

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

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VANCOUVER, March 17, 2020 - [Latin Metals Inc.](#) ("Latin Metals" or the "Company") - (TSXV: LMS) (OTCQB: LMSQF) announces that it has entered into an amending agreement ("Amending Agreement") with [Patagonia Gold Corp.](#) (TSXV: PGDC) ("Patagonia") to extend, by six months, the date by which Patagonia must enter into the Definitive Agreement (as defined below) to acquire the Company's interest in the Mina Angela project ("Mina Angela" or the "Project") located in the Province of Chubut, Argentina (the "Extension"). The Definitive Agreement must now be executed by September 12, 2020.

The Company previously provided an offer letter to Patagonia (the "Offer Letter"), which outlined a due diligence period for Patagonia and set out the proposed commercial terms of a definitive option agreement (the "Definitive Agreement"), pursuant to which Patagonia would be granted the option (the "Option") to acquire the Company's interest in Mina Angela. Patagonia accepted the Offer Letter on August 12, 2019 and made an initial US\$40,000 cash payment to Latin Metals (see Latin Metals news release dated August 13, 2019).

In connection with the Extension, Patagonia has made a US\$100,000 cash payment to Latin Metals, being an additional payment of US\$50,000 in consideration for the Extension, and a US\$50,000 advance payment on the first option payment, due at the time of signing the Definitive Agreement.

Patagonia has now made aggregate cash payments of US\$140,000 to Latin Metals. To exercise the Option in full, Patagonia will be required to make additional payments to Latin Metals in the aggregate amount of US\$950,000 cash (Table 1), with the next cash payment of US\$200,000 due on September 12, 2020. Upon the exercise of the Option, Patagonia will be required to grant to Latin Metals a 1% net smelter returns royalty ("NSR Royalty")<sup>1</sup> on any future production from the Project.

## Commercial Terms

The amended schedule of commercial terms of the Definitive Agreement, whereby Patagonia can acquire 100% of the Company's interest in the Project, subject to the NSR Royalty, are as follows:

*Table 1: Amended Schedule of Commercial Terms*

Schedule of Payments	Cash Payments	Royalty Payments
Within ten days from acceptance of the Offer Letter	US\$40,000 (paid)	--
Additional Payment as consideration for the Extension	US\$50,000 (paid)	--
Advance on First Option Payment	US\$50,000 (paid)	--
First Option Payment - Upon signing Definitive Agreement -- September 12, 2020	US\$200,000	--
Second Option Payment - Upon exercise of the Option -- March 12, 2021	US\$250,000	--
Final Payment <sup>2</sup>	US\$500,000	--
Commencement of Production at the Project	--	1% NSR Royalty

### Notes:

- Patagonia can purchase 50% of the NSR Royalty (0.5%) from the Company at any time for US\$1 million cash.
- Final Payment due within 30 days of verification that the legal restrictions preventing development of mining activity in the Chubut Province and at the Project have been lifted (to Patagonia's satisfaction).

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

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

#### *About the Mina Angela Property*

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

#### *About Patagonia Gold*

[Patagonia Gold Corp.](#) is a mining and development company listed on the TSX-V. Patagonia seeks to grow shareholder value through exploration and development of gold and silver projects in the Patagonia region of Argentina. The company is primarily focused on the Calcatreu project in Rio Negro and the development of the Cap-Oeste underground project. Patagonia, indirectly through its subsidiaries or under option agreements, has mineral rights to over 350 properties in several provinces of Argentina and Chile and is one of the largest landholders in the Province of Santa Cruz, Argentina.

#### *About Latin Metals*

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

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

#### *Qualified Person*

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

On Behalf of the Board of Directors of

[Latin Metals Inc.](#)

"Keith Henderson"

## President & CEO

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

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

### *Cautionary Note Regarding Forward-Looking Statements*

*This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation, including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding the signing, negotiation and commercial terms of the Definitive Agreement and exercise of the Option, the anticipated content, commencement, timing and cost of exploration programs in respect of Mina Angela and otherwise, anticipated exploration program results from exploration activities, and the Company's expectation that it will be able to operate as a Prospect Generator by entering into agreements to acquire interests in additional mineral properties and attracting joint venture partners to fund drilling and conduct advanced exploration on its properties, the discovery and delineation of mineral deposits/resources/reserves on Mina Angela, the anticipated results from exploration activities and the anticipated business plans and timing of future activities of the Company, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: "believes", "will", "expects", "anticipates", "intends", "estimates", "plans", "may", "should", "potential", "scheduled", or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, that it will be able to negotiate the Definitive Agreement and that it will obtain TSX-V acceptance for filing of thereof, market fundamentals will result in sustained precious metals demand and prices, the receipt of any necessary permits, licenses and regulatory approvals in connection with the future development of the Company's Argentine projects in a timely manner, including the lifting of restrictions preventing the development of mining activities at Mina Angela, the availability of financing on suitable terms for the development, construction and continued operation of the Company's projects, and the Company's ability to comply with environmental, health and safety laws.*

*Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, actual results of exploration activities, the fact that the Company's granting of the Option to Patagonia is an option only and there is no guarantee that the Option will be exercised by Patagonia or that Patagonia will be satisfied with the lifting of the mining restrictions in the Chubut Province such that it makes the final payment to the Company, the inability of the Company to operate as a Prospect Generator and enter into agreements to acquire interests in additional mineral properties and attract joint venture partners for the exploration and development of same, operating and technical difficulties in connection with mineral exploration and development and mine development activities at the Company's mineral properties, the fact that the Company's interests in certain of its mineral properties are only options and there is no guarantee that the interests, if earned, will be certain, requirements for*

*additional capital, future prices of precious metals, copper-gold and lithium, changes in general economic conditions, changes in the financial markets and in the demand and market price for commodities, other risks of the mining industry, the inability to obtain any necessary governmental and regulatory approvals (including TSX-V acceptance for filing of the Definitive Agreement, any current or future property acquisitions or dispositions), financing or other planned activities, changes in laws, regulations and policies affecting mining operations, hedging practices and currency fluctuations, title disputes or claims limitations on insurance coverage and the timing and possible outcome of pending litigation, environmental issues and liabilities, risks related to joint venture operations, and risks related to the integration of acquisitions, as well as those factors discussed under the heading "Risks and Uncertainties" in the Company's most recent management's discussion and analysis and other filings of the Company with the Canadian Securities Authorities, copies of which can be found under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).*

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

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