LATIN RESOURCES LIMITED
ACN: 131 405 144

Suite 2, Level 1, 254 Rokeby Road
Subiaco, Western Australia, 6008.
P 08 9485 0601
F 08 9321 6666
E info@latinresources.com.au

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HIGH-GRADE COPPER INTERSECTED AT ILO NORTE

Highlights:

- **Best intersection: 30m @ 0.93% copper and 0.12 g/t gold from 282m including 6m @ 3.1% copper and 0.45 g/t gold from 300m in drill hole IN-019 (0.1% Cu cut off).**
- **High grade copper also intersected in drill holes IN-009, IN-012, and IN-016 (Table 1).**
- **Twelve holes completed, all to 800m depth.**
- **Assay results from first ten drill holes (IN-009 through IN-016, IN-018, IN-019) received, with results being evaluated prior to preparation of next phase of permitting for additional drilling.**
- **Drilling completed 12 months ahead of schedule by Zahena, Ilo Norte project operator.**
- **Ability to access deeper high-grade orebody underground from steep slope adjacent to mineralised area.**
- **Ilo Norte benefits from great infrastructure: 5km from sealed highway, 10km from a major copper smelter and 25km from the port city of Ilo.**
- **Over 560,000 tonnes per annum copper production and 125 billion pounds of copper in published resources and reserves within 100 km of Ilo Norte.**

Latin Resources Limited (ASX:LRS) ("Latin" or "the Company") is pleased to announce that earn-in operator Compañia Minera Zahena S.A.C. ("Zahena") continues to rapidly advance drilling at the Ilo Norte Project in Peru and has completed all twelve holes originally permitted by Latin (Figure 1). Zahena is now compiling and interpreting results before proceeding with permitting for further drilling.

Assay results for the first ten holes have been received with the best intersection in drill hole **IN-019** of 30m @ 0.93% Cu and 0.12 g/t Au from 282m down hole including 6m @ 3.1% Cu and 0.45 g/t Au from 300m associated with significant vein-hosting structures.

In drill hole **IN-016** an intersection of 18m @ 0.66% Cu and 0.09 g/t Au from 381m down hole including 3m @ 2.2% Cu and 0.19 g/t Au from 387m down hole was also associated with a structural zone.

The first 12 drill holes were completed to test the overall IP anomaly signature on relatively broad spacing (roughly 400m x 400m). Follow-up work will involve data interpretation and additional structural mapping to develop new structural drill targets which could exist within the existing drill pattern and further to the north-east where grades are improving and large structures have been interpreted.

Latin Resources managing director Chris Gale said: *"We are extremely pleased that drilling has advanced so quickly and that serious effort is being expended to properly test this exciting target."*

"Zahena have all but completed their first 18 months of drilling commitments in only four months, and we look forward to their continued investment in the project."

He added *,"These initial high grade hits within such extensive and intense IOCG style alteration give us enormous scope for discovering significant quantities of higher grade mineralisation in more structurally targeted drilling in the future."*

At least 3 km^2 of intense alteration (Magnetite-Pyrite-Albite-Kspar) has now been defined between Latin's drilling in 2011 and the current phase of drilling and adds weight for the potential to discover significant high grade mineralisation within the overall alteration envelope.

In addition there were a number of other relatively narrow, high-grade copper intersections (Table 1) associated with veins and structures cross-cutting the generally lower grade skarn-replacement style magnetite-pyrite-albite-Kspar altered stratiform mineralisation that is the most likely source of the IP anomaly drill target. Low grade zinc mineralisation is a feature of most holes but is rarely directly associated with copper mineralisation (All intersections at 0.1% Cu/Zn cut-off are listed in Appendix 1 along with the drill hole collar information and logs).

Table 1 – The highest grade intersections from drilling at Ilo Norte.

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)
IN-009	423	429	6	2.6 %	0.25
Incl.	426	429	3	4.9 %	0.32
IN-012	255	258	3	2.2 %	0.19
IN-016	381	399	18	0.66 %	0.09
Incl.	387	393	6	1.2 %	0.23
IN-019	282	312	30	0.93 %	0.01
Incl.	300	306	6	3.1 %	0.45

Intersections are down-hole, true width unknown.

The significance of these high-grade copper intersections with associated gold is their structural control. Where such mineralised structures intersect one another, and where they intersect favourable stratigraphic horizons, there is potential to form a significant tonnage, high grade copper ore body (with associated gold), with considerable depth extent.

Potential mining access to such an ore body would most likely be underground given the topographic advantage provided by the steep slope to the immediate south-west of the mineralised area which drops from 1400m altitude at the drilling area down to 400m altitude over only three kilometres towards the south-west.

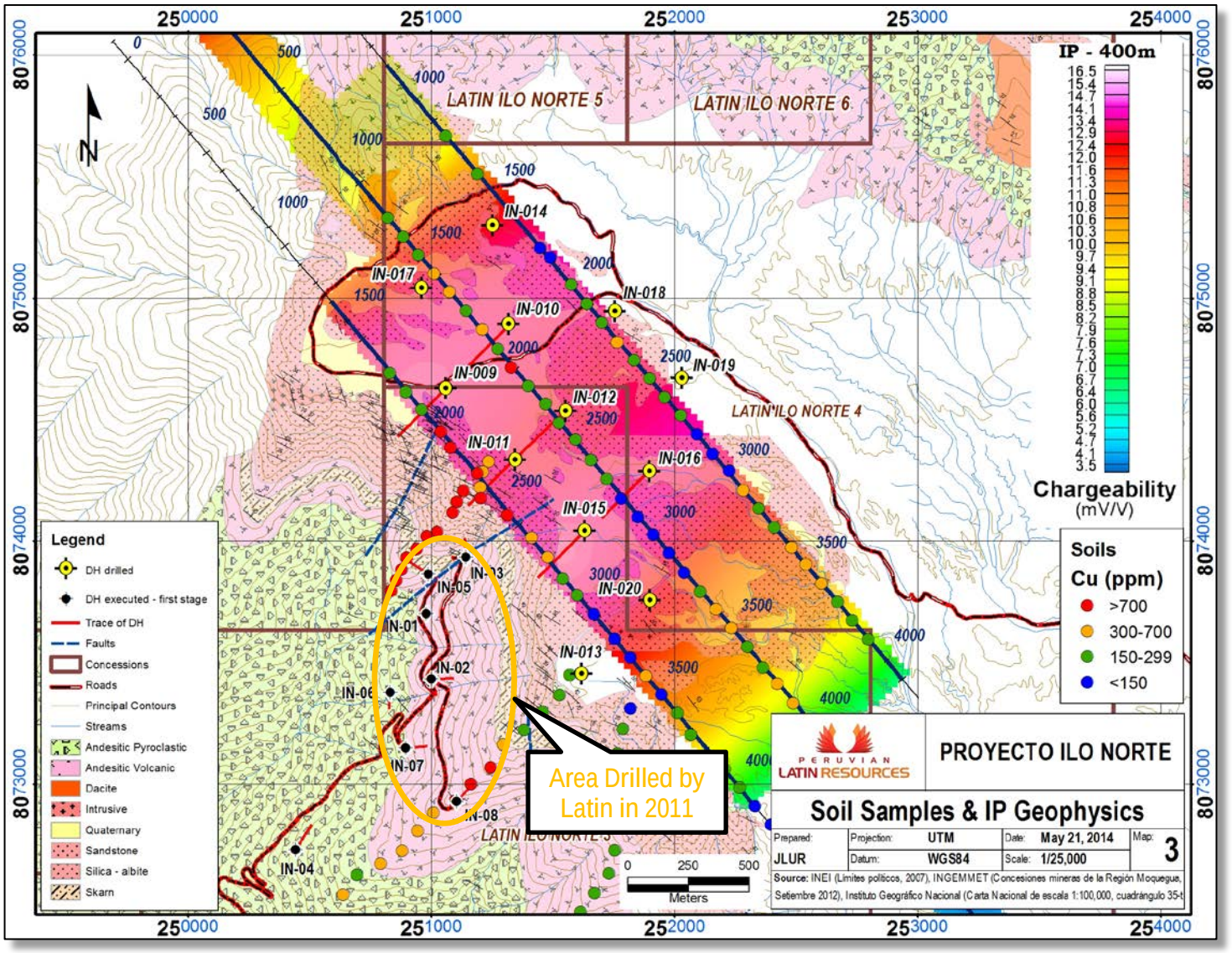

Figure 1 – Map of Ilo Norte showing geology and topography as a base with soil geochemistry and the IP geophysical anomaly (400m chargeability) superimposed. Drill holes IN-009 through IN-020 have been completed and logged by Latin geologists.

