

8 March 2017

## **POSITIVE ASSAYS RECEIVED FOR ANCASTI LITHIUM PROJECT, CATAMARCA, ARGENTINA**



Figure 1. Drilling at Campo el Abra

### **HIGHLIGHTS**

- **7m @ 2.17% Li<sub>2</sub>O intercepted at Reflejos del Mar**
- **First pass exploration drilling nearing completed at two of the first four targets**
- **Drilling now progressing well at Campo el Abra the third target**

Latin Resources Limited (ASX: LRS) (“Latin” or “the Company”) is pleased to announce that it has received the first analysis results from the reverse circulation drilling at its lithium project in Catamarca, Argentina.

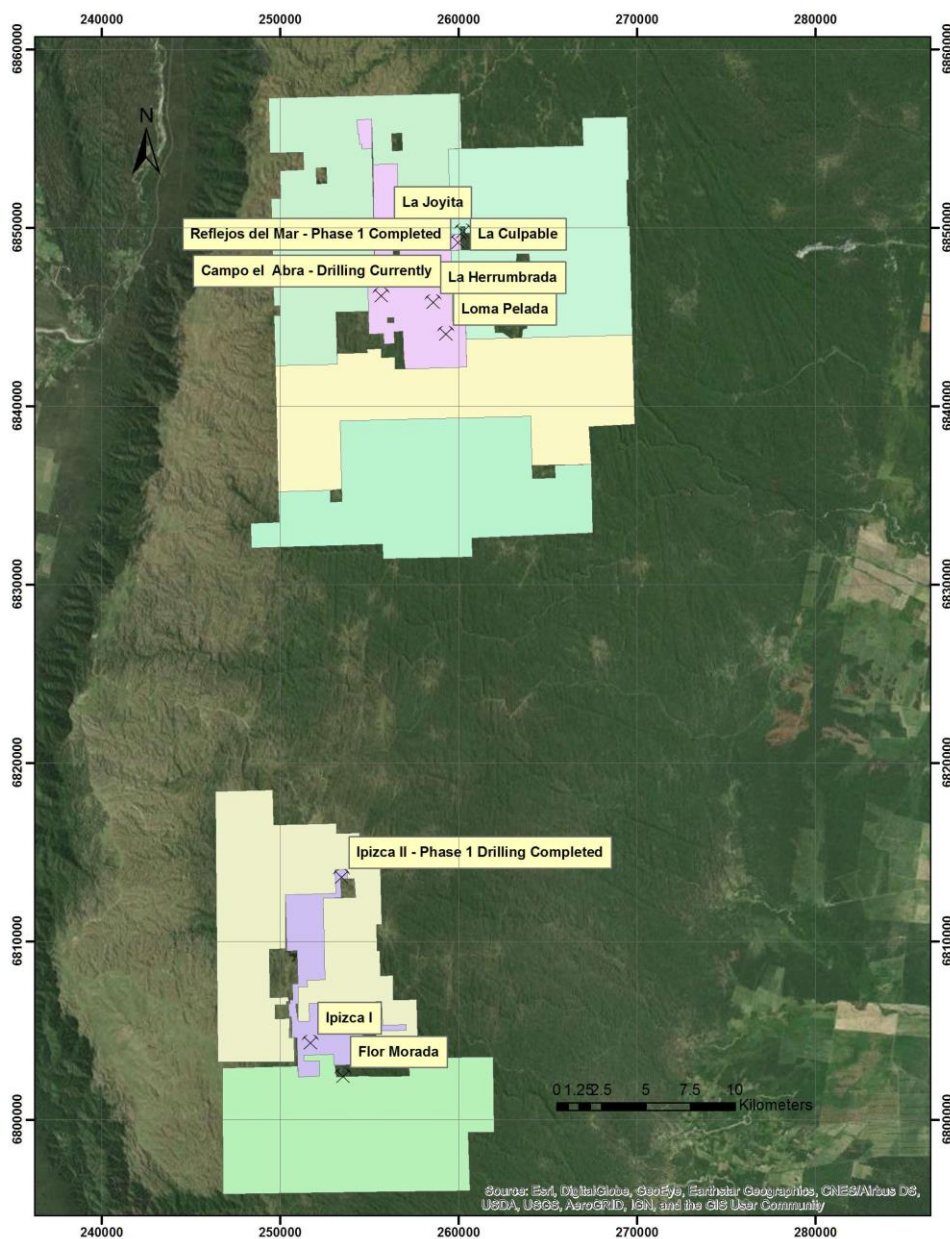
A total of 58 samples have been received from the internationally recognised laboratory ALS. Samples are prepared in Mendoza and then analysed in Vancouver using Multi-Element Analysis by Sodium

Peroxide Fusion and ICP-MS and Li Analysis by Sodium Peroxide Fusion and ICP-ES for sample over 2.5% lithium.

