Plata Latina Minerals Corporation

Condensed Consolidated Interim Financial Statements (unaudited)
For the Six Months Ended June 30, 2016

Plata Latina Minerals Corporation
Condensed Consolidated Interim Statements of Financial Position (unaudited)
(Expressed in Canadian Dollars)

	June 30, 2016	December 31, 2015
Assets		
Current assets		
Cash and cash equivalents	$ 21,031	$ 55,270
Amounts receivable (note 4)	641,354	885,832
Prepaid expenses	8,626	1,846
	671,011	942,948
Non-current assets		
Exploration and evaluation expenditures (note 5)	7,355,144	7,994,641
Property, plant and equipment	551	1,301
Total assets	**$ 8,026,706**	**$ 8,938,890**
Shareholders' equity		
Common shares (note 7)	$ 11,072,622	$ 11,072,622
Reserves (note 7)	872,411	1,742,138
Deficit	(6,025,295)	(5,733,907)
	5,919,738	7,080,853
Liabilities		
Deferred tax liability	959,560	1,025,013
Current liabilities		
Accounts payable and accrued liabilities (note 8)	868,102	566,357
Loan payable to related party (note 6)	279,306	266,667
	1,147,408	833,024
Total shareholders' equity and liabilities	**$ 8,026,706**	**$ 8,938,890**

Nature of operations and going concern (note 1)
Subsequent events (note 10)

These consolidated financial statements have been authorized for issue by the Board of Directors on August 29, 2016.

APPROVED BY THE DIRECTORS

/s/ Michael Clarke	*/s/ Gilmour Clausen*
Michael Clarke	Gilmour Clausen
President and Chief Executive Officer	Chairman

The accompanying notes form an integral part of these condensed consolidated interim financial statements (unaudited).

Plata Latina Minerals Corporation

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (unaudited)
(Expressed in Canadian Dollars)

	Three months ended June 30, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
Expenses				
Salaries and benefits	$ 88,408	$ 89,157	$ 171,962	$ 208,058
Office and administration (note 8)	15,683	51,850	37,924	62,712
Professional services	25,076	15,186	63,074	35,005
Rent	163	(1,757)	428	5,760
Share-based payments (note 7)	-	4,439	906	10,209
Investor relations	-	2,485	-	12,371
Exploration (note 5)	565	1,495	3,527	11,335
Filing and regulatory services	2,568	6,283	3,868	7,456
Fiscal and advisory services	698	4,593	1,559	5,961
Travel	730	7,659	4,621	12,910
Depreciation	196	2,385	392	4,723
Loss on termination of Management Company	-	112,661	-	112,661
Loss from operations	(134,087)	(296,436)	(288,261)	(489,161)
Interest income	-	(3,866)	369	(3,032)
Foreign exchange gain (loss)	758	7,756	9,651	9,314
Finance costs (note 6)	(6,496)	(473)	(13,147)	(854)
Net loss for the period	**(139,825)**	**(293,019)**	**(291,388)**	**(483,733)**
Other comprehensive income				
Items that may be reclassified to profit or loss				
Foreign currency translation differences	(467,661)	(305,339)	(870,633)	63,865
Comprehensive loss for the period	**$ (607,486)**	**$ (598,358)**	**$ (1,162,021)**	**$ (419,868)**
Basic and diluted net loss per share	$ (0.002)	$ (0.004)	$ (0.004)	$ (0.007)
Weighted average number of shares outstanding	67,432,826	67,432,826	67,432,826	67,432,826

The accompanying notes form an integral part of these condensed consolidated interim financial statements (unaudited).

