

23 October 2014

DRILLING TO CONTINUE AT ILO NORTE

Highlights:

- Earn-In operator Zahena to continue drilling with 14 new holes permitted for a total of 6800 m.
- 12 holes for 9600 m were completed earlier in 2014, a year ahead of schedule.
- The first new hole will follow up an intersection of 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), reported in June.
- Other holes planned to follow up additional high grade copper intersections reported in June, and to test structural target to the North East of drill pattern.
- Best intersections reported in June:

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 %	0.12
Incl.	300	306	6	3.1 %	0.45

Intersections are down-hole, true width unknown.

- 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 Compañía Minera Zahena S.A.C. ("Zahena") has mobilised drilling equipment following the approval of permit modifications to drill more holes at the Ilo Norte Project in Peru.

The drilling permit modifications allow for the drilling of up to 14 new holes off existing drill platforms IN-019, IN-018, IN-016 and IN-012 located in the North Eastern part of the drill pattern completed in June (Figure 1).

The first hole will be drilled from the platform of hole IN-019 (drilled vertically earlier in the year) towards the North East at 65 degrees to a planned depth of 1000 m and is designed to intersect the extension of the mineralised structure intersected in IN-019 (30m @ 0.93% Cu and 0.12 g/t Au from 282m including 6m @ 3.1% Cu and 0.45 g/t Au from 300m). In addition, this hole aims to intersect a major North West trending structure passing the IN-019 platform approximately 300 m to the North East, believed to be an important control of mineralisation intersected to date, and a possible host for more potent ore zones. The presence of more potent mineralisation to the North East of the area drilled to date is further supported by an overall increase in copper and molybdenum content in the drill holes towards IN-019.

Additional holes are planned to determine the extent and geometry of the other high grade intersections, and also to test the same major North West trending structure as it passes to the North East of Hole IN-018, that was also drilled earlier in the year (vertical).

Latin Resources managing director Chris Gale said: *"We are extremely pleased that drilling will continue at Ilo Norte, testimony to the dedication of Zahena and their shared belief in the potential of the Project."*

He added, *"We are extremely encouraged by the previous drilling results at Ilo Norte and that additional drilling by our partner Zahena will unlock considerable value for the Company as the geometries of the mineralised structures within the IOCG style alteration halo are better understood."*

At least 3 km² of intense alteration (Magnetite-Pyrite-Albite-Kspar) has been defined between Latin's drilling in 2011 and the drilling undertaken earlier in 2014, and adds weight for the potential to discover significant high grade mineralisation within the overall alteration envelope, in particular towards the North East of the area drilled which is completely obscured by recent cover.

The significance of such 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.

Significant infrastructure is also on the doorstep of Ilo Norte, with the sealed coastal highway only 5 km to the South West of the drilling area, a major copper smelter 10 km to the south, with the port city of Ilo only another 15 km south from the smelter.