At Reflejos del Mar in the Vilisman Group of concessions there has been fourteen holes completed for approximately 900m of drilling. Included in this release are results for the first 6 holes. The remaining samples of the eight holes will be analysed and released in the coming weeks. Thus far very encouraging results including seven meters at 2.17 Li<sub>2</sub>O. The initial six holes drilled had lithium grades over 1% in three of the six including 3 meters at 2.77% Li<sub>2</sub>O.

At Ipizca II from the five holes that intercepted the pegmatite dyke that is exposed at surface and within and old open pit and tunnel system, only one interval returned significant grades of Li<sub>2</sub>O.

Significant intercepts at Reflejos del Mar and grades are presented in Table 1. Drill hole details including locations are presented in Table 2.



**Figure 2. Ancasti Project Locations**

Drilling is now nearing completion at Campo el Abra where eight holes have been drilled. Samples from here will be submitted to ALS this week and results are expected before the end of March. The rig will move to Santa Gertrudis this week where it will continue LRS's first pass drilling program. The aim of which is to provide initial information on four of the eleven quality pegmatites that make up the Ancasti Lithium project .

Managing Director Chris Gale commented, "These first assays are extremely encouraging displaying high grade spodumene at depth. This result is once again proving our theory that the historical lithium mines that we have secured are potentially very economic ."

He went on to say, " We still have quite a bit of drilling still to complete and a lot more assays results to come from our favoured targets but great to get such positive results early .

Hole Number	From (m)	To (m)	Intercept Width	Li2O %
IPIIRC001	19.00	20.00	1.00	0.60%
RDMRC001	20.00	26.00	6.00	1.12%
RDMRC002	39.00	46.00	7.00	2.17%
<i>Including</i>	<i>42.00</i>	<i>45.00</i>	<i>3.00</i>	<i>2.77%</i>
RDMRC003	29.00	30.00	1.00	1.24%

**Table 1. Significant Intercepts. \* These intercepts are down hole apparent thicknesses and do not represent the true thicknesses**

Hole Number	Depth	Easting	Northing	Elevation
IPIIRC001	100	253415	6813622	987.6
IPIIRC002	50	253430	6813565	985
IPIIRC003	126	253443	6813628	988.9
IPIIRC004	54	253430	6813675	994.9
IPIIRC005	42	253414	6813709	999.4
RDMRC001	36	259984	6849202	1107
RDMRC002	78	259984	6849202	1107
RDMRC003	36	259970	6849170	1110
RDMRC004	78	259970	6849170	1110
RDMRC005	24	259959	6849253	1115
RDMRC006	24	259959	6849253	1115
RDMRC007	48	259982	6849241	1109
RDMRC008	60	259982	6849241	1109
RDMRC009	102	260016	6849209	1101
RDMRC010	60	259944	6849328	1123
RDMRC011	84	259983	6849288	1113
RDMRC012	88	259983	6849288	1113
RDMRC013	138	260056	6849238	1099.6
RDMRC014	160	260056	6849238	1099.6
CEARC001	24	255515	6846198	1100
CEARC002	48	255515	6846198	1100
CEARC003	48	255540	6846198	1100
CEARC004	46	255540	6846198	1100
CEARC005	50	255531	6846014	1100
CEARC006	60	255531	6846014	1100

**Table 2. Drill Hole Details**

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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. The Company has secured over 101,450 hectares of exploration concessions in the lithium pegmatite districts of Catamarca and San Luis Provinces, Argentina.*

*The company also has a portfolio of projects in Peru and is actively progressing its Iron Oxide-Copper-Gold and Copper Porphyry projects in the Ilo region with its joint venture partner First Quantum Minerals Ltd.*

**Competent Persons Statements**

*The information in this report that relates to Geological Data and Exploration Results is based on information compiled by Mr Kerry Griffin, who is a Member of the Australian Institute of Geoscientists. Mr Griffin 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 Griffin is the Exploration and Development Manager of Latin Resources Limited and 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.*

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## APPENDIX

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of the above exploration results at the Maria del Huerto Lithium Mine Project in San Luis Province, Argentina. The project comprises the San Luis mining tenement number 134-Q-1936 which is within the Puerta Colorada exploration tenement number 85-C-2016.

