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**CHILEAN METALS INC.**  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**THREE MONTHS ENDED MARCH 31, 2019**  
**(EXPRESSED IN CANADIAN DOLLARS)**  
**(UNAUDITED)**

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**NOTICE TO READER**

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed consolidated interim financial statements have not been reviewed by the Company's auditors.

# Chilean Metals Inc.

## Condensed Consolidated Interim Statements of Financial Position (Expressed in Canadian Dollars) (Unaudited)

	March 31, 2019	December 31, 2018
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 93,947	\$ 29,960
Amounts receivable	44,280	24,981
Advances, prepaid expenses and deposits	188,591	192,901
<b>Total current assets</b>	<b>326,818</b>	<b>247,842</b>
<b>Non-current assets</b>		
Equipment (note 4)	3,869	4,184
<b>Total assets</b>	<b>\$ 330,687</b>	<b>\$ 252,026</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (notes 12 )	\$ 1,193,656	\$ 1,219,738
Advances from related party	300,000	-
Flow-through liability	56,059	56,059
Debentures payable (note 6)	408,455	386,009
<b>Total current liabilities</b>	<b>1,958,170</b>	<b>1,661,806</b>
<b>Non-current liabilities</b>		
Other liabilities (note 7)	69,554	69,554
<b>Total liabilities</b>	<b>2,027,724</b>	<b>1,731,360</b>
<b>Shareholders' equity (deficiency)</b>		
Issued capital (note 8)	56,307,489	56,307,489
Contributed surplus	3,839,707	3,811,387
Warrants (note 10)	971,731	971,731
Deficit	(62,815,964)	(62,569,941)
<b>Total shareholders' deficiency</b>	<b>(1,697,037)</b>	<b>(1,479,334)</b>
<b>Total liabilities and shareholders' deficiency</b>	<b>\$ 330,687</b>	<b>\$ 252,026</b>

### Nature of operations and going concern (note 1)

On behalf of the Board:

(Signed) "Terry Lynch"  
Terry Lynch, Director

(Signed) "Peter Kent"  
Peter Kent, Director

The notes to the unaudited condensed consolidated interim financial statements are an integral part of these statements.

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**Chilean Metals Inc.****Condensed Consolidated Interim Statements of Loss and Comprehensive Loss  
(Expressed in Canadian Dollars)  
(Unaudited)**

	<b>Three months ended March 31,</b>	
	<b>2019</b>	<b>2018</b>
<b>Administrative expenses</b>		
Administration fees (note 12)	\$ 78,075	\$ 205,150
Amortization (note 4)	315	450
Interest (note 6)	23,162	40,443
Exploration and expenditures (note 5)	16,324	131,618
Foreign exchange gain	2,053	33,737
Investor relations	55,769	88,675
Office and miscellaneous	4,042	14,563
Professional fees (note 12)	30,044	37,490
Transfer agent and regulatory	7,775	12,029
Travel, promotion and mining shows	144	9,442
Net operating loss before other items	<b>(217,703)</b>	<b>(573,597)</b>
<b>Net loss and comprehensive loss for the period</b>	<b>\$ (217,703)</b>	<b>\$ (573,597)</b>
<b>Basic and diluted net loss per share (note 11)</b>	<b>\$ (0.01)</b>	<b>\$ (0.03)</b>
<b>Weighted average number of common shares outstanding - basic and diluted (note 11)</b>	<b>35,404,940</b>	<b>21,418,915</b>

The notes to the unaudited condensed consolidated interim financial statements are an integral part of these statements.

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**Chilean Metals Inc.****Condensed Consolidated Interim Statements of Cash Flows**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)****Three months ended**  
**March 31,**  
**2019**                      **2018**

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**Operating activities**

Net loss for the period	\$	(217,703)	\$	(573,597)
Items not affecting cash:				
Amortization		315		450
Accrued interest		22,446		39,824
Shares to be issued on settlement		-		120,000
Non-cash working capital items:				
Amounts receivable		(19,299)		(5,813)
Advances, prepaid expenses and deposits		4,310		92,853
Accounts payable and accrued liabilities		(26,082)		299,409
Advances from related parties		300,000		-
<b>Net cash provided by (used in) operating activities</b>		<b>63,987</b>		<b>(26,874)</b>
<b>Net change in cash</b>		<b>63,987</b>		<b>(26,874)</b>
<b>Cash, beginning of period</b>		<b>29,960</b>		<b>59,383</b>
<b>Cash, end of period</b>	\$	<b>93,947</b>	\$	<b>32,509</b>

