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ASX Announcement

LITHIUM EXPLORATION TO COMMENCE IN BRAZIL

HIGHLIGHTS

- **New exploration program to start on LRS 100% owned and optioned lithium tenements in the state of Minas Gerais.**
- **The assets collectively represent eleven tenements named the Salinas Lithium Project**
- **The Salinas Lithium Project hosts several mapped pegmatites and spodumene occurrences.**
- **Key objective is to define drill targets and to commence drilling Q2 2021.**

Latin Resources Limited (ASX: LRS) (“Latin” or “the Company”) is pleased to provide the following update on its lithium projects and ongoing exploration activities in South America.

Minas Gerais Lithium Projects, Brazil

The Company is pleased to advise that is going to commence significant exploration work on its lithium projects held by its 100% owned Brazilian subsidiary, *Mineracao Ferro Nordeste*, in the Jequitinhonha valley region of Minas Gerais which hosts the Eastern Brazilian pegmatite province, home to Sigma Lithium and lithium producer Companhia Brasileira de Lítio (CBL).

The Jequitinhonha valley is a highly underexplored region that currently contains 100% of the official lithium reserves of Brazil. Latin Resources has appointed local geologists to carry out field work to define drill targets on the Salinas tenements. Latin Resources geologists completed significant field work on the tenements in 2019 in which located several occurrences of spodumene never previously known or reported. Focus will be now given to the well advanced spodumene tenure which will allow the Company to rapidly drill test any potential lithium deposit and enable it to be quickly advanced to JORC compliancy.

The Company’s in country resources will be directed on the Brazilian lithium projects where Latin Resources believe they can effectively execute exploration programs to deliver positive news and results to its shareholders in a timely manner.