### 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
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li>• <i>Nature and quality of sampling (eg 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.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• RC chips have been sampled at 1m intervals using a two tier splitter to produce a 5-6kg sample.</li> <li>• The splitter was cleaned with compressed air between all samples</li> <li>• Reject material from the splitting has been retained in plastic bags at site</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>• 51/2 inch Reverse Circulation</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sample recovery was assessed visually and will be re-assessed using sample weights measured by the lab at receipt of the samples.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>fine/coarse material.</i>	
Logging	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>• The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>• All intervals from the drill chips have been logged by geologists</li> <li>• Logging is by nature qualitative</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• 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.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>• Samples were split using a standard 2 tier splitter</li> <li>• All samples were dry</li> <li>• Samples are logged into the lab tracking system, weigh the sample as received, crush 70% &lt;2mm, split off 1000g approx. then pulverize split to &gt;85% -75 microns (&gt;85% -200#). Aliquots of pulverized samples were subject Multi-Element Analysis by Sodium Peroxide Fusion and ICP-MS (ME-MS89L) and Li Analysis by Sodium Peroxide Fusion and ICP-ES for sample over 2.5% lithium (ME-ICP82b)</li> <li>• Sample sizes were appropriate for grain size of material sampled considering the specific targeted nature of the sampling for spodumene.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• 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.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• The Peroxide Fusion digestion is a specialized and appropriate method for accurately measuring ore grade Lithium content.</li> <li>• Standards, blanks and field duplicates were submitted with the samples for analysis.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>• Sample data were recorded on field logging sheets and data entered into a digital MS Access database.</li> <li>• Analysis is checked by the use of certified reference materials</li> <li>• Data is recorded on both paper and electronic formats with back up</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Specification of the grid system used.</li> </ul>	<ul style="list-style-type: none"> <li>• Drill hole locations were measured using hand held GPS. Coordinates of drill holes were recorded in UTM WGS 84. At the completion of the program the collars will be resurveyed by a licensed surveyor using total station equipment</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Topographic control was using handheld GPS and SRTM data. A topographic surface will be surveyed at the completion of the program</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole spacing occurs at a nominal spacing of 40-50m</li> <li>No sample compositing occurred.</li> <li>There is not currently enough data for a resource estimate.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Angled Drill holes were orientated perpendicular to the strike of the pegmatites</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Pre-assay sample security was managed by the Company using industry standard chain of custody procedure. Company geologists, directors and consultants and licensed couriers transported the samples from the field to the ALS laboratory for reception.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No external audit or review of the sampling techniques or data has been undertaken beyond that of normal internal Company procedures and that of the respective Competent Persons in the compilation of this and supporting, separate reports.</li> </ul>

## 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	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The Ancasti Ranges Lithium project comprises the Catamarca Catamarca exploration tenements: 36M2016, 37M2016, 38M2016, 39M2016, 40M2016, 41M2016, 42M2016, 56M2016 and 57M2016 totalling 77,051 hectares.. The concessions are located as blocks on the map in the body of the announcement (Figure 1).</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>All claim applications have been approved</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Geology	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>Deposit types are pegmatite dykes of intrusive origin resulting in the crystallization and differentiation of a number of mineral species including Spodumene and to a lesser extent other Lithium species. These dkyes are lenticular having up to several hundred metres of strike and several metres width. They appear to have been emplaced along favorable structures within granodiorites in the vicinity (+/- km's) of larger intrusive bodies.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li><i>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:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drill hole information is presented in table 1 in the body of the report</li> <li>Not applicable, all available information has been provided above.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li><i>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.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should</i></li> </ul>	<ul style="list-style-type: none"> <li>No grade cuts have been applied</li> <li>Higher grade inclusions are reported</li> <li>Not applicable – no metal equivalent values were mentioned in this announcement.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<i>be clearly stated.</i>	
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>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’).</i></li> </ul>	<ul style="list-style-type: none"> <li>• The true widths are not known at this early stage of drilling</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate maps are included in the body of the announcement to show the location from where the samples were collected.</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The reporting of the results from 20 samples in this announcement is considered balanced.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• To the extent possible in such an announcement, the exploration data generated by Latin is meaningfully represented and has been related in an integral fashion. Relationships of the data have been made to past exploration data that is available, ie sample results corroborate the previously published occurrences of spodumene at seven old mines.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Further mapping, surface sampling and drilling are planned to estimate resources according to JORC.</li> <li>• A map showing the locations of the principle studied known deposits has been included in the body of the report. Subsequent work by the company will provide more detail of each of these, and also exploration results aimed at locating more lithium bearing pegmatites within the project area.</li> </ul>