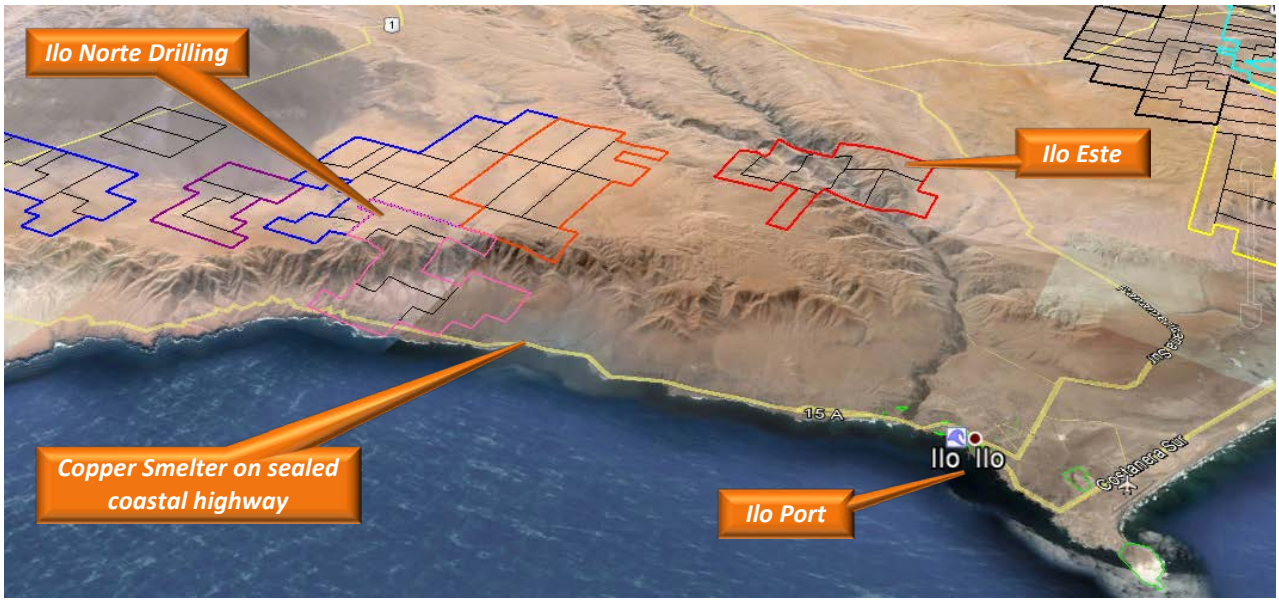

Figure 2 – View of southern coast of Peru around Ilo with Latin's concessions outlined. Ilo Norte is 5 km to the sealed coastal highway, 10km to a major copper smelter and 25km to the port city of Ilo.

About Ilo Norte

The Ilo Norte project is an advanced exploration project, prospective for copper-gold mineralisation located right in the heart of a major copper producing region. There are 125 Billion pounds of contained copper in published reserves and resources including the Cuajone, Toquepala and Cerro Verde copper mines, all within 100km of Ilo Norte (Figure 3).

The project hosts a very large alteration system, which is at least 10km long and several hundred metres thick. This alteration is important for several reasons:

- Many mineral deposits are surrounded by a halo of altered rocks that is a much larger exploration target than the deposit alone.
- Variations in alteration can be used as vectors for the location of a mineral deposit.
- Large alteration zones can indicate large mineral deposits.

Latin Resources drilled Ilo Norte in 2011 (Figure 5). Drilling was downslope of the (then undiscovered) alteration package, but nonetheless returned some very good intersections. Best results were 36m at 0.29% copper and 0.09g/t gold (including 14m at 0.55% Cu and 0.13g/t gold); and 21m at 0.25% copper and 0.09g/t gold. These results prove that the system hosts copper and gold and it would not be unreasonable to expect better results within the heart of the alteration system.

A geophysical survey completed in early 2013 defined a large (2000m by 800m) Induced Polarization (IP) anomaly (Figure 5). The anomaly is indicative of chargeable material within the alteration system which may indicate the presence of sulphides, which in turn may be associated with copper and gold, as suggested by previously reported (11 April 2013) anomalous soil geochemistry (Figure 5).

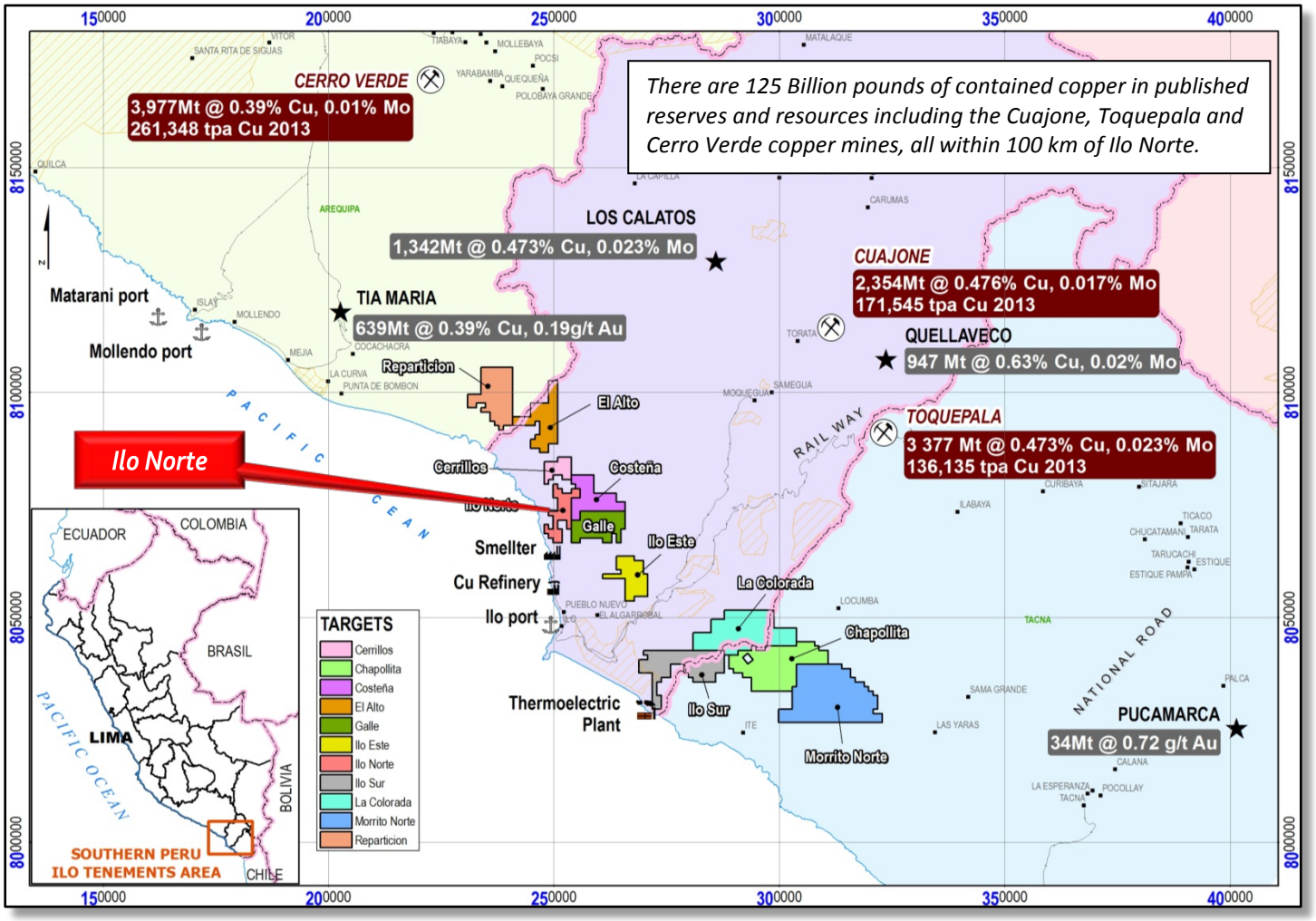

Figure 3 – Location of Ilo Norte Project and ten other target areas within Latin's over 100,000 hectare concession holding in Southern Peru.