Plata Latina Minerals Corporation

Condensed Consolidated Interim Statements of Changes in Equity (unaudited)
(Expressed in Canadian Dollars)

	Share Capital (note 7)		Reserves				
	Number of Shares	Amount	Accumulated other comprehensive income (loss)	Options and Warrants	Total Reserves	Deficit	Total Equity
Balance, January 1, 2016	67,432,826	$ 11,072,622	$ 128,484	$ $ 1,613,654	$ 1,742,138	$ (5,733,907)	$ 7,080,853
Share-based payments expense	-	-	-	906	906	-	906
Comprehensive loss	-	-	(870,633)	-	(870,633)	(291,388)	(1,162,021)
Balance, June 30, 2016	**67,432,826**	**$ 11,072,622**	**$ (742,149)**	**$ 1,614,560**	**$ 872,411**	**$ (6,025,295)**	**$ 5,919,738**

	Share Capital (note 7)		Reserves				
	Number of Shares	Amount	Accumulated other comprehensive income (loss)	Options and Warrants	Total Reserves	Deficit	Total Equity
Balance, January 1, 2015	67,432,826	$ 11,072,622	$ (3,661)	$ $ 1,599,705	$ 1,596,044	$ (4,873,002)	$ 7,795,664
Share-based payments expense	-	-	-	10,209	10,209	-	10,209
Comprehensive income (loss)	-	-	63,865	-	63,865	(483,733)	(419,868)
Balance, June 30, 2015	**67,432,826**	**$ 11,072,622**	**$ 60,204**	**$ 1,609,914**	**$ 1,670,118**	**$ (5,356,735)**	**$ 7,386,005**

The accompanying notes form an integral part of these condensed consolidated interim financial statements (unaudited).

Plata Latina Minerals Corporation
Condensed Consolidated Interim Statements of Cash Flows (unaudited)
(Expressed in Canadian Dollars)

	Three months ended June 30, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
Cash provided by (used in):				
Operating activities				
Net loss for the period	$ (139,825)	$ (293,019)	$ (291,388)	$ (483,733)
Adjustments to reconcile loss before tax to net cash flows:				
Share-based payments	-	4,439	906	10,209
Unrealized foreign exchange loss (gain)	187,881	6,308	103,747	(30,046)
Depreciation	196	2,385	392	4,723
equipment	-	-	-	-
Gain on termination of office lease	-	-	-	-
Company arrangement	-	112,661	-	112,661
Interest expense on loans to related parties	6,320	3,889	12,639	3,889
	54,572	(163,337)	(173,704)	(382,297)
Net changes in non-cash working capital items				
Amounts receivable	47,173	23,129	139,742	186,777
Prepaid expenses	(3,157)	33,060	(6,780)	72,824
Accounts payable and accrued liabilities	29,265	(17,934)	228,659	21,966
Deferred Rent	-	(44,216)	-	(58,206)
Cash provided by (used in) operating activities	**127,853**	**(169,298)**	**187,917**	**(158,936)**
Financing activities				
Loans received from related party	-	250,000	-	250,000
Cash provided by financing activities	**-**	**250,000**	**-**	**250,000**
Investing activities				
Exploration and evaluation expenditures	(167,214)	(62,134)	(219,953)	(242,011)
Purchase of property, plant an dequipment	-	(1,567)	-	(1,567)
Cash used in investing activities	**(167,214)**	**(63,701)**	**(219,953)**	**(243,578)**
Effect of exchange rate changes on cash and cash equivalents	-	737	(2,203)	25,374
(Decrease) increase in cash	**(39,361)**	**17,738**	**(34,239)**	**(127,140)**
Cash and cash equivalents, beginning of period	60,392	75,324	55,270	220,202
Cash and cash equivalents, end of period	**$ 21,031**	**$ 93,062**	**$ 21,031**	**$ 93,062**

The accompanying notes form an integral part of these condensed consolidated interim financial statements (unaudited).

1. Nature of operations and going concern

Plata Latina Minerals Corporation ("Plata") was incorporated on April 1, 2010 and is organized under the laws of British Columbia, Canada. Plata's registered and records office is located at Suite 2600 – 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1L3. The condensed consolidated interim financial statements as at June 30, 2016 consist of Plata and its 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", collectively referred to as the "Company"). Plaminco, MCV, MEC and Servicio are organized under the laws of Mexico and Plata US is organized under the laws of Colorado. On April 11, 2012, Plata began trading on the TSX Venture Exchange ("TSX-V") under the symbol "PLA".