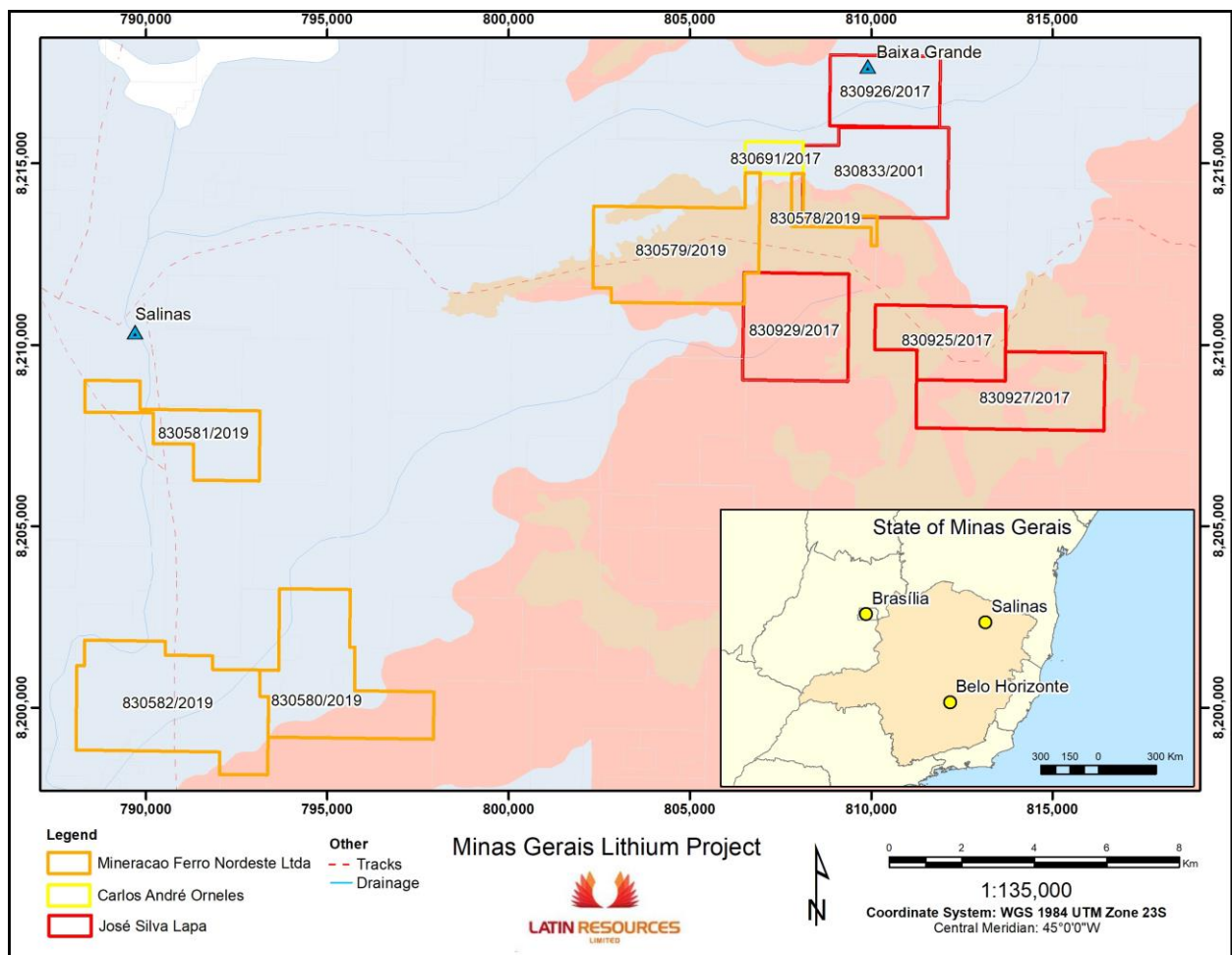


Figure 1 – Latin Resources (Mineracao Ferro Nordeste) tenements in North Western Minas Gerais, Brazil

The exploration program carried out by Latin Resources in 2019 showed numerous pegmatites were located hosted in schist and showed homogenous spodumene mineralisation. The pegmatites cross-cut the rivers with exposure in a general NNW trend and continued into the neighbouring tenement to the south. Further work on the pegmatites will now be followed up to determine their relationship to the Salinas main pegmatite which is 1.5km NE. The 600m distance between points in the west and points in the east showing spodumene mineralisation is a good sign for a potential continuous pegmatite field below surface.

In summary exploration work carried out in 2019 as follows.

- The largest exposure of pegmatite visited on the tenement displayed 12m of outcrop width.
- Visual estimation of up to 25% spodumene mineralisation.
- Discovery of new pegmatite’s occurrence showed consistent spodumene mineralisation.



Photo 1 – Weathered pegmatite with near-vertical crystal trend of spodumene.

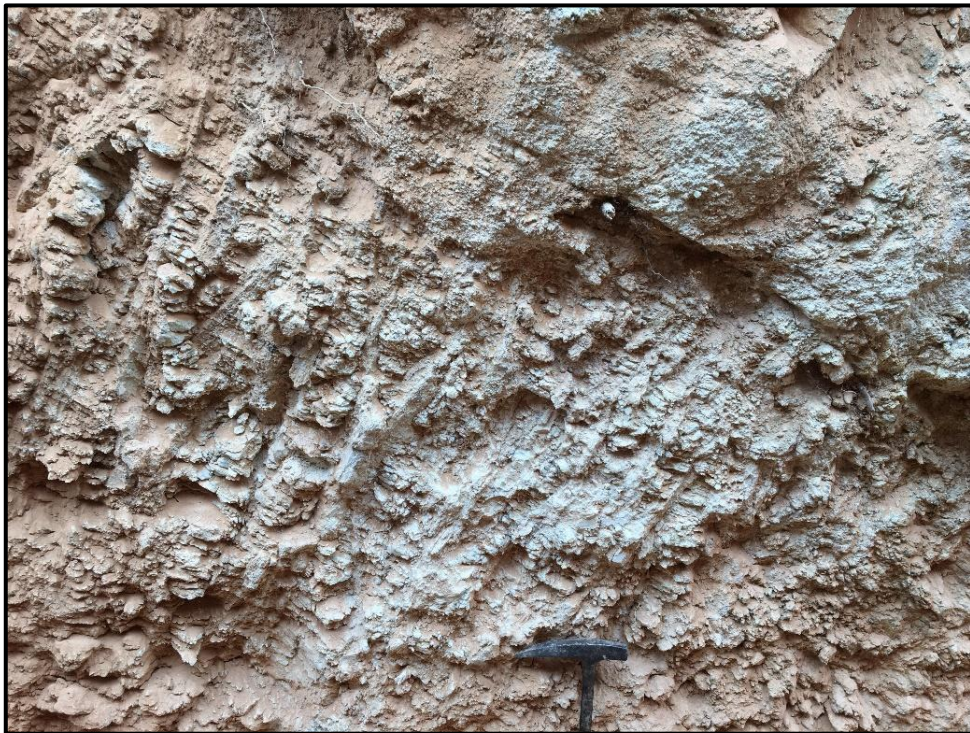


Photo 2 – Outcrop showing spodumene crystals in weathered pegmatite.