For further information please contact:

Australia	**PPR**
Chris Gale Managing Director Latin Resources Limited +61 8 9485 0601	David Tasker +61 8 9388 0944

About Latin Resources

Latin Resources Limited is a mineral exploration company focused on creating shareholder wealth through the identification and definition of mineral resources in Latin America, with a specific focus on Peru. The company has a portfolio of projects in Peru and is actively progressing its two main project areas: Guadalupito (Iron and Heavy Mineral Sands) and Ilo (Iron Oxide-Copper-Gold/Copper Porphyry). Latin has also recently acquired the mineral rights covering a total of 40,483 hectares in the new Iron Ore district of Rio Grande do Norte State, Brazil.

The information in this report that relates to geological data from drilling undertaken in 2014 is based on information compiled by Mr Andrew Bristow, a Competent Person who is a Member of the Australian Institute of Geoscientist and a full time employee of Latin Resources Limited's Peruvian subsidiary. Mr Bristow has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bristow consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Some of the information in this report relates to previously released exploration results and geological data that were prepared and first disclosed under the JORC Code 2004. This has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, and was based on information compiled by Mr Andrew Bristow, a full time employee of Latin Resources Limited's Peruvian subsidiary. Mr Bristow is a member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralization and the type of deposit under consideration to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Bristow consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

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APPENDIX 1 – Drill Collar Information, Intersections at 0.1% Cu/Zn Cut off and Drill Logs

Field measurements with hand held GPS, compass and clinometer were able to verify the location and other characteristics of the 6 drill holes completed and two more currently underway (Table 2).

Table 2 – Characteristics of the drill holes at Ilo Norte, IN-009 through IN-020 have been completed.

Hole ID	Easting (m) WGS84	Northing (m) WGS84	Elevation (m)	Azimuth (degrees)	Declination (degrees)	HQ to:	NQ to:	Depth to date (m)
IN-009	251059	8074629	1386	225	-70	350	712#	**800**
IN-010	251317	8074893	1386	225	-70	350	800	**800**
IN-011	251344	8074336	1388	225	-70	350	800	**800**
IN-012	251553	8074537	1406	225	-70	350.7	800	**800**
IN-013	251617	8073456	1373	0	-90	314	800	**800**
IN-014	251252	8075300	1403	0	-90	350	800	**800**
IN-015	251631	8074044	1395	225	-70	350	800	**800**
IN-016	251897	8074288	1369	225	-70	350	800	**800**
IN-017	250960	8075042	1405	0	-90	350	800	**800**
IN-018	251756	8074946	1384	0	-90	350	800	**800**
IN-019	252031	8074671	1375	0	-90	350	800	**800**
IN-020	251899	8073757	1362	0	-90	350	800	**800**

 # - Hole finished with BQ core.

Table 3 –Intersections using 0.1% Cu and 0.1% Zn cut-off with corresponding average, uncut, Au grade where applicable. Intersections with Cu greater than 0.2% over at least 6m or 0.3% over at least 3m and intersections of Au greater than 0.1 g/t are in red, and shaded intersections are those related to discordant structures. Intersections are down-hole, true width unknown.

Hole_ID	*From*	*To*	*Int.*	*% Cu*	*% Zn*	*Au g/t*
IN-09	24	78	54		0.33	
Incl	24	48	24	0.11	0.48	
IN-09	99	126	27		0.27	
IN-09	150	177	27		0.12	
IN-09	183	198	15		0.22	
IN-09	270	273	3	0.14		
IN-09	366	369	3	0.10		
IN-09	381	384	3	0.13		
IN-09	423	429	6	2.6		0.25
Incl	426	429	3	4.9		0.32
IN-09	459	462	3	0.20		
IN-09	471	495	24	0.17		
IN-09	519	522	3	0.11		
IN-09	699	702	3	0.14		
IN-09	765	792	27	0.17		

Hole_ID	*From*	*To*	*Int.*	*% Cu*	*% Zn*	*Au g/t*
IN-10	60	132	72	0.12		
Incl	69	78	9	0.15	0.24	
Incl	99	120	21	0.11	0.24	
IN-10	144	165	21	0.15		
IN-10	246	255	9		0.12	
IN-10	300	318	18		0.27	
incl	300	306	6	0.27		0.05
IN-10	324	327	3	0.12		
IN-10	360	393	33		0.28	
incl	390	393	3	0.34		0.09
IN-10	456	459	3	0.24		
IN-10	468	471	3	0.53		0.08
IN-10	741	750	9	0.26		0.07
IN-10	777	780	3	0.28		
IN-10	789	800	11	0.17		

Hole_ID	From	To	Int.	% Cu	% Zn	Au g/t
IN-11	138	162	24	0.15		
IN-11	333	336	3	0.12		
IN-11	348	360	12	0.39		0.06
Incl	348	354	6	0.53		0.09
IN-11	633	636	3	0.16		
IN-11	666	675	9	0.17		
IN-11	690	693	3	0.21		
IN-11	723	735	12	0.11		
IN-11	756	759	3	0.29		
IN-11	774	777	3	0.12		

Hole_ID	From	To	Int.	% Cu	% Zn	Au g/t
IN-12	168	183	15	0.14		
IN-12	198	201	3	0.54		0.17
IN-12	222	234	12	0.27		0.07
IN-12	255	258	3	2.2		0.19
IN-12	294	306	12	0.24		0.20
Incl	300	303	3	0.33	0.13	0.27
IN-12	393	399	6	0.11		
IN-12	411	426	15	0.23		0.05
IN-12	447	450	3	0.15		
IN-12	459	483	24	0.25		0.07
IN-12	489	495	6	0.13		
IN-12	498	501	3	0.16		
IN-12	510	516	6	0.17		
IN-12	519	522	3	0.18		
IN-12	531	534	3	0.10		
IN-12	678	681	3	0.12		
IN-12	735	756	21	0.12		
IN-12	795	798	3	0.12		

Hole_ID	From	To	Int.	% Cu	% Zn	Au g/t
IN-13	90	93	3	0.16		
IN-13	141	147	6		0.25	
IN-13	228	234	6		0.20	
IN-13	240	249	9	0.17		
IN-13	255	258	3	0.12		
IN-13	333	342	9	0.16		
IN-13	417	423	6		0.13	
incl	417	420	3	0.30		0.01
IN-13	459	462	3		0.29	
IN-13	465	468	3		0.22	
IN-13	486	498	12	0.13		
IN-13	522	537	15	0.14		
IN-13	696	702	6	0.13		

