



LATIN RESOURCES LIMITED
ACN: 131 405 144

Unit 3, 32 Harrogate Street
West Leederville, Western Australia,
6007.

P 08 6181 9798

F 08 9380 9666

E info@latinresources.com.au

9th August 2017

LATIN SECURES MAJOR LITHIUM MINE IN SAN LUIS, ARGENTINA

HIGHLIGHTS

- **Binding agreement gives direct path to 100% Latin Resources ownership of the prized Geminis Mine and surrounding LRS Don Gregorio exploration concession**
- **Spodumene mineralisation is the best the Latin technical team has explored in Argentina**
- **Main Pegmatite up to 18m thick, more than 200m long and gently dipping at 20-30 degrees. The area contains multiple similar unexplored pegmatites**
- **Field and drill permitting work has commenced on the Geminis Mine and Don Gregorio concessions**
- **The Geminis mine could potentially lead pathway to near term production**

Latin Resources Limited (ASX: LRS) (“Latin” or “the Company”) is very pleased to announce that it has secured the 100% ownership of the Geminis Lithium Mine and Don Gregorio concessions in the western part of the Libertador del San Martin region of San Luis, Argentina through the signing of a Binding Letter of Intent (LOI) with the Vendor.

The Geminis mine has been historically linked to lithium mining in San Luis and has been rated with high grade lithium bearing pegmatites. It was recognized by geologists from the National Development Bank whose work has been reflected in the unpublished reports as one of the main lithium deposits in the province of San Luis with lithium ore produced in the period between 1960 - 1980.

San Luis Province has an established small mining industry that actively produce quartz and feldspar for the glass and ceramics industry from literally hundreds of small mines. There are around 100 miners in all of which the top 5 might produce nearly 75% of the total minerals. In turn there are around 8 crushing/grinding plants that process and sell these minerals up the value chain for the ceramics and glass industry. (See figure 4)

Latin Resources is currently in discussion with two plant owners/operators to enable a spodumene circuit to be added to the existing crushing plant.

Latin Resources has recently appointed Western Australian based **Primero Group** who are a turnkey design, construction and commission engineering company with specific experience on hard rock spodumene deposits. The brief for Primero is to commence testwork on Latin Resources Argentinian spodumene samples to determine a flowsheet to produce a spodumene concentrate.

A meeting was recently held with the San Luis mines department to determine the permitting of a spodumene circuit into an existing operational plant. The mining authorities suggested that it would be matter of “only a number of months” to have spodumene production circuit approved into an existing operating plant. This would negate the normal lengthy process of mine plant approvals based on building a new Plant. The cost saving benefits in adding a spodumene circuit into an existing plant is also substantial.

The strategy moving forward for Latin Resources is to produce a JORC resource and run in parallel the design and permitting of a spodumene plant to add to an existing operation in San Luis.

The acquisition of the known high grade lithium Geminis deposit coupled with Latin Resources other lithium pegmatite concessions along with existing plant processing capacity in San Luis presents a unique opportunity for Latin Resources to fast track production of spodumene concentrate.



Figure 1: Ball mill for quartz and feldspar at an operating Plant in San Luis.

The Geminis Mine

The structure and size of the Geminis pegmatite upon which historical mining was based is extremely encouraging. From preliminary studies and historical records the main pegmatite is between 12-18 meters thick and has a known strike length of more than 200m which is visible from the mine exposures and the satellite image (See Figure 2). It is possible that other pegmatites along strike from the mine are in fact connected to the main mine pegmatite and that the strike length is in fact much longer. Also from preliminary mapping and the satellite image there is in the immediate area other pegmatites above and below the mine pegmatite. The orientation of the known pegmatites is also very favourable as it dips gently at 20-30 degree's to the south east.