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**Chilean Metals Inc.****Condensed Consolidated Interim Statements of Changes in Equity (Deficiency)****(Expressed in Canadian Dollars)****(Unaudited)**

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	<u>Common Shares</u>		Shares to be issued	Contributed Surplus	Warrants	Deficit	Total
	Number	Amount					
<b>Balance, December 31, 2017</b>	<b>21,318,390</b>	<b>\$ 55,261,850</b>	<b>\$ 60,315</b>	<b>\$ 4,190,817</b>	<b>\$ 418,622</b>	<b>\$ (60,984,457)</b>	<b>\$ (1,052,853)</b>
Private placements	100,525	60,315	(60,315)	-	-	-	-
Shares to be issued on settlements	-	-	120,000	-	-	-	120,000
Net comprehensive loss for the period	-	-	-	-	-	(573,597)	(573,597)
<b>Balance, March 31, 2018</b>	<b>21,418,915</b>	<b>\$ 55,322,165</b>	<b>\$ 120,000</b>	<b>\$ 4,190,817</b>	<b>\$ 418,622</b>	<b>\$ (61,558,054)</b>	<b>\$ (1,506,450)</b>
<b>Balance, December 31, 2018</b>	<b>35,404,940</b>	<b>\$ 56,307,489</b>	<b>\$ -</b>	<b>\$ 3,811,387</b>	<b>\$ 971,731</b>	<b>\$ (62,569,941)</b>	<b>\$ (1,479,334)</b>
Option expiry	-	-	-	28,320	-	(28,320)	-
Shares issued for mineral	-	-	-	-	-	-	-
Net comprehensive loss for the period	-	-	-	-	-	(217,703)	(217,703)
<b>Balance, March 31, 2019</b>	<b>35,404,940</b>	<b>\$ 56,307,489</b>	<b>\$ -</b>	<b>\$ 3,839,707</b>	<b>\$ 971,731</b>	<b>\$ (62,815,964)</b>	<b>\$ (1,697,037)</b>

The notes to the unaudited condensed consolidated interim financial statements are an integral part of these statements.

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# CHILEAN METALS INC.

## Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended March 31, 2019

(Expressed in Canadian Dollars)

(Unaudited)

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### 1. Nature of operations and going concern

Chilean Metals Inc. (the "Company") is a mining exploration company and is in the business of acquiring and exploring mineral properties in Chile and Nova Scotia. There has been no determination whether properties held contain ore reserves, which are economically recoverable.

The Company is a publicly listed company incorporated in Canada with limited liability under the legislation of the Province of British Columbia. The Company's shares are listed on the TSX Venture Exchange ("TSX-V"), OTCQB and Santiago Stock Exchange, Venture Market. The head office and principal address of the Company are located at the Canadian Venture Building, 82 Richmond Street East, Suite 202, Toronto, Ontario, M5C 1P1. The Company's registered and records office address is at Suite 700 – 595 Burrard Street, PO Box 49290, Vancouver, British Columbia, Canada, V7X 1S8.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and 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. Property title may be subject to unregistered prior agreements, unregistered claims, aboriginal claims and non-compliance with regulatory and environmental requirements. The Company's property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, and political uncertainty.

These unaudited condensed consolidated interim financial statements have been prepared on the going concern basis, which assumes that the Company will be able to continue as a going concern and realize its assets and discharge its liabilities in the normal course of business. These unaudited condensed consolidated interim financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. During the three months ended March 31, 2019, the Company incurred a net loss of \$217,703 (three months ended March 31, 2018 - \$573,597). As at March 31, 2019, the Company has incurred significant losses since inception totaling \$62,815,964 (December 31, 2018 - \$62,569,941). As at March 31, 2019, the Company has a working capital deficiency of \$1,631,352 (December 31, 2018 - \$1,413,964); the continuing operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that additional funds will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast significant doubt as to the Company's ability to continue as a going concern and accordingly use accounting principles applicable to a going concern.

### 2. Basis of presentation

These unaudited condensed consolidated interim financial statements for the three months ended March 31, 2019, including comparatives, have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. These unaudited condensed consolidated interim financial statements may not include all information and note disclosures required by IFRS for annual financial statements and therefore, should be read in conjunction with the annual audited financial statements for the year ended December 31, 2018, which have been prepared in accordance with IFRS.

These unaudited condensed consolidated interim financial statements for the three months ended March 31, 2019 were approved and authorized for issue by the Company's Board of Directors on May 29, 2019.