Hole_ID	From	To	Int.	% Cu	% Zn	Au g/t
IN-14	162	168	6		0.17	
IN-14	243	252	9		0.12	
IN-14	273	276	3		0.11	
IN-14	279	282	3		0.16	
IN-14	288	297	9		0.35	
IN-14	300	318	18		0.22	
IN-14	321	324	3		0.11	
IN-14	357	363	6	0.12		
IN-14	390	393	3	0.13		
IN-14	471	474	3	0.11		
IN-14	612	615	3	0.13		
IN-14	759	762	3	0.19		

Hole_ID	From	To	Int.	% Cu	% Zn	Au g/t
IN-15	276	285	9	0.20		0.05
IN-15	291	300	9	0.37		0.08
IN-15	303	309	6	0.13		
IN-15	312	315	3	0.14		
IN-15	330	333	3	0.10		
IN-15	339	348	9	0.12		
Incl	339	345	6	0.11	0.11	
IN-15	354	357	3		0.10	
IN-15	369	396	27		0.18	
incl	369	378	9	0.14		
IN-15	399	402	3	0.13		
IN-15	465	468	3		0.11	
IN-15	480	489	9	0.12		
IN-15	570	579	9	0.11		
IN-15	591	594	3	0.13		
IN-15	609	645	36	0.25		0.16
Incl	624	633	9	0.38		0.21
IN-15	720	723	3	0.14		
IN-15	750	765	15	0.30		0.16
Incl	753	759	6	0.44		0.22
IN-15	783	798	15	0.14		
Incl	792	798	6	0.16		

Hole_ID	From	To	Int.	% Cu	% Zn	Au g/t
IN-16	27	30	3		0.11	
IN-16	48	51	3		0.11	
IN-16	123	126	3	0.32		0.01
IN-16	129	132	3	0.13		
IN-16	135	141	6	0.21		0.03
IN-16	144	150	6	0.13		
IN-16	153	159	6		0.18	
IN-16	228	234	6	0.29		0.18
Incl	231	234	3	0.28	0.11	0.31
IN-16	258	267	9	0.17		
IN-16	288	291	3	0.20		
IN-16	312	315	3	0.11		
IN-16	381	399	18	0.66		0.09
Incl	387	393	6	1.2		0.23
IN-16	408	411	3	0.11		
IN-16	435	438	3	0.35		0.01
IN-16	441	447	6	0.15		
IN-16	474	477	3	0.51		0.13
IN-16	582	585	3	0.13		
IN-16	618	621	3		0.17	
IN-16	648	651	3		0.12	

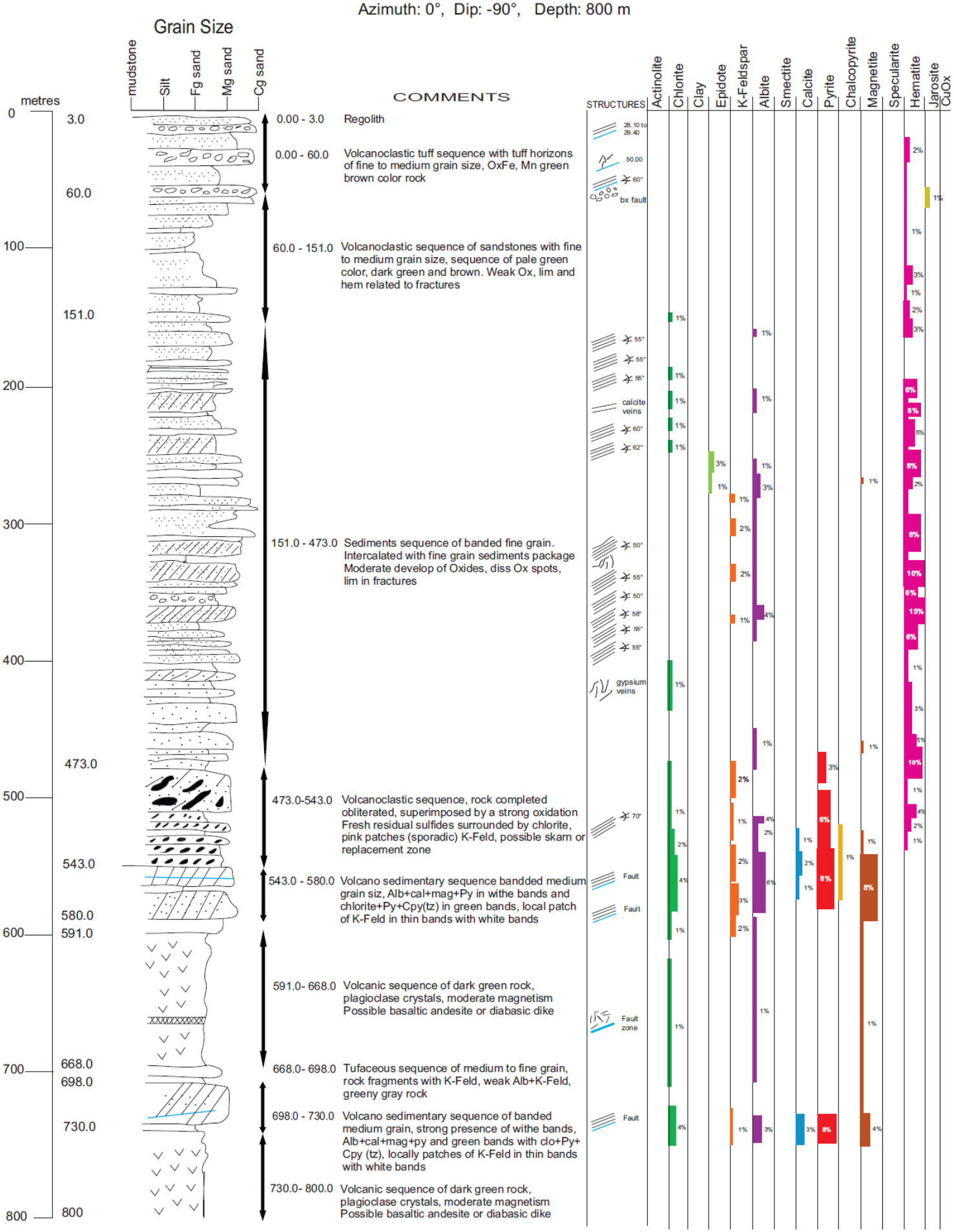
Hole_ID	From	To	Int.	% Cu	% Zn	Au g/t
IN-18	180	207	27		0.35	
IN-18	216	231	15	0.25		
IN-18	240	243	3	0.22		0.13
IN-18	318	324	6			0.12
IN-18	351	356	5			0.13
IN-18	426	429	3	0.34	0.46	
IN-18	468	474	6			0.49
IN-18	540	543	3	0.11		
IN-18	630	639	9	0.26		
IN-18	681	690	9	0.12		
IN-18	735	738	3	0.11		
IN-18	738	744	6		0.34	
IN-18	753	756	3		0.29	
IN-18	768	771	3		0.17	
IN-18	774	777	3		0.23	
IN-18	780	783	3	0.22	0.44	
IN-18	792	795	3	0.10		

Hole_ID	From	To	Int.	% Cu	% Zn	Au g/t
IN-19	30	33	3		0.23	
IN-19	48	51	3		0.17	
IN-19	57	60	3		0.10	
IN-19	87	99	12		0.12	
IN-19	108	111	3	0.15		
IN-19	120	147	27		0.20	
IN-19	153	174	21		0.55	
IN-19	198	201	3		0.16	
IN-19	204	207	3	0.14		
IN-19	276	279	3	0.10		
IN-19	282	312	30	0.93		0.12
incl	288	291	3	0.83	0.19	0.09
incl	300	306	6	3.1		0.45
incl	309	312	3	0.58		0.12
IN-19	315	318	3	0.11		
IN-19	339	345	6		0.25	
IN-19	345	357	12	0.15		
incl	345	351	6	0.13	0.18	
incl	351	357	6	0.18		0.11
incl	357	360	3			0.11
IN-19	447	450	3	0.11		
IN-19	744	750	6		0.25	