The Company is in the business of acquiring and exploring mineral property interests and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The amounts shown as exploration and evaluation expenditures represent acquisition and exploration costs and do not necessarily represent present or future values. Recoverability of the amounts shown for exploration and evaluation expenditures is dependent upon: the discovery of economically recoverable mineral reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain financing necessary to complete the exploration and development of its mineral properties, and future profitable production or proceeds from the disposition of the mineral properties.

Although the Company has taken steps to verify title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title.

The Company has not generated revenue from operations. At June 30, 2016, the Company had cash and cash equivalents of $21,031, negative working capital of $476,397, and a deficit of $6,025,295. On May 4, 2015, Plata received a loan from a Director of the Company for $250,000 with terms described in note 6 (the "Loan") and has periodically received refunds associated with the Mexican value added tax recoverable ("IVA"). On July 29, 2016, the Company received first payment of US$100,000 from Fresnillo plc. ("Fresnillo") associated with a letter of intent. A further US$100,000 is receivable from Fresnillo sixty days after the initial US$100,000. Notwithstanding the Loan, the IVA received and funds from Fresnillo, the Company does not have sufficient working capital to fund operations for the next twelve months. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. 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. These consolidated 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.

2. Basis of Presentation

Statement of compliance

These condensed consolidated interim financial statements (unaudited) have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Accordingly, they do not include all of the information and notes to the consolidated financial statements required by IFRS for complete financial statements and should be read in conjunction with the Company's most recent audited consolidated financial statements. These unaudited condensed consolidated interim financial statements follow the same accounting policies and methods of application used in the Company's audited consolidated financial statements as at and for the year ended December 31, 2015. The Board of Directors authorized these financial statements for issuance on August 29, 2016.

(Expressed in Canadian Dollars, unless otherwise stated)

3. Changes in Accounting Policies

a) 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 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, 2018 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.

On July 13, 2016, the IASB issued IFRS 16, *Leases* ("IFRS 16"), according to which, all leases will be on the balance sheet of lessees, except those that meet the limited exception criteria. The standard is effective for annual periods beginning on or after January 1, 2019. The Company has not yet assessed the impact of this standard on its financial reporting.

4. Amounts receivable

		June 30, 2016		December 31, 2015
Mexican value added tax ("IVA") recoverable	$	639,527	$	876,978
Other receivables		-		8,854
Sales tax receivable		1,827		-
	$	641,354	$	885,832

During the six months ended June 30, 2016, IVA refunds of $149,212 were received. The Company anticipates full recovery of the amounts within the next twelve months, and therefore no impairment has been recorded against these receivables. The Company holds no collateral for any receivable amounts outstanding as at June 30, 2016.

At June 30, 2016, 99% of the receivables that were outstanding over one month are comprised of IVA recoverable in Mexico.

(Expressed in Canadian Dollars, unless otherwise stated)

5. Exploration and evaluation expenditures

The Company holds interest in its mineral properties through its wholly-owned subsidiary, Plaminco.

Capitalized

The following is a summary of movements in exploration and evaluation expenditures during the period ended June 30, 2016:

	Naranjillo Project	Vaquerias Project	Palo Alto Project	Total
Balance, January 1, 2016	$ 6,867,730	$ 966,746	$ 160,165	$ 7,994,641
Field work phase:				
Contractor and general labour	-	-	406	406
Vehicles and related costs	-	-	135	135
Drilling phase:				
Contractor and general labour	40,344	11,997	-	52,341
Travel, food and accommodations	5,183	10	-	5,193
Camp costs, supplies and other	8,382	1,067	-	9,449
Vehicles and related costs	1,393	800	-	2,193
Other				
Claims, taxes and acquisitions costs	44,041	32,561	7,026	83,628
Salaries, benefits and share-based payments	57,436	4,418	4,418	66,272
Depreciation	336	-	-	336
Foreign exchange movements	(738,828)	(105,307)	(15,315)	(859,450)
Subtotal additions	(581,713)	(54,454)	(3,330)	(639,497)
Balance, June 30, 2016	$ 6,286,017	$ 912,292	$ 156,835	$ 7,355,144