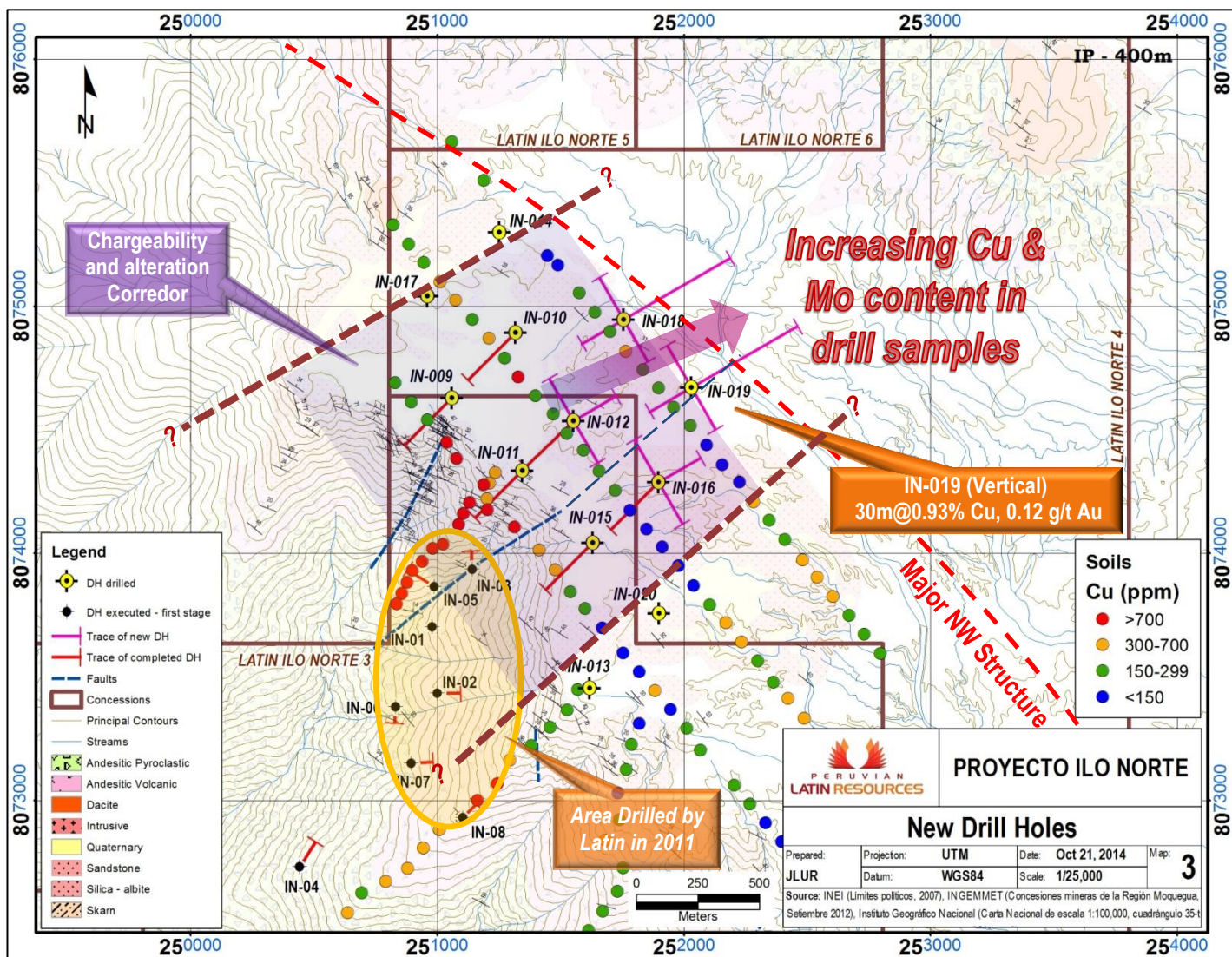


Figure 1 – Map of Ilo Norte showing geology and topography as a base with soil geochemistry superimposed. Drill holes IN-009 through IN-020 have been completed and the traces of new holes planned are marked in magenta from the platforms of IN-012, IN-016, IN-018 and IN-019. Geochemistry of drill samples shows an increase in Cu and Mo content in a NE direction towards Hole IN-019.

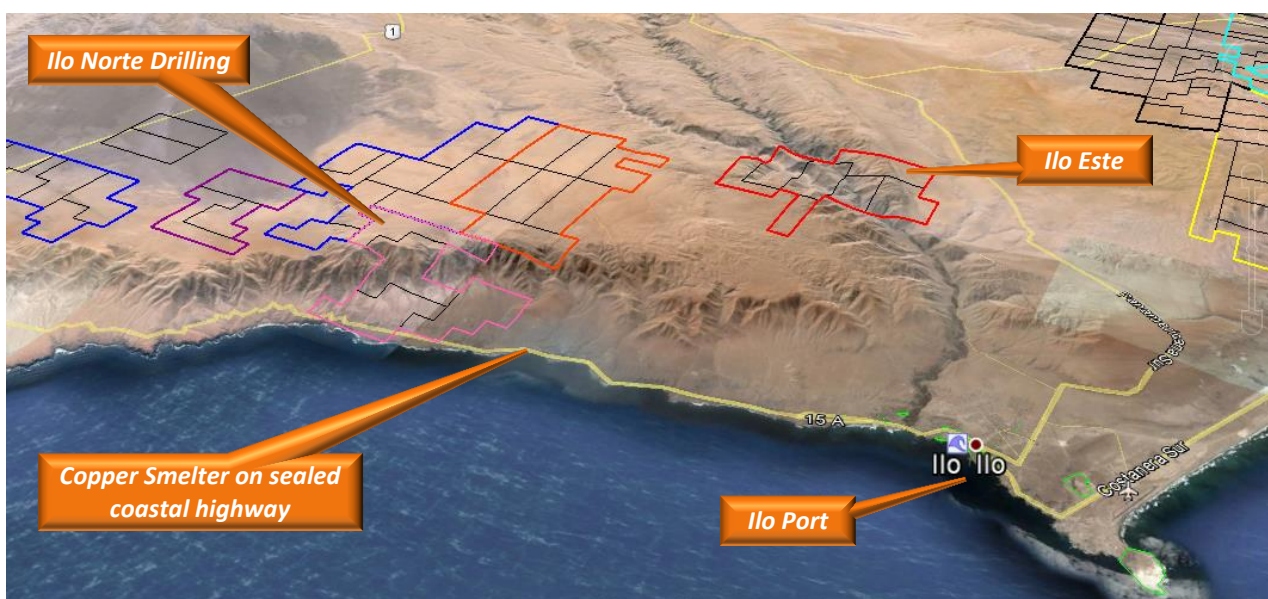


Figure 2 – View of southern coast of Peru around Ilo with Latin's concessions outlined. Ilo Norte is 5 km to the sealed coastal highway, 10km to a major copper smelter and 25km to the port city of Ilo.