IN-013

E: 251617 N: 8073456 Z: 1363m

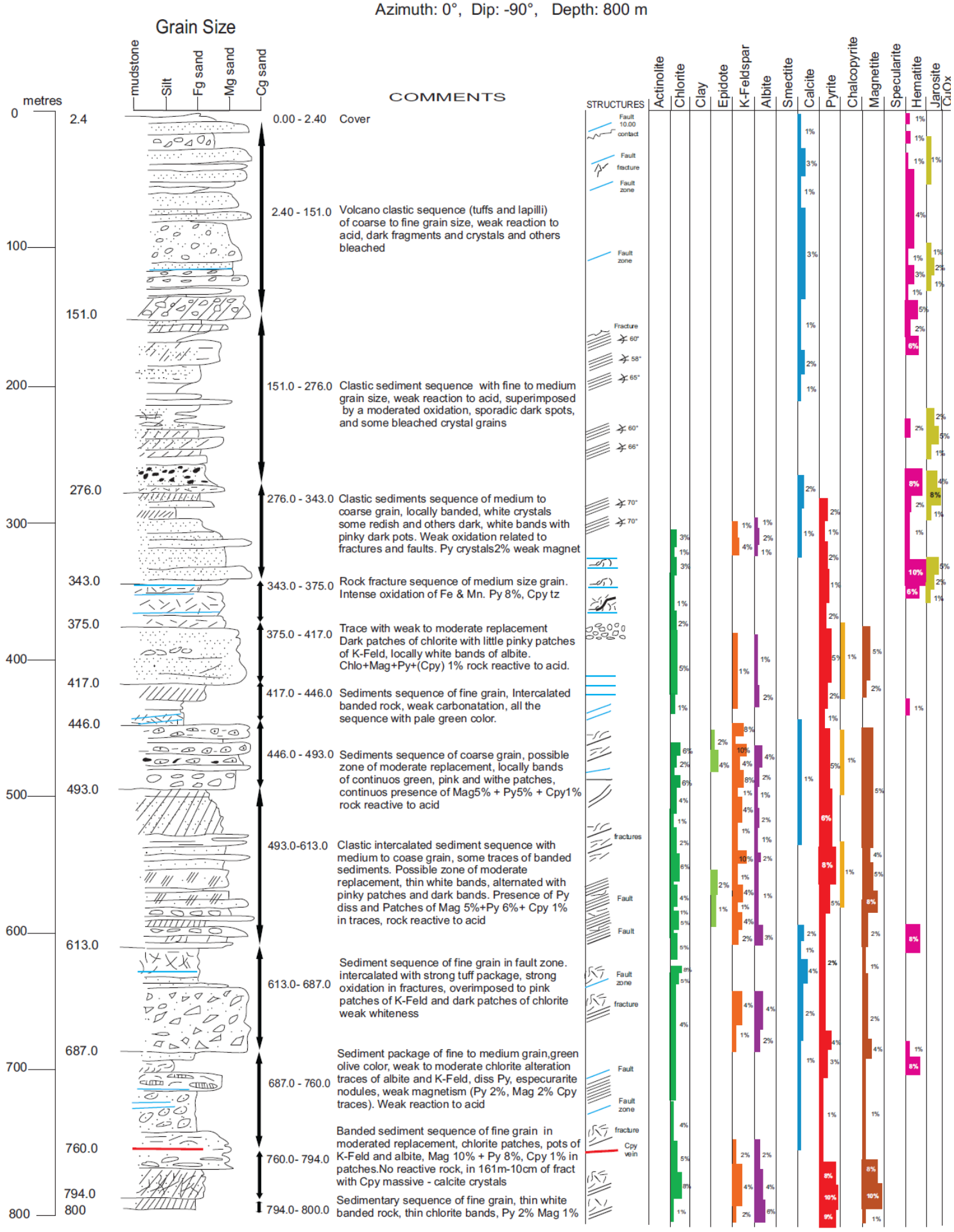
Azimuth: 0°, Dip: -90°, Depth: 800 m



IN-014

E: 251252 N: 8075300 Z: 1392m

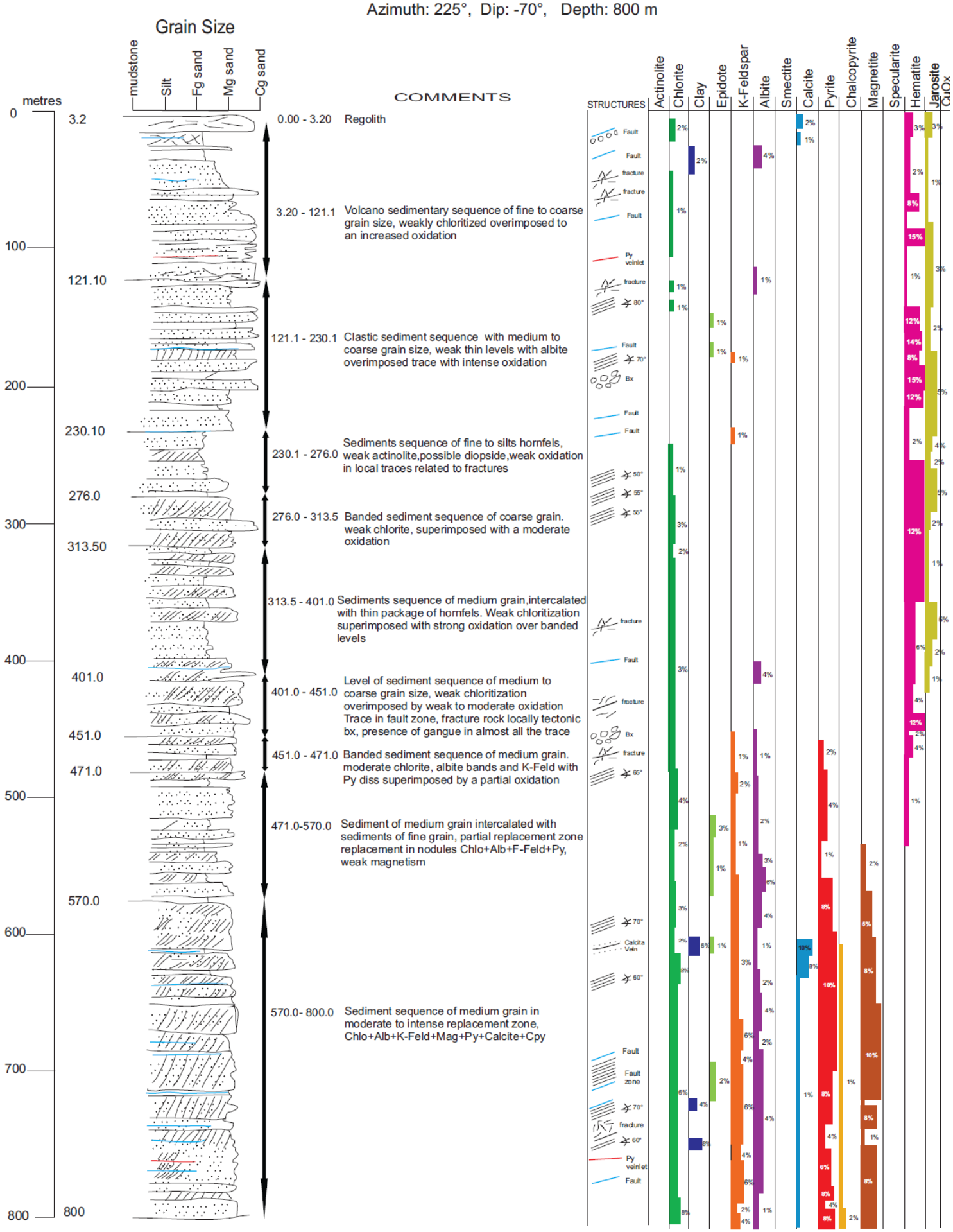
Azimuth: 0°, Dip: -90°, Depth: 800 m



IN-015

E: 251631 N: 8074044 Z: 1395m

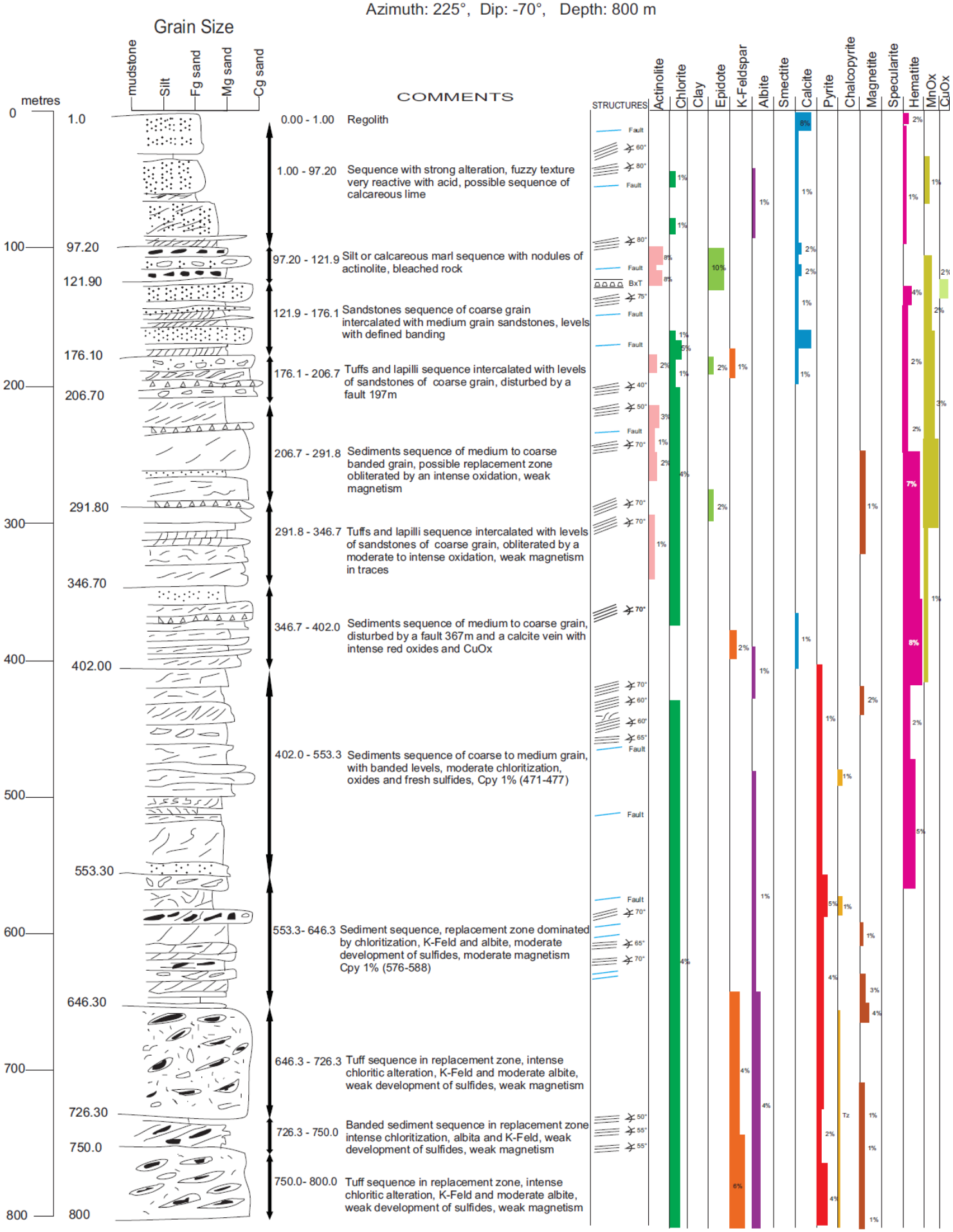
Azimuth: 225°, Dip: -70°, Depth: 800 m



IN-016

E: 251897 N: 8074288 Z: 1365m

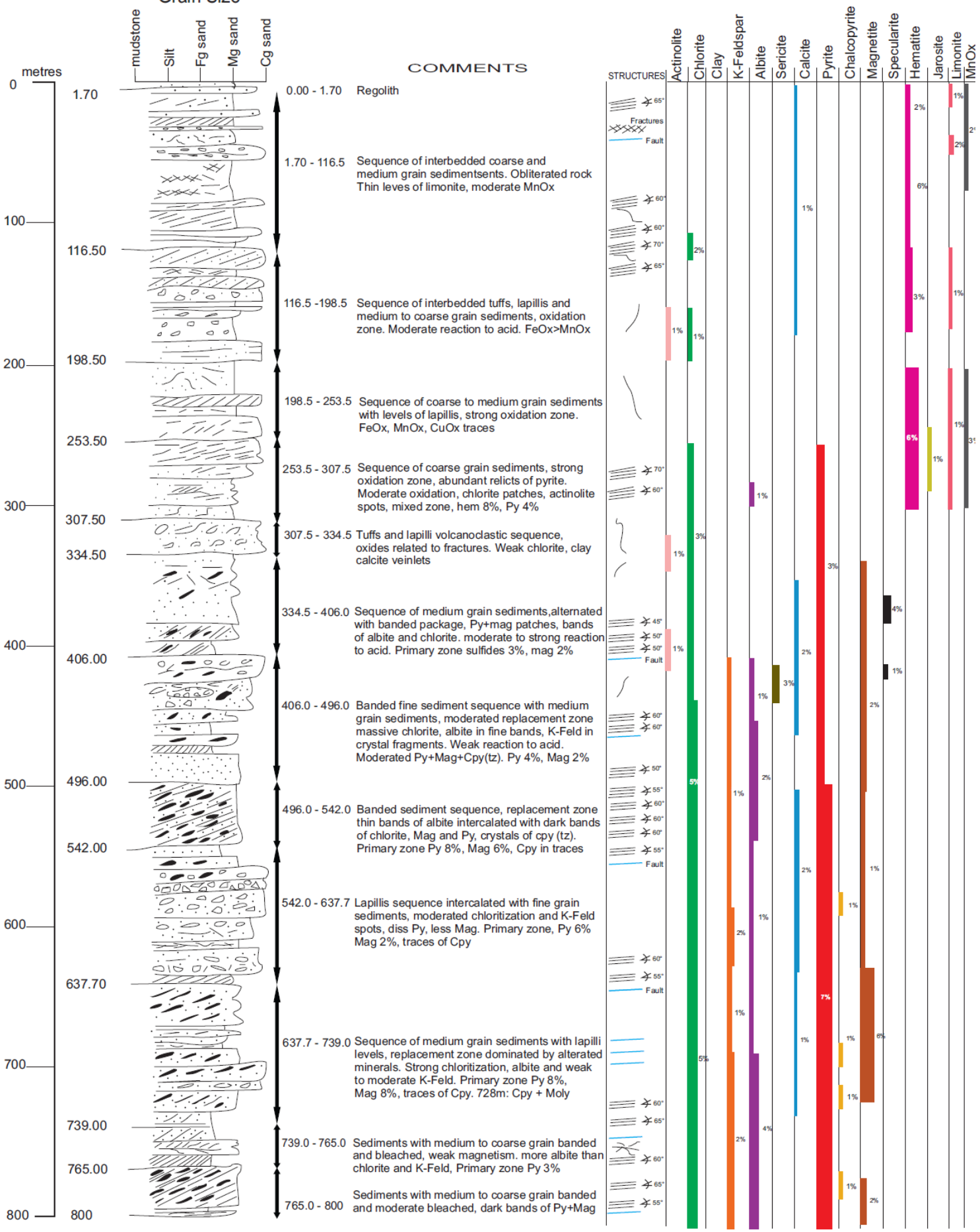
Azimuth: 225°, Dip: -70°, Depth: 800 m



IN-018

E: 251756 N: 8074946 Z: 1366m

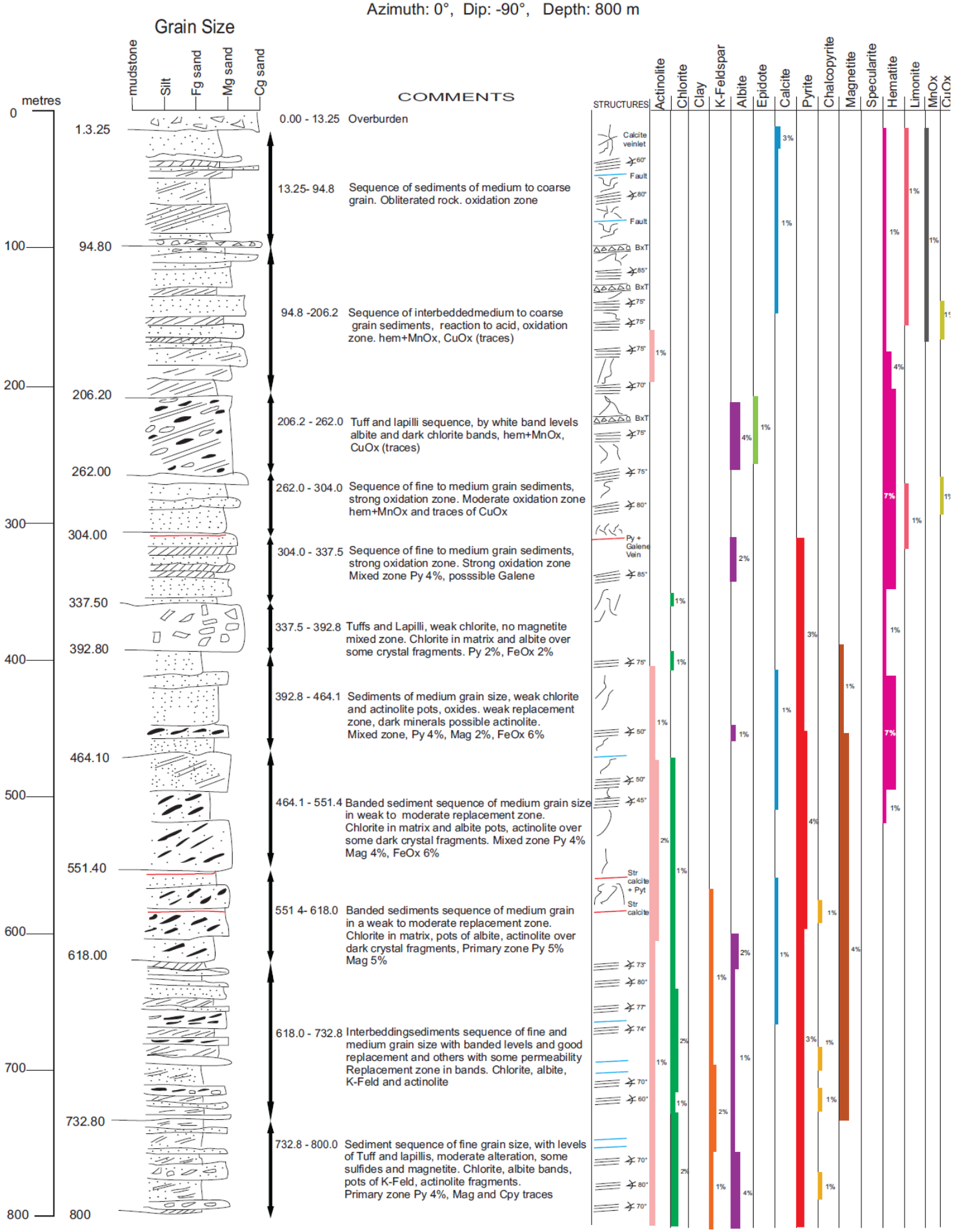
Azimuth: 0°, Dip: -90°, Depth: 800 m



IN-019

E: 252031 N: 8074671 Z: 1357m

Azimuth: 0°, Dip: -90°, Depth: 800 m



APPENDIX 2

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of the above diamond drilling results at the Ilo Norte Project, comprising the Peruvian Mining concessions: Latin Ilo Norte 1, Latin Ilo Norte 3, Latin Ilo Norte 4, Latin Ilo Norte 5 and Latin Ilo Norte 6 totalling 4,300 hectares .

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• A total of 800 m of diamond drill core from each of hole numbers IN-009, IN-010, IN-011, IN-012, IN-013, IN-014, IN-015, IN-016, IN-018 and IN-019 are the subject of this announcement. • The core has been sampled by the project operator using hydraulic cutters that effectively break the core in half down the axis of the core. This core sampling method was used to avoid loss of brittle copper bearing minerals such as coarse chalcopyrite, chalcocite and covellite that can occur by wet diamond saw methods. Half core samples over three metre intervals were bagged for dispatch to SGS laboratories in Peru. • Laboratory analysis consisted of jaw crushing of sample received, splitting