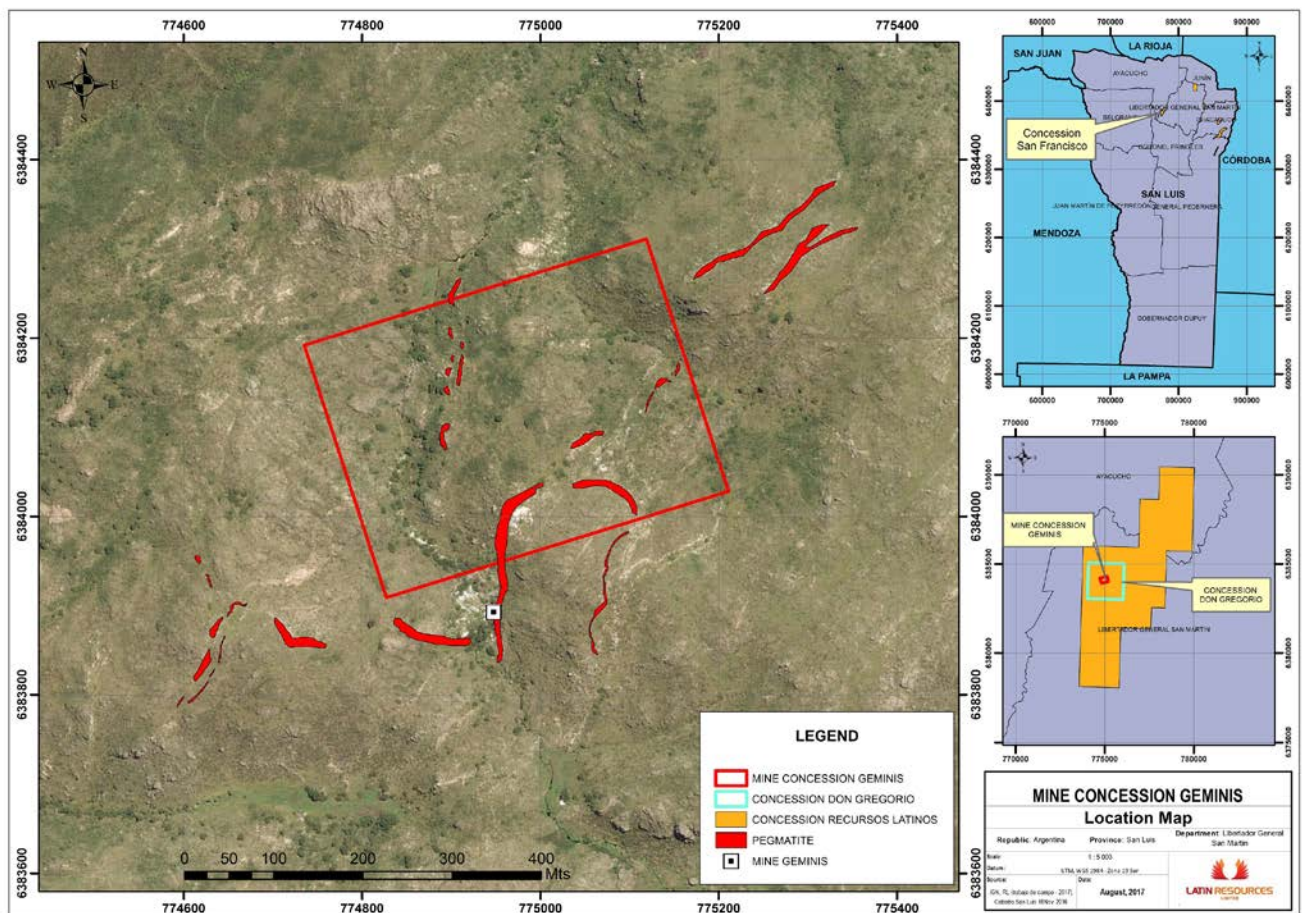


Figure 2: Satellite image showing the Geminis Mine Entrance Location with the known pegmatite outcrops marked in red. Other white rock outcrops that can be seen are also probably pegmatites that will be confirmed with geological mapping.

The Latin Resources geological team has begun field work at the Geminis Mine and Don Gregorio concessions. Work that will be completed includes detailed geological mapping and sampling of the mine area and the adjacent areas in order that an initial drilling program can be designed. In conjunction with the field work the legal and permitting requirements including the Environmental Impact Reports and the reactivation Geminis mining concession are underway.



Figure 3

Managing Director Chris Gale commented, *“The acquisition of the Geminis mine is further building Latin Resources strategy of controlling all of the known hard rock Lithium pegmatites in Argentina. The added bonus of securing a known lithium deposit in San Luis province that has had decades of mineral production could potentially develop Latin Resources into a new term producer”.*

He went on to say, *“Latin Resources is very focused on developing a JORC resource over the coming months and then moving into production to take advantage of the buoyant and high lithium prices.”*

The Geminis Terms

The LOI requires within five days of signing the LOI Latin must pay the vendor US\$5,000. This payment has been completed and secures a binding agreement to finalise the sale agreement. The parties now have one month to finalise the signing of the final sale agreement.

