

7th October 2020

LAND ACCESS AGREEMENT SIGNED, DRILL PROGRAM PREPARATIONS UNDERWAY FOR NOOMBENBERRY HALLOYSITE KAOLIN PROJECT, WA

HIGHLIGHTS

- Key Landholder access agreement signed for the Noombenberry Halloysite Kaolin Project
- Preparations for the maiden drilling program, designed to outline the scope of Halloysite-Kaolin mineralisation, are well underway
- Initial test work on surface samples has confirmed the presence of halloysite mineralisation on the project, with results showing up to 15% by weight in the 45 – 180um size fraction



Figure 1 - SEMs of <45 micron fractions showing halloysite tubes and kaolinite plates from Noombenberry surface samples

Latin Resources Limited (ASX: LRS) (“Latin” or “the Company”) is pleased to provide the following update on its various projects and ongoing exploration activities at its Noombenberry Halloysite Kaolin Project (“**NHKP**” or “**Noombenberry**”) in WA.

PROJECTS UPDATE

Noombenberry Halloysite Kaolin Project, WA

Land access agreements with key landholders have now been signed, providing for commencement of Latin’s maiden systematic drilling campaign at Noombenberry, located approximately 300km to the east of Perth, Western Australia. (*Figure 2*).

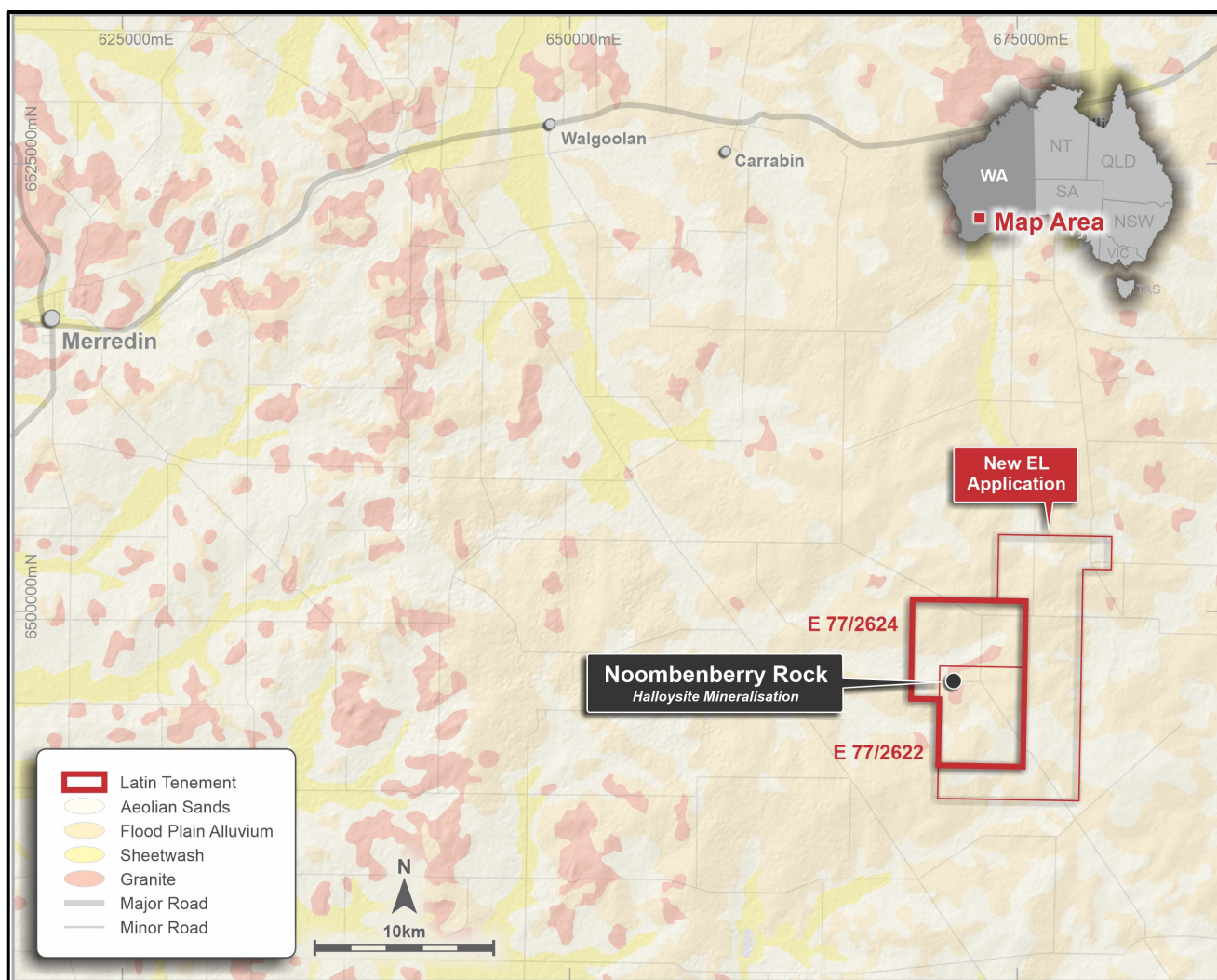


Figure 2 – Noombenberry Project Location map

The Company plans to complete a systematic first pass, shallow air-core drilling program at the **NHKP**. The aim of the drilling, which will comprise approximately 200m spaced vertical, shallow (>50m) air-core drill holes (*Figure 3*), is to ascertain the extent and material characteristics of the Halloysite mineralisation within the project area.