and pulverizing of a 200 g sub sample which was subsequently analysed for Au by 30 g fire assay, Cu, Zn and 34 other elements by ICP-AES following a four acid digest. Over range Fe was confirmed titrimetrically, and over range Cu and Zn by AAS on the same four acid digest. • The drill hole locations were determined by hand held GPS. • Drill core for all holes above has been photographed and logged for lithology, alteration and mineralisation style. Summary logs for IN-009, IN-010, IN-011 and IN-012 were reported in a previous announcement. Summary logs for IN-013, IN-014, IN-015, IN-016, IN-018 and IN-019 are included in this announcement in Appendix 1. Intersections using a 0.1% Cu and 0.1% Zn cut-off are included in Appendix 1.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core*	• The drilling that is subject of this announcement is standard tube diamond core drilling which has been drilled using HQ (63.5mm), NQ (47.6mm) and in one hole BQ (36.5mm) for the last 88 metres. Depths to which different

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	is oriented and if so, by what method, etc.).	core barrel diametres were used in each hole are detailed in Table 2 in Appendix 1 of the announcement. The core is not oriented.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core barrel length and core length measurements were made. No significant core loss was experienced. • No significant core loss was experienced. • No significant core loss was experienced; hence no relationship between sample recovery and grade could be established.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Drill core from IN-009, IN-010, IN-011, IN-012, IN-013, IN-014, IN-015, IN-016, IN-018 and IN-019 was logged for lithology, alteration, mineralisation and structure by senior geologists on site. Summary Logs for IN-009, IN-010, IN-011 and IN-012 were reported previously and summary logs for IN-013, IN-014, IN-015, IN-016, IN-018 and IN-019 are reported in Appendix 1. • Logging was qualitative and quantitative, photographs were taken of all core in boxes and of specific intervals of interest in greater detail. • 100% of the core from IN-009, IN-010, IN-011, IN-012, IN-013, IN-014, IN-015, IN-016, IN-018 and IN-019 referred to in this announcement was photographed and logged as above. Core from IN-0017 and IN-020 will be logged in detail in due course.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The core has been sampled by the project operator using hydraulic cutters that effectively break the core in half down the axis of the core. This core sampling method was used to avoid loss of brittle copper bearing minerals such as coarse chalcopyrite, chalcocite and covellite that can occur when using wet diamond saw methods. Half core samples over three metre intervals were bagged for dispatch to SGS laboratories in Peru using industry standard chain of custody procedures. Core sampling procedures have been inspected regularly by Latin geologists and found to be consistent and representative. • The three metre, half core samples were submitted to SGS Peru and following standard sample preparation techniques were crushed to ¼ inch and riffle split to obtain 250 g for pulverizing and subsequent analysis, appropriate for the mineralisation style. • Second half analyses were undertaken one in forty samples. Results are considered sufficiently precise to validate sample representativity.