The final agreement is made up of three stages with the following terms and conditions;

Stage 1:

- I. Within five days of signing the Final Agreement Latin must pay the vendor US\$15,000
- II. From the time of signing the Final Agreement Latin has at its own cost to meet the following milestones;
 - a. Approval of the Environmental Impact Report (EIR).
 - b. Obtaining the registration by the competent authority of the Manifestations of Discovery.
 - c. The approval of the reactivation plan requested by the competent authority of the Geminis Mine.

Stage 2:

- I. At the completion of Stage 1 or sooner at Latin’s discretion Stage 2 begins with the following payment obligations:
 - a. Within five days of the start of Stage 2 Latin must pay the vendor US\$20,000

- b. Within five days of the beginning of the third month of Stage 2 Latin must pay the vendor US\$20,000
- II. The objective of stage 2 is to complete the necessary permits and the initial exploration drilling

Stage 3:

- I. At the completion of Stage 2, Stage 3 commences with the following payment obligations:
 - a. Within five days of the commencement Latin must pay the Vendor US\$50,000
 - b. Within five days of the beginning of the third, sixth and ninth month Latin must pay the Vendor US\$50,000 for a total of US\$150,000.
- II. The purpose of Stage 3 is to allow Latin to complete resource definition drilling aimed at defining a mineral resource containing a minimum of one million tonnes of spodumene.

Once Stages 1, 2 and 3 are completed and all payments have been made (US\$260,000), Latin then has the right to exercise its option to acquire 100% of the project with the payment to the Vendor of US\$2,000,000.

The Geminis Concessions

The Geminis Mine (12 Ha) and surrounding Don Gregorio (388 Ha) exploration concessions is located approximately 8km to the south east of the village of San Francisco del Monte de Ore and 18km to the north of the historical gold mining centre of La Carolina in the Sierra Grande de San Luis mountain range. Latin Resources' San Francisco exploration concession completely surrounds the Geminis and Don Gregorio concessions (See Figure 5). There are two possible access routes to the mine. The first is via a 4WD track directly to the south of San Francisco village, the second is via the original access track by which ore was transported from the Geminis mine to the south to reach the main road to the La Toma processing facilities.