About Lithium in Minas Gerais, Brazil

Sigma Lithium (TSXV: SGMA) are the most active lithium explorers in the region with a world-class lithium resource base which currently stands at 45.7Mt @1.38% Li₂O¹. Sigma is focused on 10 high-grade hard-rock lithium pegmatites, nine of which were past-producing lithium mines, yet have reported over 200 pegmatites within their tenure. Sigma is now in pre-construction of its large-scale lithium concentration commercial production plant in Minas Gerais. Based on the Feasibility Study Report² the Commercial Production Plant will contemplate a capacity of 220,000 tonnes annually of battery-grade “green” lithium concentrate and Sigma will be amongst the lowest-cost producers of lithium concentrate globally.

Whilst not far away, CBL is actively mining spodumene pegmatites, producing a spodumene concentrate which is then transferred to a chemical plant in Divisa Alegre, Minas Gerais, where it is transformed into industrial grade lithium hydroxide.

Latin Resources is particularly excited by the opportunities this may present in the future for battery grade lithium hydroxide production.

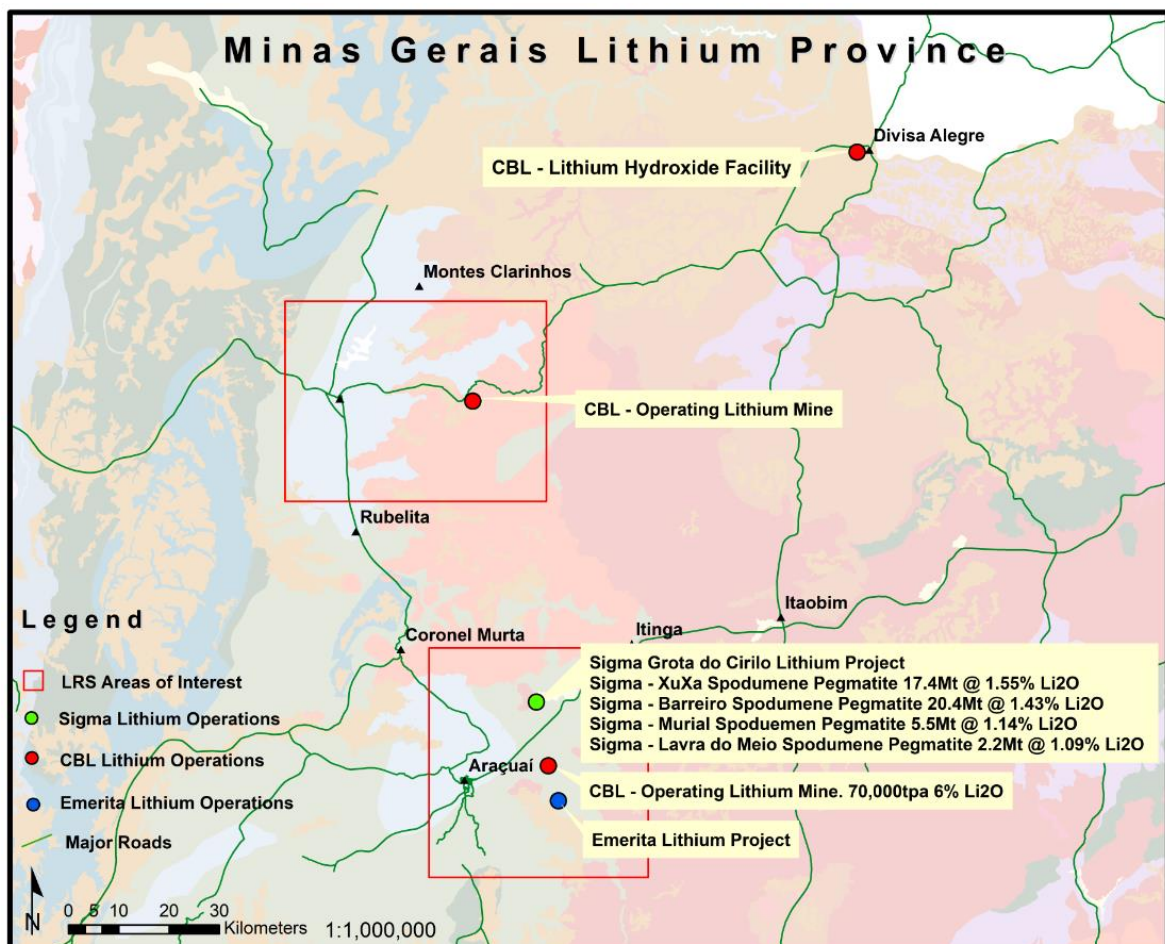


Figure 2 – Latin Resources Area of Interest. North Western Minas Gerais, Brazil

¹ Refer to Sigma Lithium TSX announcement “Sigma Lithium Triples Measured and Indicated Mineral Resources at Grota do Cirilo” - Dated 10.01.2019