These unaudited condensed consolidated interim financial statements have been prepared on a going concern basis under the historical cost convention, except for the revaluation of certain financial instruments. In addition, these unaudited condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

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# CHILEAN METALS INC.

## Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended March 31, 2019

(Expressed in Canadian Dollars)

(Unaudited)

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### 3. Significant accounting policies

The policies applied in these unaudited condensed consolidated interim financial statements are based on IFRSs issued and outstanding as of May 29, 2019, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended December 31, 2018, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2019 could result in restatement of these unaudited condensed consolidated interim financial statements.

#### *New standards adopted*

##### (a) Leases and right-of-use assets

In January 2016, the IASB issued IFRS 16 - Leases ("IFRS 16"), replacing IAS 17 - Leases. IFRS 16 provides a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases on its statement of financial position, providing the reader with greater transparency of an entity's lease obligations.

At January 1, 2019, the Company adopted the following and there was no material impact on the Company's financial statements. The Company adopted IFRS 16 using the modified retrospective approach and accordingly the information presented for 2018 has not been restated. It remains as previously reported under IAS 17 and related interpretations.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted if it is reasonable certain to assess that option;

Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised. Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Lease liabilities, on initial measurement, increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

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**CHILEAN METALS INC.****Notes to Condensed Consolidated Interim Financial Statements****Three Months Ended March 31, 2019****(Expressed in Canadian Dollars)****(Unaudited)**

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**3. Significant accounting policies (continued)***New standards adopted (continued)*

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

The Company adopted this standard and there was no material impact on the Company's unaudited condensed interim consolidated financial statements.

**4. Equipment****Cost**

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	Field equipment	Furniture and office equipment	Total
<b>Balance, December 31, 2017</b>	<b>\$ 83,278</b>	<b>\$ 123,676</b>	<b>\$ 206,954</b>
<b>Balance, December 31, 2018</b>	<b>83,278</b>	<b>123,676</b>	<b>206,954</b>
<b>Balance, March 31, 2019</b>	<b>\$ 83,278</b>	<b>\$ 123,676</b>	<b>\$ 206,954</b>

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**Accumulated amortization**

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	Field equipment	Furniture and office equipment	Total
<b>Balance, December 31, 2017</b>	<b>\$ 80,482</b>	<b>\$ 120,471</b>	<b>\$ 200,953</b>
Amortization	840	977	1,817
<b>Balance, December 31, 2018</b>	<b>81,322</b>	<b>121,448</b>	<b>202,770</b>
Amortization	147	168	315
<b>Balance, March 31, 2019</b>	<b>\$ 81,469</b>	<b>\$ 121,616</b>	<b>\$ 203,085</b>

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**Net book value**

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	Field equipment	Furniture and office equipment	Total
<b>At December 31, 2018</b>	<b>\$ 1,956</b>	<b>\$ 2,228</b>	<b>\$ 4,184</b>
<b>At March 31, 2019</b>	<b>\$ 1,809</b>	<b>\$ 2,060</b>	<b>\$ 3,869</b>

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# CHILEAN METALS INC.

Notes to Condensed Consolidated Interim Financial Statements  
Three Months Ended March 31, 2019  
(Expressed in Canadian Dollars)  
(Unaudited)

## 5. Mineral exploration expenditures

Exploration and acquisition costs for the three months ended March 31, 2019 and March 31, 2018 are as follows:

	Tierra de Oro	Zulema	Nova Scotia	Total
Exploration				
Claim costs	\$ 59,276	\$ 45,622	\$ 640	\$ 105,538
Field costs	1,649	-	-	1,649
Geological	-	24,431	-	24,431
<b>Exploration and acquisition costs 2018</b>	<b>\$ 60,925</b>	<b>\$ 70,053</b>	<b>\$ 640</b>	<b>\$ 131,618</b>
Exploration				
Field costs and other	\$ -	\$ 16,324	\$ -	\$ 16,324
<b>Exploration and acquisition costs 2019</b>	<b>\$ -</b>	<b>\$ 16,324</b>	<b>\$ -</b>	<b>\$ 16,324</b>

## 6. Debentures and loans

(a) On August 24, 2018, the Company issued \$250,000 of secured debentures with a maturity of August 25, 2019 to a shareholder of the Company. The debenture bears interest at 14% per annum payable up front, \$35,000 was paid as of December 31, 2018. In addition, a finance cost of \$15,000 was paid as of March 31, 2019.