Figure 4 – Stockpiles of Quartz and Feldspar, San Luis Province

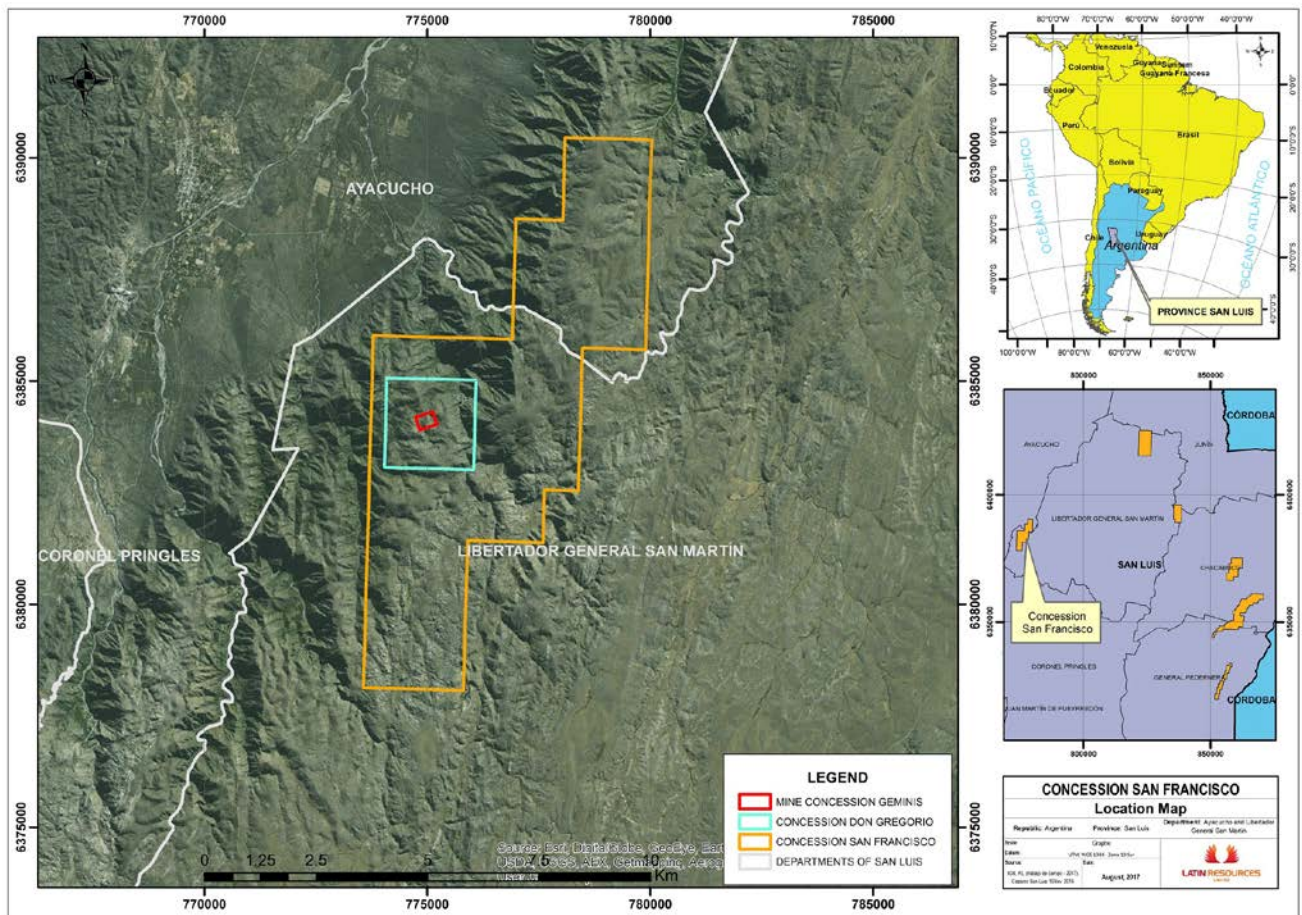


Figure 5: Location of Geminis, Don Gregorio and San Francisco concessions

Mining at Geminis began in the 1930's and continued until 1959. Since then very sporadic mining has taken place but there has been no recent activity. Apart from a small open pit to the south of the operations all of the mining was undertaken using underground methods. The underground workings that have been observed consist of three adits which access a series of tunnels that vary in size and length. The most northerly adit named Pozon Blanco is quite small and collapsed so cannot be measured. The central adit named Cantera Grande is 6m long, 2.8m wide and 2.5m high. The main adit further to the south named Poniente Labors contains approximately 70m of tunnels with an entrance chamber measuring 5m x 7.6m (See Figure 6). Mining activity was small scale and carried out in campaigns. It is thought that on average the mine produced approximately 5-10 tonnes of spodumene per month (Barrio, Raul E. and Echeveste, Horacio J.). The mine workings are spread over a strike distance of approximately 150m.

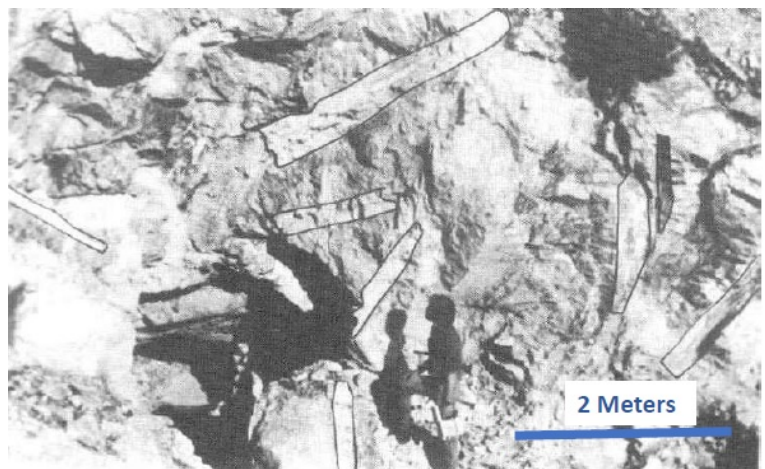


Figure 6: Historical photo of Geminis Mine entrance with very large spodumene crystals outlined in black (Barrio, Raul E. and Echeveste, Horacio J.)

