

9 July 2014

DRILLING PERMIT APPROVED FOR ILO ESTE DRILLING TO COMMENCE

Highlights

- **Drilling Permit (DIA) approved by Peruvian Ministry of Energy and Mines to allow drilling to commence at Ilo Este**
- **Ilo Este is a significant Copper-Gold Porphyry system with recent rock chip and soil samples showing high anomalous values of up to 8.4%, (announced 29 April 2014).**
- **81 rock chip samples ranging from 0.002 % to 0.37 % Cu with an average of 0.15 % Cu excluding three high grade results of 0.82 %, 1.1 % and 8.4 % Cu. 67 soil samples ranging from 0.001 % to 0.31 % Cu with an average of 0.039 % Cu, (announced 29 April 2014).**
- **Mobilization of drilling equipment anticipated early August 2014.**
- **Drilling to commence on the first (northern) of two exposed mineralised porphyry belts, each 1.5 km x 0.5 km, within previously reported 3km² surface copper anomaly.**
- **14 km of access roads from the Pan-American Highway are in good condition and provide access to planned drill sites with minimum maintenance.**
- **The mineralised system is 6 km from the Pan-American Highway, a Railway Line and an Electrical Substation, and from there 32 km to the Port of Ilo.**
- **Over 560,000 tonnes per annum copper production and 125 billion pounds of copper in published resources and reserves within 130 km of Ilo Este**

Latin Resources Limited (ASX: LRS) ("Latin" or "the Company") is pleased to announce approval of the Ilo Este drilling permit by the Peruvian Ministry of Energy and Mines.

The Company has immediately requested authorisation for commencement of exploration activities from the same Government entity, which is expected within the prescribed 20 day period.

Once authorised, the Company anticipates mobilisation of equipment to site early August.

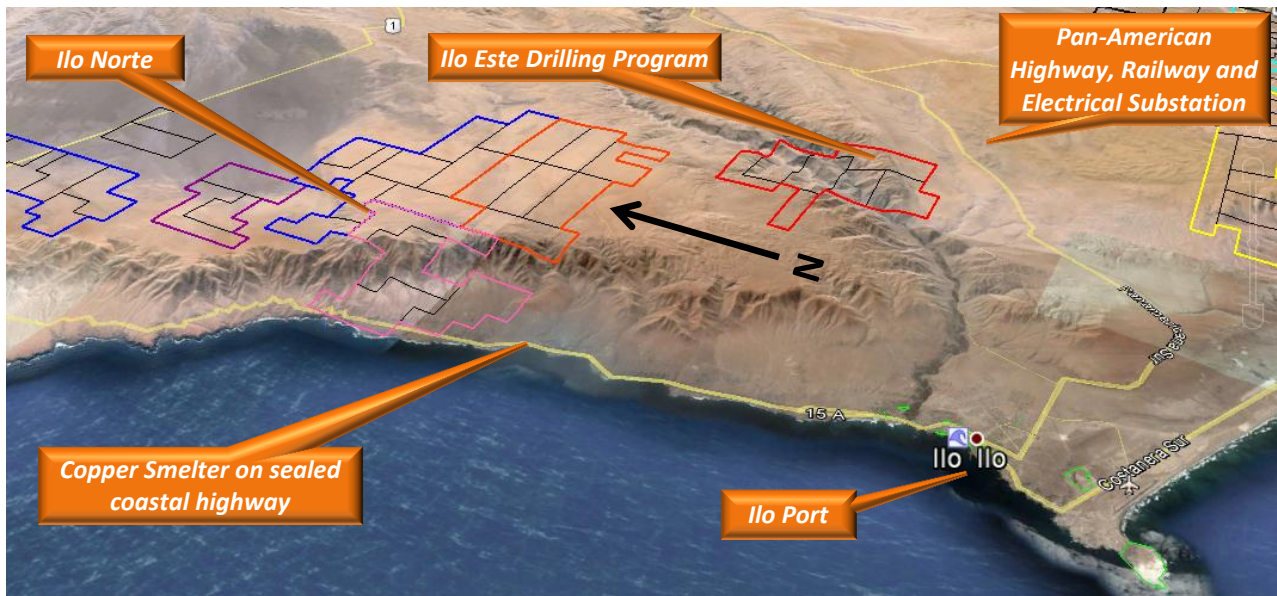


Figure 1– View of southern coast of Peru around Ilo with Latin’s concessions outlined. Ilo Este is 6 km from the Pan-American Highway, railway and electrical substation and a further 32 km to the port city of Ilo.

Drilling Program

Latin has permitted 13 diamond drill holes of between 800 m and 1000 m depth, each angled at 60 degrees in order to cut across as much width as possible of the two mineralised porphyry belts while taking advantage of the access provided by existing tracks and topography (Figure 3).

In the first phase of drilling a total of four holes in the northern belt will be completed with results determining how the program will continue.