The Company valued the debt component of the debentures by calculating the present value of the principal and interest, discounted at a rate of 23%, being management's best estimate of the rate of a debenture with an arm's length creditor with similar terms. Based on this calculation, the liability component is \$232,072 (\$215,686 net of transaction costs).

(b) On December 3, 2018, the Company issued \$206,250 secured debentures with a maturity of December 3, 2019; of which \$181,250 are held by one officer, one shareholder, and one non-shareholder of the Company. The debentures bear interest at 14% per annum payable up front, \$28,875 was paid as of December 31, 2018. In addition, a finance cost of \$12,375 was paid as of March 31, 2019.

The Company valued the debt component of the debentures by calculating the present value of the principal and interest, discounted at a rate of 30%, being management's best estimate of the rate of a debenture with an arm's length creditor with similar terms. Based on this calculation, the liability component is \$174,946 (\$170,323 net of transaction costs).

All debentures were held with shareholders of the Company.

The debentures are secured against all assets of the Company.

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# CHILEAN METALS INC.

Notes to Condensed Consolidated Interim Financial Statements  
Three Months Ended March 31, 2019  
(Expressed in Canadian Dollars)  
(Unaudited)

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## 7. Other liabilities

During the year ended December 31, 2017, the Company transferred \$69,554 of accounts payable (the "Statute-barred Claims") to non-current liabilities on the basis that any claims in respect of the Statute-barred Claims were statute-barred under the Limitations Act (British Columbia). The Statute-barred Claims related to expenses billed by and third party liabilities incurred prior to December 2015. However, for accounting purposes under IFRS, a debt can only be removed from the Company's statement of financial position when it is extinguished meaning only when the contract is discharged or canceled or expires. The effect of the Limitations Act is to prevent a creditor from enforcing an obligation but it does not formally extinguish the debt for accounting purposes. It is the position of management of the Company that the Statute-barred Claims cannot be enforced by the creditors, do not create any obligation for the Company to pay out any cash and do not affect the financial or working capital position of the Company. The Statute-barred Claims are required to be reflected on the Company's statement of financial position as a result of the current interpretation of IFRS, but they are classified as long-term liabilities since the Company has no intention or obligation to pay these Statute-barred Claims and the creditors cannot enforce payment of the Statute-barred Claims. While inclusion of these items is intended solely to comply with the requirements of IFRS, the Company in no way acknowledges any of the Statute-barred Claims.

## 8. Issued capital

On May 18, 2018, the Company completed the share consolidation of its issued and outstanding common shares on the basis of one post-consolidation common share for every four pre-consolidation common shares. All applicable references to the number of shares, warrants and options, strike price and per share information has been restated to reflect the effect of the share consolidation, unless otherwise noted.

### a) Authorized share capital

At March 31, 2019, the authorized share capital consisted of an unlimited number of common shares, non-voting Class A preference shares with a par value of \$4.00 and Class B preference shares with a par value of \$20.00. The common shares do not have a par value.

### b) Common shares issued

	Number of common shares	Amount
<b>Balance, December 31, 2017</b>	<b>21,318,390</b>	<b>\$ 55,261,850</b>
Private placements	100,525	60,315
<b>Balance, March 31, 2018</b>	<b>21,418,915</b>	<b>\$ 55,322,165</b>
<b>Balance, December 31, 2018 and March 31, 2019</b>	<b>35,404,940</b>	<b>\$ 56,307,489</b>

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**CHILEAN METALS INC.****Notes to Condensed Consolidated Interim Financial Statements****Three Months Ended March 31, 2019****(Expressed in Canadian Dollars)****(Unaudited)**

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**9. Stock options**

The Company has implemented a stock option plan (“the Plan”) to be administered by the Board of Directors. Pursuant to the Plan the Board of Director’s has discretion to grant options for up to a maximum of 10% of the issued and outstanding common shares of the Company at the date the options are granted. The option price under each option shall be not less than the discounted market price on the grant date. The expiry date of an option shall be set by the Board of Directors at the time the option is awarded, and shall not be more than ten years after the grant date. Options granted to directors, employees and consultants, other than consultants engaged in investor relations activities, will vest immediately upon granting, unless otherwise approved by the relevant regulatory authorities. Options granted to employees and consultants engaged in investor relations activities will vest in stages over a minimum period of 12 months with no more than one-quarter of the options vesting in any three-month period.