² Refer to Sigma Lithium TSX announcement “Sigma Lithium Announces a Positive Feasibility Study with forecast LOM Net Revenue of US\$1.4 billion and EBITDA of US\$ 690 million for the high-grade, low-cost Xuxa Deposit” - Dated 01.10.2019



Figure 3 – CBL Underground Spodumene Mining Operation



Figure 4 – CBL Lithium Hydroxide Facility as seen from Google Earth, Minas Gerais, Brazil.

The state of Minas Gerais is well served by infrastructure, roads, hydroelectric power, water and the port of Vitoria in the neighbouring Espirito Santo State. The province is particularly efficient in its issuing of drilling permits and environmental approvals.

The province remains extremely prospective for lithium given the little amount of modern exploration investment.



Figure 5 – Latin Resources geologists identifying large spodumene crystals in an abandoned spodumene mine, Minas Gerais, Brazil in 2019.

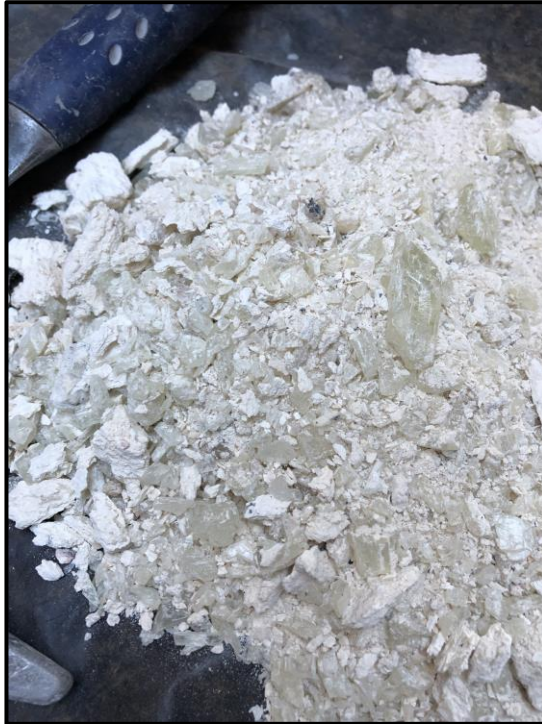


Figure 6 – Samples of spodumene that were sampled from pegmatite trenches, Minas Gerais, Brazil.

Integra Capital JV Update, Catamarca, Argentina

The joint venture between Latin Resources and Integra Capital is progressing well and exploration work will commence in the next quarter now that Covid restrictions are being lifted in the Province of Catamarca.

Integra will spend up to USD \$1 million (AUD \$1.4 Million) under the Joint Venture (“JV”) which will underpin an aggressive exploration program on the Catamarca concessions, with the initial aim of delivering a maiden JORC resource. Following the release of a maiden JORC resource on the projects, the joint venture focus will turn to project development, including feasibility, engineering and metallurgy studies to produce a lithium spodumene concentrate. Latin has already developed a high-level scoping study with consulting engineers Primero Group for the Argentinian lithium assets.

Under the JV, Latin will be free-carried through initial exploration with financing for the construction of the processing plant to be in line with percentage ownership between Integra and Latin of the project partnership at the time of the Final Investment Decision.

Executive Director Chris Gale commented, “We are extremely pleased to start work again on our very exciting Brazilian lithium projects. The work carried out in 2019 by our technical team have uncovered some wonderful opportunities in Brazil. The more we investigate Minas Gerais the more we get excited about the huge potential this underexplored region holds. This significant time and investment into Brazil marks the start of the Company’s lithium strategy to develop valuable lithium projects in a fantastic mining province. I am very confident that the Company can quickly and effectively execute exploration programs in Brazil which we hope will deliver positive news to its shareholders in a very timely fashion”.

This Announcement has been authorised for release to ASX by the Board of Latin Resources

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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, Noomberry Halloysite Project near Merredin, WA, and the Big Grey Project in the Paterson region, WA.

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.

The Company is also actively progressing its Copper Porphyry MT03 project in the Ilo region.

Competent Person Statement

The information in this report that relates to Geological Data and Exploration Results is based on information compiled by Mr Pedro Fonseca, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Fonseca has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Fonseca consents to the inclusion in this report of the matters based on his information, and information presented to him, in the form and context in which it appears.

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

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