, | |
|---------------------------|-----------------------------|----------------|---------------------------|----------------|
| | 2014 | 2013 | 2014 | 2013 |
| Salaries and benefits | \$ 57,428 | \$ 62,090 | \$ 114,040 | \$ 128,357 |
| Office and administrative | 33,103 | 58,278 | 80,479 | 124,199 |
| Other assets | - | 26,384 | - | 26,384 |
| | <u>90,531</u> | <u>146,752</u> | <u>194,519</u> | <u>278,940</u> |

At June 30, 2014, there is an amount due to related companies of \$4,122 (December 31, 2013 – \$1,345) included in accounts payable and accrued liabilities with respect to these arrangements. Amounts are due on demand, unsecured, and have no terms of repayment. Other assets of \$134,429 (December 31, 2013 – \$143,613) relate to the Company's share of jointly owned assets (primarily security deposits, leasehold improvements, and furniture and equipment) held by the management company. At June 30, 2014, there was a balance of \$40,979 (December 31, 2013 – \$30,912) of prepaid expenses paid to the management company.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the condensed consolidated interim financial statements (unaudited) requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

Management considers the policies described in Note 2 of the audited consolidated financial statements for the year ended December 31, 2013 to be the most critical in understanding the judgments that are

involved in the preparation of the Company's financial statements and the uncertainties that could impact its results of operations, financial condition and cash flows.

RECENT ACCOUNTING PRONOUNCEMENTS

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC. Some updates that are not applicable or are not consequential to the Company may have been excluded.

New accounting policies adopted during the period

- Effective January 1, 2014, the Company adopted IAS 36, *Impairment of Assets*, which provides for additional disclosures that may be required in the event the Company recognises an impairment loss or the reversal of an impairment loss. The adoption of IAS 36 did not result in any changes in the disclosure in the Company's financial statements.

New accounting standards, amendments and interpretations

- Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRIC. Some updates that are not applicable or are not consequential to the Company may have been excluded.
- IFRS 9, *Financial Instruments: Classification and Measurement* is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 has two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is measured at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is measured at fair value through profit or loss. The IASB has deferred the mandatory effective date for annual periods beginning on or after January 1, 2015 and has left it open pending the finalization of the impairment and classification and measurement requirements. The Company has not yet assessed the impact of this standard on its financial reporting.

FINANCIAL INSTRUMENTS

The Company's financial instruments are classified into the following categories of financial assets and liabilities (shown at carrying value):

| Category | Measurement | | June 30, 2014 | December 31, 2013 |
|------------------------------------------|-----------------------------|----|------------------|----------------------|
| Cash and cash equivalents | Loans and receivables | \$ | 338,129 | \$ 921,943 |
| Amounts receivable | Loans and receivables | \$ | 937,811 | \$ 912,833 |
| Accounts payable and accrued liabilities | Other financial liabilities | \$ | (49,974) | \$ (57,107) |

FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

Risk management

The main risks that could adversely affect the Company's financial assets, liabilities and future cash flows are foreign currency risk, liquidity risk, and credit risk. These risks arise from the normal course of operations and all transactions undertaken are to support the Company's ability to continue as a going concern. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The Company manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Foreign currency risk

The Company incurs expenditures in Canadian dollars, US dollars and Mexican pesos. The functional and reporting currency of the parent company is Canadian dollars. Foreign exchange risk arises due to the amount of the Mexican pesos and US dollar cash, receivables or payables that will vary in Canadian dollar terms due to changes in exchange rates. The Company has not hedged its exposure to currency fluctuations.

At June 30, 2014, the Company is exposed to currency risk through the following assets and liabilities denominated in US dollars ("US\$"):

| | June 30, 2014 | | December 31, 2013 | |
|------------------------------------------|------------------|---------|----------------------|----------|
| Cash | US\$ | 26,782 | US\$ | 7,259 |
| Accounts payable and accrued liabilities | | (4,264) | | (10,639) |
| | US\$ | 22,518 | US\$ | (3,380) |

A 10% change of the Canadian dollar against the US dollar at June 30, 2014 would have increased or decreased net loss by \$2,404 (March 31, 2014 – \$2,490; December 31, 2013 - \$359) and would have increased or decreased the comprehensive loss by \$3,844 (March 31, 2014 – \$3,462; December 31, 2013 - \$2,743). A 10% change of the Canadian dollar against the Mexican peso at June 30, 2014 would have increased or decreased the comprehensive loss by \$558,774 (March 31, 2014 – \$576,144; ; December 31, 2013 - \$554,776). This analysis assumes that all other variables, in particular interest rates, remain consistent.

Liquidity risk

Liquidity risk arises through excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company seeks to achieve this by maintaining sufficient cash and cash equivalents (see discussion under heading 'Going Concern').

Commodity price risk

While no resource estimate has yet been prepared for the Company's core mineral resource property, the market value of the Company is related to the price of silver and the outlook for this mineral. The Company currently does not have any operating mines and hence does not have any hedging or other commodity based risks in respect of its operational activities.

Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure on amounts receivable and long-term recoverable tax. Credit risk exposure on bank accounts and short-term investments is limited through maintaining the Company's balances with high-credit quality financial institutions and assessing institutional exposure. IVA recoverable represents value added tax receivables generated on the purchase of supplies and services, which are refundable from the Mexican government. A full recovery is expected by management.

As at June 30, 2014 the Company's maximum exposure to credit risk is the carrying value of its cash, amounts receivable and IVA recoverable.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to continue the exploration of mineral properties and to maintain flexible capital which optimizes the costs of capital at an acceptable risk level.

In assessing the capital structure of the Company, management includes in its assessment the components of shareholders' equity and cash and cash equivalents. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. No changes were made in the objectives, policies or procedures during the period ended June 30, 2014.

In order to maximize funds available for its exploration efforts, the Company does not pay out dividends. The Company is not subject to any externally imposed capital requirements.

RISKS AND UNCERTAINTIES

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should participate. An investor should carefully consider the risks described in the Company's Management's Discussion and Analysis for the year ended December 31, 2013, and the other information filed with the Canadian securities regulators before investing in the Company's common shares. Plata's business is subject to a number of risks and uncertainties including those described in the Company's Management's Discussion and Analysis for the year ended December 31, 2013, which is available on the Company's website at www.plminerals.com and SEDAR at www.sedar.com. Any of the risks and uncertainties described in the above-noted document could have a material adverse affect on the Company's business and financial condition and accordingly, should be carefully considered in evaluating the Company's business.

PLATA LATINA MINERALS CORPORATION

| | |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
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| Officers | Michael Clarke – President and Chief Executive Officer Purni Parikh - Corporate Secretary Margaret Brodie - Chief Financial Officer Letitia Cornacchia – Vice President, Investor Relations & Corporate Communications |
| Registrar and Transfer Agent | Computershare Investors Services Inc. #401 - 510 Burrard Street Vancouver, BC, Canada V6C 3B9 |
| Auditor | Ernst & Young LLP, Chartered Accountants 700 West Georgia Street, 23rd Floor, Vancouver, BC, Canada, V7Y 1C7 |
| Solicitors | Blake, Cassels & Graydon LLP 595 Burrard Street, Suite 2600, Three Bentall Centre Vancouver, BC, Canada, V7X 1L3 |
| Shares Listed | TSX Venture Exchange Trading symbol ~ PLA |
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