Southern Peru’s Prolific Copper District

The Western flanks of the Andes in Southern Peru host a number of Tier one Porphyry copper deposits including Cerro Verde (4Bt @ 0.39% Cu, 0.01% Mo), Toquepala (3.4Bt @ 0.47% Cu, 0.023% Mo) and Cuajone (2.4Bt @ 0.48% Cu, 0.017% Mo), each of which produced 261,348, 136,135 and 171,545 tonnes of copper respectively in 2013, and together accounted for over 40% of Peru’s 2013 copper production.

In addition the Quellaveco (947Mt @ 0.63% Cu, 0.02% Mo), Tia Maria (639Mt @ 0.39% Cu, 0.19 g/t Au), and Los Calatos (1.4Bt @ 0.47% Cu, 0.023% Mo) projects are under development (Figure 2).

All these projects are within 130 km of Ilo Este.

Latin’s Managing Director Chris Gale said: “ Ilo Este is a 100% owned project of Latin Resources and potentially a company maker project if we achieve positive drill results .Therefore ,we are extremely pleased to be preparing to drill Ilo Este in the next few weeks which we are confident will add significant value to the Company going forward.”

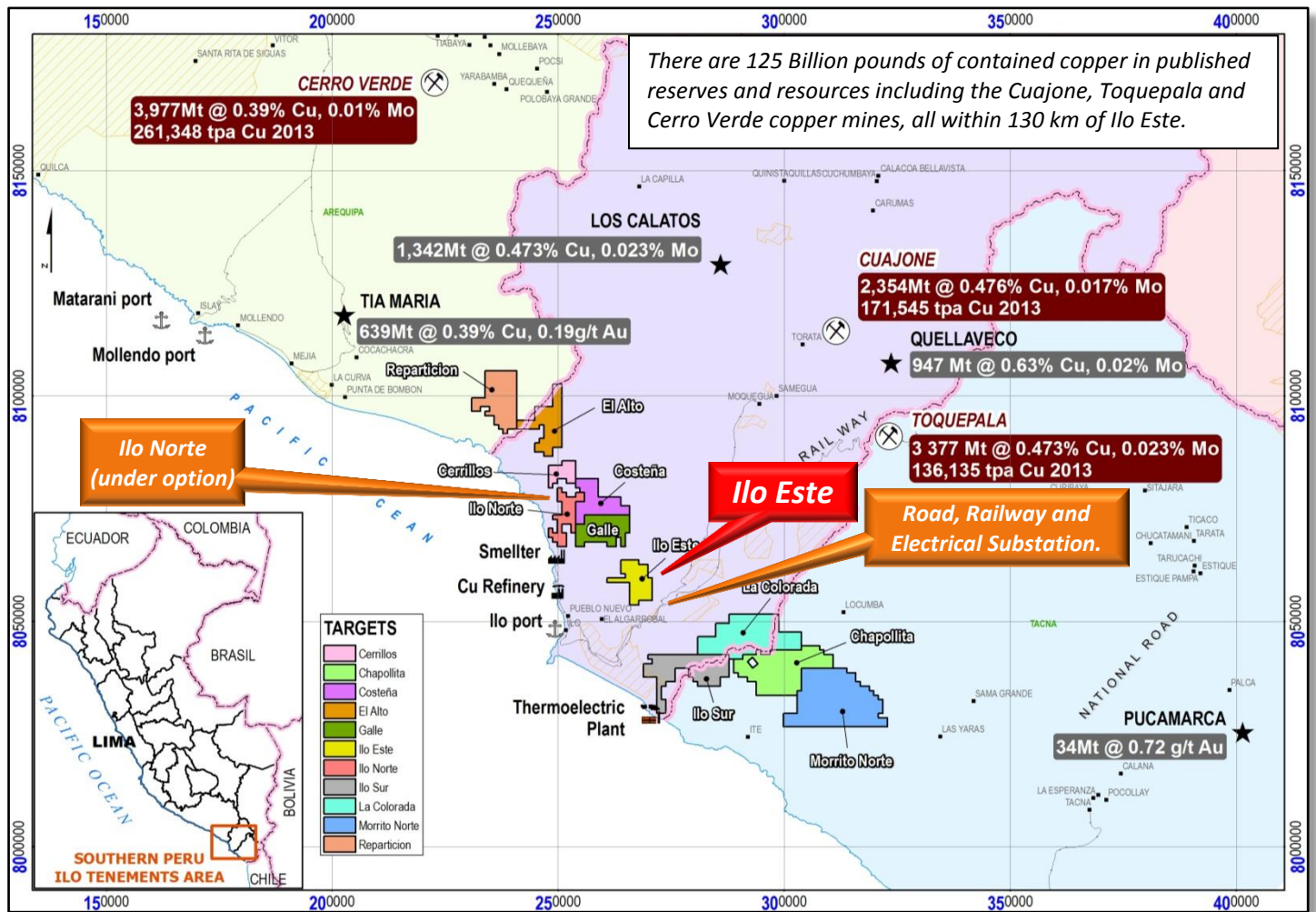
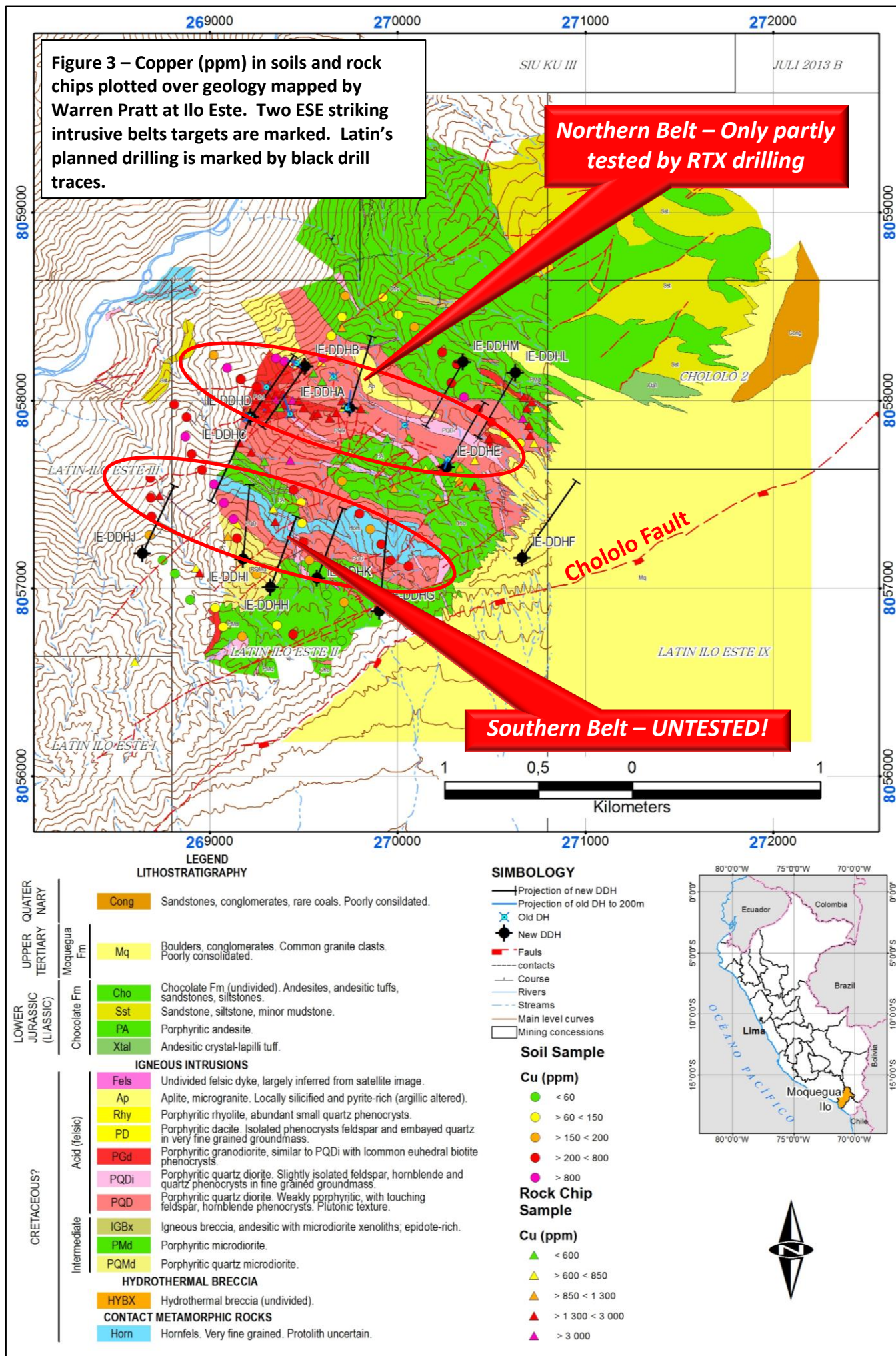


Figure 2 – Location of Ilo Este Project and 10 other target areas within Latin's over 100,000 hectare concession holding in the prolific Southern Peru copper district.



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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.

Competent Persons Statements

The information in this report that relates to geological and geochemical data and exploration results 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.

The information in this report that relates to geological and alteration mapping of the Ilo Este Porphyry System is based on a separate report supplied by Dr Warren Pratt (CGeol), a Competent Person who is a Fellow of the Recognised Overseas Professional Organisation "Geological Society of London" and a Director of Geological Mapping Limited, and has no affiliation with Latin Resources Limited other than as a consultant. Dr Pratt 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Dr Pratt consents to the inclusion in this report of the matters based on his report in the form and context in which they appear.

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