Naranjillo Project

The mineral exploration concessions were issued by the Mexican General Directorate of Mines ("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	3,776	August 26, 2011	August 25, 2061
La Sibila III	9,173	April 10, 2013	April 9, 2063

Vaquerias Project

On June 30, 2011, the Company entered into a Purchase Option Agreement (the "Agreement") with the vendors of Vaquerias. The Agreement gives the Company the right to purchase the Vaquerias License (the "License") for US$530,000 over six and half years until December 31, 2017, with the vendors retaining a 2% net smelter return ("Vaquerias Option"). In addition, the Company has the option to purchase the net smelter return for US$500,000 within 18 months of exercising the Vaquerias Option. As of June 30, 2016, the Company has paid the vendors US$120,000 on the License and US$410,000 remains outstanding.

In addition to the Vaquerias Option, the Company held three titled adjacent concessions, known as Sol and Luna. The Sol and Luna licenses were issued by the GDM to Plaminco on December 13, 2011 and December 8, 2011, respectively. Together, these two licenses cover 4,411 hectares and are valid for fifty years following issuance of title.

(Expressed in Canadian Dollars, unless otherwise stated)

Palo Alto Project

The Palo Alto project consists of the Catalina, Catalina II, and Catalina III licenses. The Catalina, Catalina II and Catalina III licences were issued by the GDM to Plaminco on November 22, 2012, November 4, 2011, and November 30, 2011 respectively. Together, all three licenses cover 4,722 hectares and are valid for fifty years following issuance of title. During the year ended December 31, 2015 the Catalina IV licence was withdrawn by the Company.

Expensed

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

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Contractor and labour	$ 565	$ 1,173	$ 565	$ 1,559
Vehicles and related costs	-	83	2,962	83
Claims and taxes	-	239	-	9,693
Total	$ 565	$ 1,495	$ 3,527	$ 11,335

La Joya Project

The GDM issued title to the La Carmen license for the La Joya Project on December 21, 2010. The La Carmen concession covers 924 hectares, and is valid until December 20, 2060.

6. Loan Payable

On May 5, 2015, the Company received a loan from a Director of the Company in the amount of $250,000 bearing interest at 10% per annum, subject to any prepayment by the Company, payable on the earlier of December 31, 2015; the date the Company completes a financing by way of sale of securities greater than $2 million or the issuance of any debt instrument by the Company, unless consented by the Director. The term of the loan has been extended from December 31, 2015 to December 31, 2016. As at June 30, 2016 there was interest payable on the loan totalling $29,306.

7. Capital and reserves

a) *Authorized share capital*

At June 30, 2016, the authorized share capital comprised an unlimited number of common shares without par value and 67,432,826 common shares were issued and outstanding with a value of $11,072,622.

b) *Foreign currency translation reserve*

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the foreign operations, as well as from the translation of inter-group loans that form the Company's net investment in a foreign subsidiary.

(Expressed in Canadian Dollars, unless otherwise stated)

c) *Options and warrants reserve*

Stock options

On March 1, 2012, the Company's stock option plan was approved by the Board of Directors which provides directors, officers, employees and consultants with the opportunity to acquire an ownership interest in the Company and is the basis for the Company's long-term incentive scheme.