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 Cuacone, 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 1). 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 was not unreasonable to expect better results within the heart of the alteration system, such as those reported from more recent drilling including 30m @ 0.93% Cu and 0.12 g/t Au from including 6m @ 3.1% Cu and 0.45 g/t Au.

A geophysical survey completed in early 2013 defined a large (2000m by 800m) Induced Polarization (IP) anomaly. The anomaly is indicative of chargeable material within the alteration system which coincided with sulphides intersected by drilling in 2014, and which also hosted copper and gold bearing structures (Figure 1).

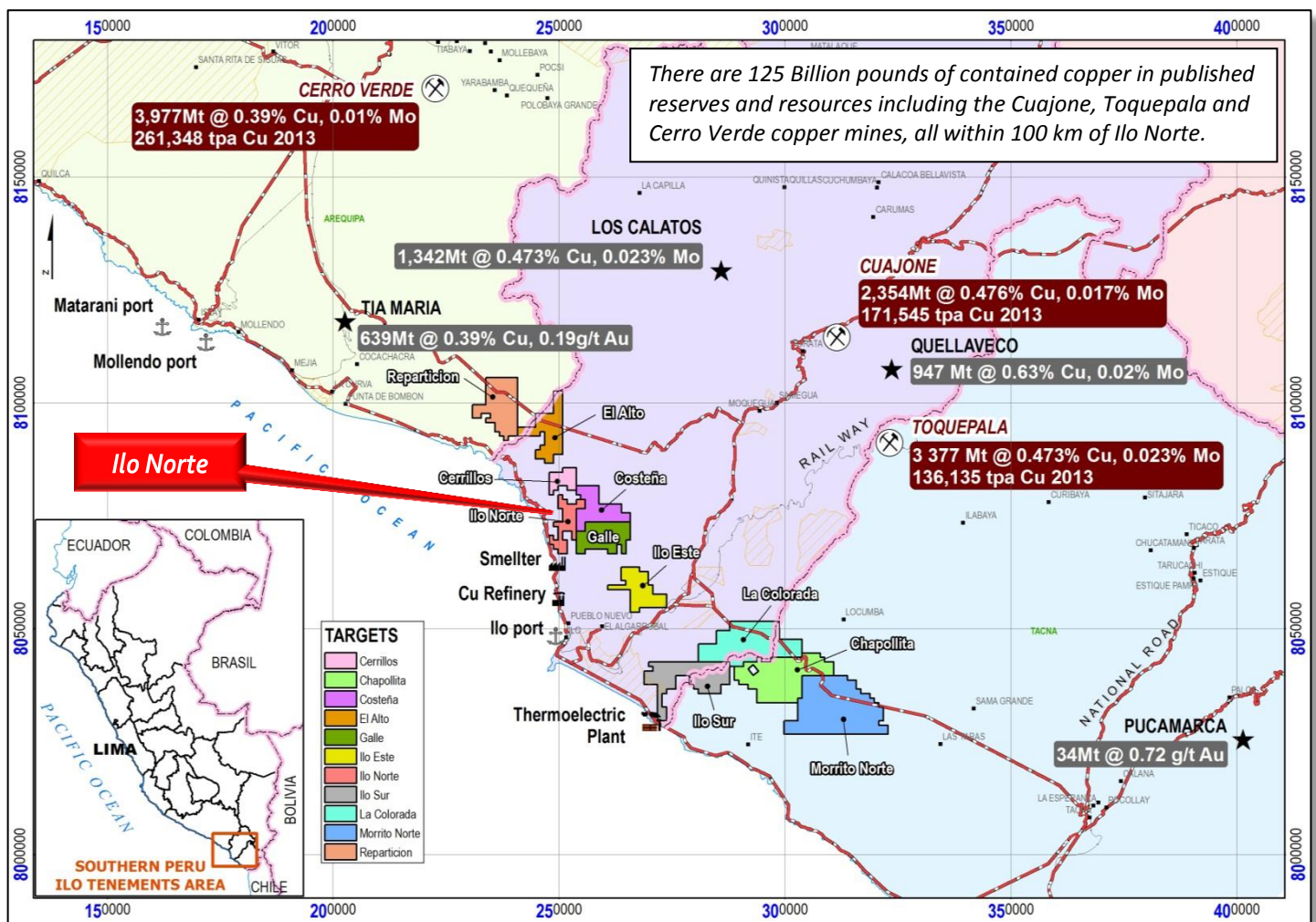


Figure 3 – Location of Ilo Norte Project and ten other target areas within Latin's over 100,000 hectare concession holding in Southern Peru.

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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 (Andalusite) 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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