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Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Analytical techniques and procedures are appropriate for the style of mineralisation. Au by 30g fire assay is considered total, and Cu/Zn +34 other elements by ICP-AES following a 4 acid digest is also considered total for Cu and Zn considering the minerals present. Over range determinations of Cu/Zn by AAS and Fe by titrimetric methods were employed where necessary. • QA/QC procedures are considered appropriate with blanks and half samples inserted approximately 1 in 40 samples each and standards inserted approximately 1 in 20. Laboratory duplicates were also undertaken approximately 1 in 40 samples. Acceptable precision and accuracy were obtained from analysis of results.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No independent verifications of intersections have been made at this time • No twin holes have been undertaken at this time. • Sample data recorded in the field was data entered into excel spreadsheets and verified and cross checked electronically against assay reports from the laboratory. • Logging data was data entered into excel spreadsheets and subsequently cross checked against hand drawn summary logs that were also drafted into presentation format using drafting software. • All data is stored electronically in Company server based file system with regular off site back-ups.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars were located using hand held GPS. • Coordinates reported in this announcement are in UTM WGS84 • Altitude of drill collars was extrapolated from their GPS location against 1:5000 scale Digital Terrain Model generated from digital photogrammetric restitution of ortho-rectified 1:20,000 scale aerial photography using industry standard techniques including ground control. Topographic control is considered adequate for this initial phase of exploration.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	• The exploration results reported in this announcement are from 6 drill holes approximately 400 m apart and angled 70 degrees along three sections which allowed the shallow dipping volcano-sedimentary rocks to be cut almost perpendicular to their dip. It is apparent that some degree of geological overlap will be achieved between these holes to be assessed in

Criteria	JORC Code explanation	Commentary
		future interpretation of results. Results are also reported from a further 6 holes that were drilled vertically, again approximately 400 m apart (for hole location and dip relationships see table 2 and figure 1 in Appendix 1 and the body of the announcement respectively). These holes were drilled to obtain maximum depth penetration.
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Results from the drill holes subject to this announcement are considered insufficient to undertake a mineral resource estimate. Any future drilling will be planned using the spacing required for any Mineral Resource estimation. • Aside from the 3m sample interval described above, no other sample compositing was undertaken.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• The drill holes subject of this announcement were planned to intersect as perpendicular as possible a geophysical chargeability anomaly and the dip of volcano-sedimentary rocks bearing replacement style mineralisation to the south east as mapped in outcrop. Target depth of the chargeability anomaly has been reached, and sulphide mineralisation would appear to explain the anomaly. The strataform replacement style mineralisation observed in the drill core suggests that the host volcano-sedimentary rocks intersected by the drilling dip consistently with rocks of a similar package observed in outcrop to the south east.
	• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Geological information to date suggests that there is likely to be some sampling bias in relation to the high grade mineralisation observed to date considering this was intersected by vertical and inclined holes. The structural zones that are mineralized are likely to be steeply dipping, thus intersections are possibly longer than the true width of the mineralisation, although the extent of bias is unknown. Determination of the true width of mineralisation would be part of the objectives of future drilling to better define the mineralisation encountered.
Sample security	• *The measures taken to ensure sample security.*	• Sample security is being managed by the project operator to the satisfaction of the Company and is in line with Industry best practice.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits have been undertaken to date.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	• The Ilo Norte project comprises 5 titled Peruvian mining concessions: Latin Ilo Norte 1, Latin Ilo Norte 3, Latin Ilo Norte 4, Latin Ilo Norte 5 and Latin Ilo Norte 6 totaling 4,300 hectares and one Peruvian mining claim pending title: Latin Ilo Norte 2 totaling 1,000 hectares. These concessions and claim are located as a block on the map in the body of the announcement (Figure 3). The Company's 100% owned subsidiary, Peruvian Latin Resources S.A.C. (PLR) holds title inscribed in the Peruvian public mining registry and according to agreements finalised 27 December 2013, PLR has assigned rights to Compañia Minera Zahena S.A.C. along with an earn-in option over 70% of the project subject to conditions announced 7 January 2014. Surface land rights are privately owned and valid agreements exist for the use of the land for the current exploration activities, including a good faith clause to negotiate conditions for future mining activities should this be required.
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The area of exploration interest is within the 5 titled mining concessions which are publicly registered and in good standing. The mining assignment and earn-in option agreement is also current and in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Prior exploration on the project was undertaken directly by the Company's 100% owned subsidiary according to the JORC (2004) code and has been reported previously in numerous announcements made by the Company during 2010, 2011, 2012 and 2013. No other exploration by other parties other than that subject of this announcement is known.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Ilo Norte project is host to strataform sulphide replacement (skarn) style mineralisation hosted in favorable beds within a NW striking, shallow dipping package of volcano-sedimentary rocks of Jurassic age that include andesitic volcanics and sandstones/siltstones. Silica-Albite alteration is extensive along a strike scarp that forms a steep slope to the south west of the area being drilled. Although no evidence has yet been obtained it is likely that a concealed intrusive source for the mineralizing fluids may be discovered as the heart of the alteration system. High grade mineralisation has been encounted in discordant structures relative to the replacement

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		style mineralisation and represents a significant target for future drilling.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.*	• Detail of the information relating to the drill holes subject of this announcement are given in Appendix 1 (Table 2). Locations of the drill holes are also marked on a map (Figure 1) which places them in context with previously released exploration results according to the JORC code (2004 edition). Down hole intersections using 0.1% Cu/Zn cut-offs have been reported in Appendix 1 with the corresponding, uncut gold grade for the intersection.
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Not applicable, the information has been provided above.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	• Reported intersections have been determined using 0.1% Cu and 0.1% Zn cut off's as appropriate for each metal, no high grade cut has been used.. Average gold content of the Cu and/or Zn intersections has been included without high or low cut-off grades. Intersections reported are down hole and are simple averages of sample intervals of equal length, thus no weighting is necessary.
	• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	• Intersections that include a significantly higher grade portion within the overall intersection have been reported in an appropriate manner to demonstrate such variability.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable – no metal equivalents were mentioned in this announcement.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The high grade mineralisation reported in this announcement was intersected by both vertical and inclined holes. The structural zones that are mineralized are likely to be steeply dipping, but their orientation is as yet unknown, thus intersections reported are likely to be longer than the true width of the mineralisation. Determination of the true width of mineralisation would be part of the objectives of future drilling to better define the mineralisation encountered..

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Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate maps are included in the body of the announcement to show the location of the drill holes subject of the announcement and their relationship to previously announced geophysical and geochemical targets. • All intersections using a 0.1% cut off for Cu and Zn as appropriate with corresponding average Au content have been tabulated in Appendix 1, with the highest grade intersections summarized in Table 1 in the body of the announcement. • Sections will be prepared and reported once all information from the current drilling program has been obtained (results and logging of two additional holes).
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The reporting of exploration results, geological information, alteration and mineralisation from the drilling and the summary of mineralised rocks encountered in the holes is considered balanced.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• This announcement places the drill holes subject of the announcement in context with previously reported geochemical, geophysical and geological results and interpretations.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The results reported in this announcement highlight the existence of high grade Copper mineralisation associated with discordant structures and veins relative to the extensively and intensely altered package of volcano-sedimentary rocks that would appear to be the source of the geophysical (chargeability) anomaly.. Given the size of the target area, (that has been extensively reported previously), and the earn-in agreement in place, it is anticipated that further drilling within the scope of the agreement will be undertaken to further test the extent of the high grade mineralisation, although the nature and extent of further exploration depends on the project operator.