The following table reflects the continuity of stock options for the periods presented:

	<b>Number of stock options</b>	<b>Weighted average exercise price (\$)</b>
<b>Balance, December 31, 2017</b>	<b>1,800,000</b>	<b>0.64</b>
Expired	(637,500)	0.45
<b>Balance, March 31, 2018</b>	<b>1,162,500</b>	<b>0.76</b>
<b>Balance, December 31, 2018</b>	<b>1,112,500</b>	<b>0.76</b>
Expired	(50,000)	0.72
<b>Balance, March 31, 2019</b>	<b>1,062,500</b>	<b>0.76</b>

The following table reflects the actual stock options issued and outstanding as of March 31, 2019:

<b>Expiry date</b>	<b>Exercise price (\$)</b>	<b>Remaining contractual life (years)</b>	<b>Number of options outstanding</b>	<b>Number of exercisable options</b>
June 11, 2019	1.00	0.20	410,000	410,000
July 4, 2021	0.60	2.26	50,000	50,000
September 6, 2021	0.68	2.44	90,000	90,000
November 14, 2021	0.60	2.63	475,000	475,000
March 20, 2022	0.68	2.97	37,500	37,500
	<b>0.76</b>	<b>1.67</b>	<b>1,062,500</b>	<b>1,062,500</b>

## CHILEAN METALS INC.

Notes to Condensed Consolidated Interim Financial Statements  
Three Months Ended March 31, 2019  
(Expressed in Canadian Dollars)  
(Unaudited)

### 10. Warrants

The following table reflects the continuity of warrants for the periods presented:

	Number of warrants	Weighted average exercise price (\$)
Balance, December 31, 2017 and March 31, 2018	2,021,574	0.70
Balance, December 31, 2018 and March 31, 2019	14,040,625	0.23

The following table reflects the actual warrants issued as of March 31, 2019:

Number of warrants outstanding	Grant date fair value (\$)	Exercise price (\$)	Expiry date	Remaining contract life (years)
581,750	106,874	0.80	June 1, 2019	0.17
619,562	123,665	0.72	October 23, 2019	0.56
50,263	10,032	USD 0.58 (\$0.79)	October 23, 2019	0.56
86,400	2,117	0.12 <sup>(1)</sup>	December 8, 2019	0.69
34,400	843	0.12 <sup>(1)</sup>	December 8, 2019	0.69
4,205,834	241,761	0.18	June 8, 2023	4.19
8,462,416	486,439	0.18	June 8, 2023	4.19
<b>14,040,625</b>	<b>971,731</b>	<b>0.23</b>		<b>3.82</b>

(1) Exercisable into one common share and one additional common share purchase warrant. Each additional warrant will be exercisable at \$0.18 until June 8, 2023.

### 11. Net loss per share

The calculation of basic and diluted loss per share for the three months ended March 31, 2019 was based on the loss attributable to common shareholders of \$217,703 (three months ended March 31, 2018 - \$573,597) and the weighted average number of common shares outstanding of 35,404,940 (three months ended March 31, 2018 - 21,418,915). Diluted loss per share did not include the effect of 1,062,500 options outstanding (three months ended March 31, 2018 - 1,162,500 options outstanding) or the effect of 14,040,626 warrants outstanding (three months ended March 31, 2018 - 2,021,575 warrants outstanding) as they are anti-dilutive.

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# CHILEAN METALS INC.

## Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended March 31, 2019

(Expressed in Canadian Dollars)

(Unaudited)

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### 12. Related party balances and transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

As at March 31, 2019, the directors and/or officers of the Company collectively control 3,202,864 (2018 3,239,611) common shares of the Company or approximately 9% (December 31, 2018 - 15%) of the total common shares outstanding and an insider of the Company controls 3,833,028 (December 31, 2018 - nil) common shares of the Company or approximately 11% (December 31, 2018 - nil) of the total common shares outstanding. To the knowledge of directors and officers of the Company, the remainder of the outstanding common shares are held by diverse shareholders. These holdings can change at any time at the discretion of the owner.

(a) The Company entered into the following transactions with related parties:

	Notes	Three months ended March 31,	
		2019	2018
Administration expense	(i)	\$ 75,000	\$ 66,000
Accounting expense	(ii)	\$ 11,499	\$ 11,423
Geological consulting expense	(iii)	\$ -	\$ 16,000
Debt settlement expense	(iv)	\$ -	\$ 120,000

(i) For the three months ended March 31, 2019, the Company incurred consulting fees from companies controlled by an officer, by a director and by a former officer of \$75,000 (three months ended March 31, 2018 - \$66,000) recorded in administration fees. As at March 31, 2019, \$50,000 (December 31, 2018 - \$15,401) is included in advances, prepaid expenses and deposits.