Figure 3 – Noombenberry Project showing proposed air-core drill sites

Pending receipt of final Program of Work (“**POW**”) approvals from the WA Department of Mines, Industry Regulation and Safety (“**DMIRS**”), Latin anticipates undertaking this maiden air core exploration drilling in the current quarter.

Analysis of surface samples collected as part of a reconnaissance mapping exercise in late 2019 have returned very encouraging results, with one site, **“Location 4”** (Figure 4 and Figure 5) returning results of **38.9% Kaolinite, 15% Halloysite** and 31.8% K-feldspar from the 45-180 micron fraction¹. These surface sample grades provide encouragement for the potential for high grade halloysite kaolin at Noombenberry, which has a higher market value for broad industrial applications than the more commonly occurring kaolin without the presence of halloysite, which has a lower value market application for paper product manufacture.

These samples were previously reported after Scanning Electron Microscopy (**“SEM”**), analysis by First Test Minerals (**“FTM”**)¹, identified halloysite occurrence within the kaolinite (Figure 1). FTM have been established in kaolin mineral analysis for over 30 years.



Figure 4 – Surface samples collected from Noombenberry Project sent for analysis at First Test Minerals



Figure 5 – Erosional gully exposing outcropping kaolinitic profile at surface

¹ Refer to ASX announcement dated 20 November 2019 and 22 January 2020, for sampling details and results

Noombenberry, which also hosts kaolin, presents a particularly compelling opportunity for Latin with halloysite being a globally scarce commodity with strong demand drivers.

The main markets for Halloysite are ceramics, batteries and super capacitors, the construction industry and the petroleum industry as a catalyst for fluid catalytic cracking.

There are also emerging markets developing such as nanotube technologies and cancer therapeutics.

Potential low-cost operation

The 117 square kilometre project is less than 300 kilometres east of Perth and covers two contiguous granted tenements, E77/2622 and E77/2624 and one new tenement application (E77/2719).

All services required for a potential low-cost mining operation are in close proximity with minimal ground disturbance required, while Fremantle Port is easily accessible via the Great Eastern Highway. The company believes there is a potential opportunity once a resource is defined to move the project into a feasibility study then production on the back of positive results from drilling. The price of both Kaolin and Halloysite has been rising with commercial grade kaolin selling for up to AUD\$600 per tonne² and high grade halloysite selling for up to AUD\$4000 per tonne².

The objective of the company is to complete drilling in the December quarter along with assay results then define a JORC resource in March Quarter of 2021.

Managing Director Chris Gale commented, “We are extremely pleased to have the support of our key landholders for our Noombenberry Halloysite Kaolin Project here in Western Australia. We are gaining momentum toward the commencement of our maiden drilling campaign on the project, with our geological team working hard to secure suitable drilling contractors and making final preparations for the impending program, while we wait for the final regulatory approvals. High grade Halloysite Kaolin producers globally are in decline and the product is finding more uses in both technology applications such as EV batteries, medical applications and as well as industrial storage of carbon and hydrogen and as a concrete additive. Hence we are fairly excited to be beginning exploration of this potentially significant project.”

For further information please contact:

Chris Gale
Managing Director
Latin Resources Limited
+61 8 6117 4798

Peter Taylor
Investor Relations
NWR Communications.
P: +61 412 036 231

info@latinresources.com.au

www.latinresources.com.au

² Refer Andromeda Metals Ltd (ASX: ADN) Investor Presentation dated 11 September 2020

About Latin Resources

Latin Resources Limited (ASX: LRS) is an Australian-based mineral exploration company with several mineral resource projects in Latin America and Australia. The Australian projects include the Yarara gold project in the NSW Lachlan Fold belt, Noombenberry Halloysite Kaolin Project near Merredin, WA, and the Big Grey Project in the Paterson region, WA.

The company is also actively progressing its Copper Porphyry MT03 project in the Ilo region with its joint venture partner First Quantum Minerals Ltd. The Company recently signed a JV agreement with the Argentinian company Integra Capital to fund the next phase of exploration on its lithium pegmatite projects in Catamarca, Argentina.

Forward Looking Statement

This ASX announcement may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Latin Resources Ltd.'s current expectations, estimates and assumptions about the industry in which Latin Resources Ltd operates, and beliefs and assumptions regarding Latin Resources Ltd.'s future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Latin Resources Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this ASX announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Latin Resources Ltd does not undertake any obligation to update or revise any information or any of the forward looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.

Competent Person Statement

Information in this ASX release that relates to Exploration Results and Exploration Targets is based on information completed by Mr Anthony Greenaway, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Greenaway is a full time employee of Latin Resources Ltd and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Greenaway consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

No new information that is considered material is included in this document. All information relating to exploration results has been previously released to the market and is appropriately referenced in this document. JORC tables are not considered necessary to accompany this document.