The following summarizes the changes in the Company's stock options during the period ended:

	Six months ended June 30, 2016		Year ended December 31, 2015	
	Number of Options	Weighted Average Exercise Price (in CAD)	Number of Options	Weighted Average Exercise Price (in CAD)
Balance, start of period	1,265,000	$0.37	1,055,000	$0.50
Granted	-	-	375,000	$0.06
Forfeited	-	-	(165,000)	$0.50
Balance, end of period	1,265,000	$0.37	1,265,000	$0.37

At June 30, 2016, the Company's outstanding and exercisable options are as follows:

Expiry Date	Exercise Price	Number of Options Outstanding and Exercisable	Weighted average remaining contractual life (years)
April 11, 2017	$0.50	890,000	0.78
March 3, 2020	$0.06	225,000	3.67
May 25, 2020	$0.06	75,000	3.90
June 9, 2020	$0.06	75,000	3.95
		1,265,000	1.45

For the six months ended June 30, 2016, the Company recognized share-based payments of $906 (June 30, 2015 - $10,209).

The fair value of stock options is determined on the grant date. In order to compute this fair value, the Company uses the Black-Scholes option pricing model which requires management to make certain estimates, judgements, and assumptions in relation to the expected life of options, expected volatility, expected dividend yield and the risk-free interest rate, as well as the number of options expected to be exercised. Comparative companies in the process of exploring mineral resource properties were used to determine the historical volatility of Plata.

Option-pricing models require the input of highly subjective assumptions including the expected share price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's incentive stock options.

Warrants

At June 30, 2016, the Company had 5,615,000 warrants outstanding with an exercise price of $0.25, expiring on August 27, 2016.

(Expressed in Canadian Dollars, unless otherwise stated)

8. Related parties

Management company agreement

Until May 22, 2015 when the arrangement was terminated, the Company shared 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 were allocated between the related companies based on the time incurred and use of services and 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, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
Salaries and benefits	$ -	$ 38,481	$ -	$ 125,149
Office and administrative	-	15,385	-	39,464
Total	$ -	$ 53,866	$ -	$ 164,613

On May 22, 2015 Plata terminated its agreement with the management company whereby it relinquished its share of the jointly owned assets (primarily security deposits, leasehold improvements, and furniture and equipment) held by the management company which resulted in a loss on termination of management agreement of $112,661. Accompanying this relinquishment, Plata was released and indemnified from its obligations under the office leases.

At June 30, 2016, there was nil balance (December 31, 2015 – $8,794) due from the management company. At June 30, 2016, there was an amount owing to former related companies associated with these arrangements of $10,472 (December 31, 2015 – $17,936). Amounts are due on demand, unsecured, and have no terms of repayment.

9. Segment information

The Company operates in one industry segment, being mining. Geographic information is as follows:

	Canada	Mexico	United States	Total
Long-term assets as at:				
June 30, 2016	$1,244,671	$ 6,111,024	$ -	$ 7,355,695
December 31, 2015	$1,174,417	$ 6,821,525	$ -	$ 7,995,942
Net (loss) income for the three months:				
June 30, 2016	$ (123,661)	$ (23,343)	$ 7,179	$ (139,825)
June 30, 2015	$ (346,377)	$ (4,971)	$ 58,329	$ (293,019)
Net (loss) income for the six months:				
June 30, 2016	$ (243,334)	$ (60,825)	$ 12,771	$ (291,388)
June 30, 2015	$ (570,662)	$ (30,611)	$ 117,540	$ (483,733)

10. Subsequent events

a) On July 12, 2016, the Company has executed a letter of intent ("LOI") with a wholly-owned subsidiary of Fresnillo plc ("Fresnillo") under which Fresnillo has the option to acquire its Naranjillo Property for cash payment of US$2,150,000 over three years. Fresnillo is also required to spend US$3,000,000 in exploration on the Naranjillo Property. The agreement is subject to a 3% NSR on the Property in favour of the Company. The Naranjillo Property is located in Guanajuato, Mexico and adjacent to Fresnillo's Cerro Blanco project. On July 29, 2016, the Company received first payment of US$100,000 of the total cash commitment for the option. Sixty days after the signing of the LOI a further payment of US$100,000 is due from Fresnillo.

b) On August 22, 2016, the Chief Executive Officer forgave his unpaid salary of US$98,665 relating to 2015.