(ii) For the three months ended March 31, 2019, the Company incurred accounting expenses from companies related to a former officer of \$11,499 (three months ended March 31, 2018 - \$11,423) recorded in professional fees.

(iii) For the three months ended March 31, 2019, the Company incurred geological consulting expenses from a company controlled by an officer and a former officer of \$nil (three months ended March 31, 2018 - \$16,000) recorded in exploration expenditures and consulting fees.

(iv) During the period ended March 31, 2018, the Company settled a debt in the amount of \$120,000 with one director and one officer of the Company for shares in the Company.

(v) As at March 31, 2019, included in accounts payable and accrued liabilities is \$31,543 (December 31, 2018 - \$20,286) due to directors and key management. These amounts are unsecured, non-interest bearing and due on demand.

## CHILEAN METALS INC.

Notes to Condensed Consolidated Interim Financial Statements  
Three Months Ended March 31, 2019  
(Expressed in Canadian Dollars)  
(Unaudited)

### 12. Related party balances and transactions (continued)

	As at March 31, 2019	As at December 31, 2018
President and Director	\$ -	\$ 1,736
Chief Financial Officer (former)	26,543	13,550
Director and Chief Executive Officer	5,000	5,000
	<b>\$ 31,543</b>	<b>\$ 20,286</b>

(b) Remuneration of directors and key management personnel of the Company was as follows:

	Three months ended March 31,	
	2019	2018
<b>Fees charged:</b>		
Directors	\$ 25,000	\$ -
Chief Executive Officer and Director	50,000	36,000
Chief Executive Officer (Former) and Director (Former)	-	110,000
Chief Financial Officer	11,499	11,423
VP Exploration (Former) and Director (Former)	-	56,000
President and Director	-	-
Total remuneration	<b>\$ 86,499</b>	<b>\$ 213,423</b>

Payments to directors and key management personnel of the Company include certain transactions with related parties in (a) above, and (b) remuneration to directors and key management personnel of the Company.

The Company has entered into a consulting agreement with a company controlled by Directors and Officers of the Company. The obligation under these agreements amounts to \$100,000 to June 30, 2019.

The above noted transactions are in the normal course of business and approved by the Board of Directors.

### 13. Segmented information

The Company operates in one industry segment, namely exploration of mineral resources in two geographic regions, Canada and Chile. Geographical segmentation of the Company's non-current assets is as follows:

March 31, 2019	Canada	Chile	Total
Equipment	\$ -	\$ 3,869	\$ 3,869
December 31, 2018	Canada	Chile	Total
Equipment	\$ -	\$ 4,184	\$ 4,184

# CHILEAN METALS INC.

Notes to Condensed Consolidated Interim Financial Statements  
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(Expressed in Canadian Dollars)  
(Unaudited)

## 13. Segmented information (continued)

The following tables summarizes the net loss by geographic segment: (continued)

Three months ended March 31, 2019	Canada	Chile	Total
<b>Administrative expenses</b>			
Administration fees	\$ 75,000	\$ 3,075	\$ 78,075
Amortization	-	315	315
Bank and interest charges	22,894	268	23,162
Exploration and acquisition costs	-	16,324	16,324
Foreign exchange loss (gain)	2,053	-	2,053
Investor relations	55,769	-	55,769
Office and miscellaneous	3,060	982	4,042
Professional fees	30,044	-	30,044
Transfer agent and regulatory	7,775	-	7,775
Travel, promotion and mining shows	144	-	144
Net operating loss before other items	(196,739)	(20,964)	(217,703)
<b>Other items</b>			
Net loss and comprehensive loss for the period	\$ (196,739)	\$ (20,964)	\$ (217,703)

Three months ended March 31, 2018	Canada	Chile	Total
<b>Administrative expenses</b>			
Administration fees	\$ 202,000	\$ 3,150	\$ 205,150
Amortization	-	450	450
Bank and interest charges	40,246	197	40,443
Exploration and acquisition costs	640	130,978	131,618
Foreign exchange loss (gain)	150	33,587	33,737
Investor relations	88,675	-	88,675
Office and miscellaneous	8,362	6,201	14,563
Professional fees	34,403	3,087	37,490
Transfer agent and regulatory	12,029	-	12,029
Travel, promotion and mining shows	9,442	-	9,442
Net operating loss before other items	\$ (395,947)	\$ (177,650)	\$ (573,597)
<b>Other items</b>			
Net loss and comprehensive loss for the period	\$ (395,947)	\$ (177,650)	\$ (573,597)