The San Francisco, Geminis Mine and Don Gregorio concessions are located within the Totoral Pegmatite Field (TPF) which is the southernmost pegmatite field of the Pampean Pegmatite Province (see figure 7). Pegmatites are intruded into Pringles Metamorphic Complex (PMC) host rocks which comprise mostly fine grade gneisses and schists of Ordovician age (456 – 488 million years) (Galliski, M.A. and Cerny, P., 2006). The TPF comprises a 17 km long swarm of rare element pegmatites of the LCT (Li-CS-Ta) family that trends NNE – SSW that was intruded into the PMC between 465 and 317 million years ago (Galliski, M.A. and Cerny, P., 2006).

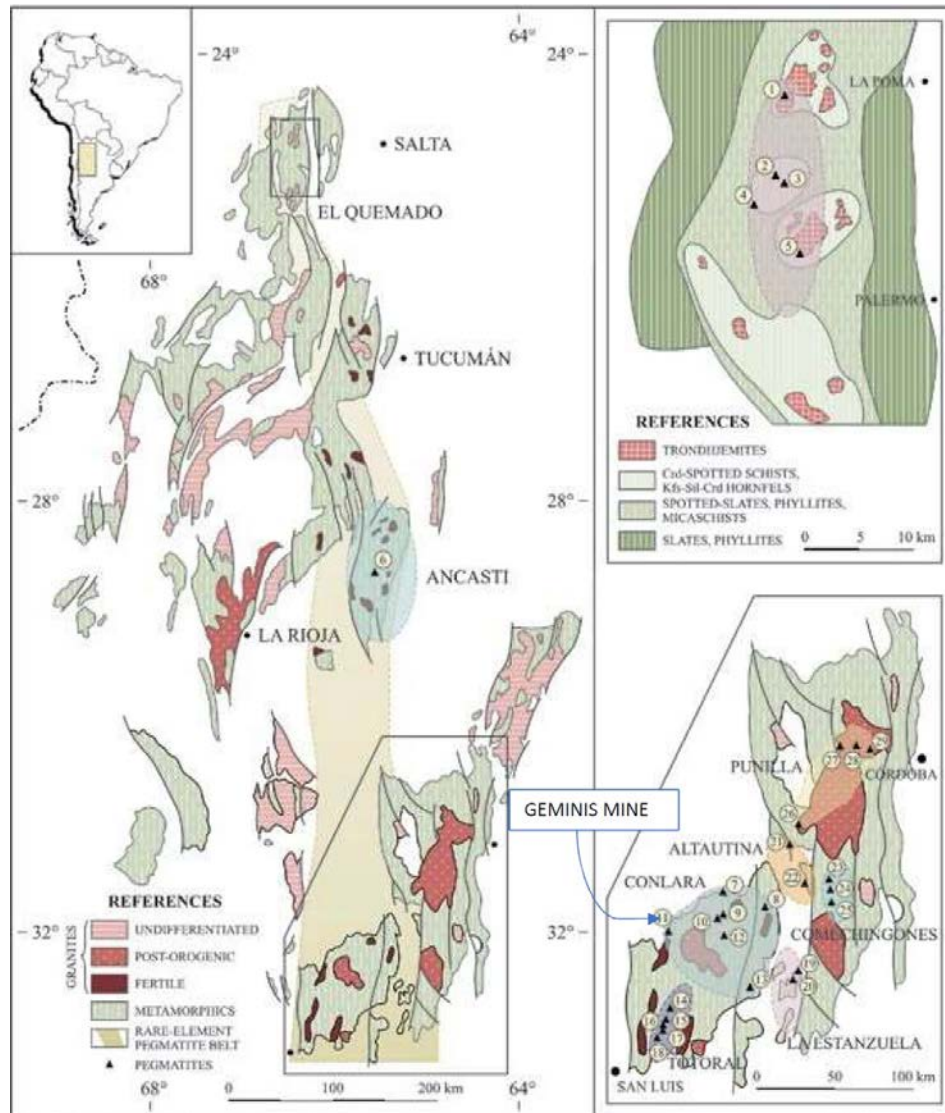
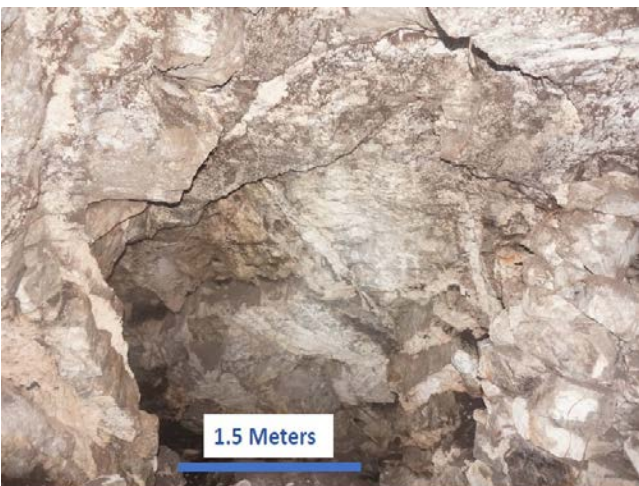


Figure 7: Regional geology map with the Totoral Pegmatite Field within the Pampean Pegmatite Province (after Galliski, M.A. and Cerny, P., 2006)

There are five main types of pegmatites: barren to transitional beryl type, beryl-columbite-phosphate type, complex spodumene type, albite-spodumene type, and albite type. The pegmatites located at the Geminis mine are of the complex spodumene type. A broad range of economic minerals are present. Most significantly there is intense spodumene mineralisation with parts of the mine comprising up to 80% of the material. During mining individual spodumene crystals have been measured to have a length of up to 4m. Other minerals which are significant and may contribute to the overall value are the lithium minerals amblygonite and lithiophilite which are found within the pegmatites non-nucleus zones as are other minerals tantalite, columbite and beryl. These non-lithium

minerals being present are significant as they can contribute as credits within any future concentrate. LRS staff have recently entered and inspected the central and southern adits. Each adit and the mine workings contained within have exposed walls that contain extremely high percentages of oxidised spodumene (See Figures 8 to 11). These exposures are by some distance the best spodumene mineralisation seen by Latin technical staff in Argentina thus far.



Figures 8 – 11. Top Left. Grey quartz and pink – white oxidized spodumene with a pink fresh spodumene core in the Cantera Grande adit. Top right, Minor grey quartz with +80% pinky – white oxidized spodumene in southern wall of the Cantera Grande adit. Bottom left, massive white oxidized spodumene with minor quartz in the secondary adit of Poniente Labors. Bottom right, minor quartz with +60% white oxidized spodumene in the main gallery of Poniente Labors.

References:

Angelelli, V., and Rinaldi, C. A., 1963, *Yacimientos de minerales de litio de las provincias de San Luis y Cordoba*, Comision Nacional de Energía Atómica de la Rca. Argentina, Inf. No. 91, Buenos Aires, p. 1-99.

Barrio, Raul E. and Echeveste, Horacio J., Year Unknown, *Estudio geológico-económico de la mina Geminis, Provincia de San Luis, Argentina*.

Galliski, M.A. 1996 *The Mineralized Pegmatites from the Pampean Ranges*. Instituto Argentino de Nivología, Glaciología y Ciencias Ambientales (IANIGLA), 30 Years of Basic and Applied Research on Environmental Sciences, pp 243-247.

Galliski, M.A. and Cerny, P., 2006 *Geochemistry and structural state of colombite-group Minerals in granitic pegmatites of the Pampean Ranges, Argentina*. The Canadian Mineralogist, Vol 44. pp 645-666.

Galliski, M.A., Marquez-Zavalía, M.F., 2011 *FieldTrip Guidebook -Granitic Pegmatites of the San Luis Ranges*, CONICET.

Herrera, A. O., 1968, *Geochemical Evolution of Zoned Pegmatites of Argentina*, The Economic Geology publishing Company, Economic Geology, v.63: 13-29.

For further information please contact:

Chris Gale
Managing Director
Latin Resources Limited
+61 8 6181 9798

Brooke Picken
Pac Partners
Melbourne
+61 3 8633 9866

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.

info@latinresources.com.au

www.latinresources.com.au

