

16 February 2018

LATIN SECURES LITHIUM PROJECTS IN SAN LUIS, ARGENTINA

HIGHLIGHTS

- **Binding Terms Sheet gives direct path to 100% Latin Resources ownership of an additional five lithium concessions in San Luis Province.**
- **A total of 44,177 hectares in the North East of the Sierra de San Luis in close proximity to LRS' existing concession applications has been secured**
- **The area hosts known historical lithium pegmatite mines that produced spodumene concentrate grading 6.3% to 8.1% Li₂O including La Meta and Cabeza de Novilla**
- **The total concession area in San Luis under Latin Resources control is over 145,000 hectares. The total concession area in Argentina is now 294,000 hectares**

Latin Resources Limited (ASX: LRS) ("Latin" or "the Company") is very pleased to announce that it has secured the 100% ownership of Condor lithium concessions in the North East part of San Luis, Argentina through the signing of a Terms Sheet with Kontrarian Resources Fund No 1 ("**Vendor**"). The concessions are in the vicinity of historic lithium mines.



Figure 1 Multiple close spaced thick pegmatites on Condor's SNL02 concession

There are many smaller scale pegmatite outcrops evident within the concession with some larger bodies currently been exploited by open pit mining for feldspar and quartz.



Figure 2 Historic pegmatite mine on Condor's SNL04 concession

On a recent field visit by LRS geological staff examined close spaced pegmatites with thicknesses up to 30 meters and extending for more than a kilometre in strike (Figure 1). Given the location and proximity to known spodumene occurrences these pegmatites are considered to be prospective for lithium mineralisation.

The Condor Concessions

The Condor Concession applications are located within the same highly prospective pegmatitic zones of the Sierra de San Luis district. This area lies within the Sierras Pampeanas geological province in Argentina which contains more than 95% of the Argentine pegmatites and has historically been the source of spodumene, beryl, quartz, feldspar muscovite and tantalite.

These pegmatites occur as lenticular swarms of sills and dykes with thickness of 5 to over 40m and strike lengths mapped by satellite imagery interpretation often of more than a kilometre. They can contain lithium mineralisation mostly in the form of spodumene but also as the high grade amblygonite and lepidolite.

The Condor Concession applications are located approximately 100km to 150km from the provincial capital of San Luis and are close to major roads, water sources and power supply. Measuring a total of 44,209 hectares all but one (SNL05) of the tenements are contiguous and are either adjoining or very close to Latin Resources La Meta and Quines group concessions which provides logistical advantages during exploration activities. The additional concessions bring to a total of 145,000 hectares under Latin Resources control within the prospective San Luis region.

Table 1 Condor Concession Details

Concession	Hectares
SLN1	9,883
SLN2	7,798
SLN3	9,698
SLN4	7,800
SLN5	8,998
Total	44,177

During late 2017 the Latin Resources technical team visited SNL02, 03, and 04 and were able to verify the presence of abundant prospective pegmatites. SNL01 and SNL05 will be visited during the due diligence period afforded in the binding term sheet.

Until now, there has been very little to no modern exploration undertaken on these concessions and it is LRS' intention to incorporate these areas into our overall grass roots exploration plan for 2018 which will include detailing mapping and geochemical sampling to identify highly fractionated and therefore prospective zones for follow up drilling.

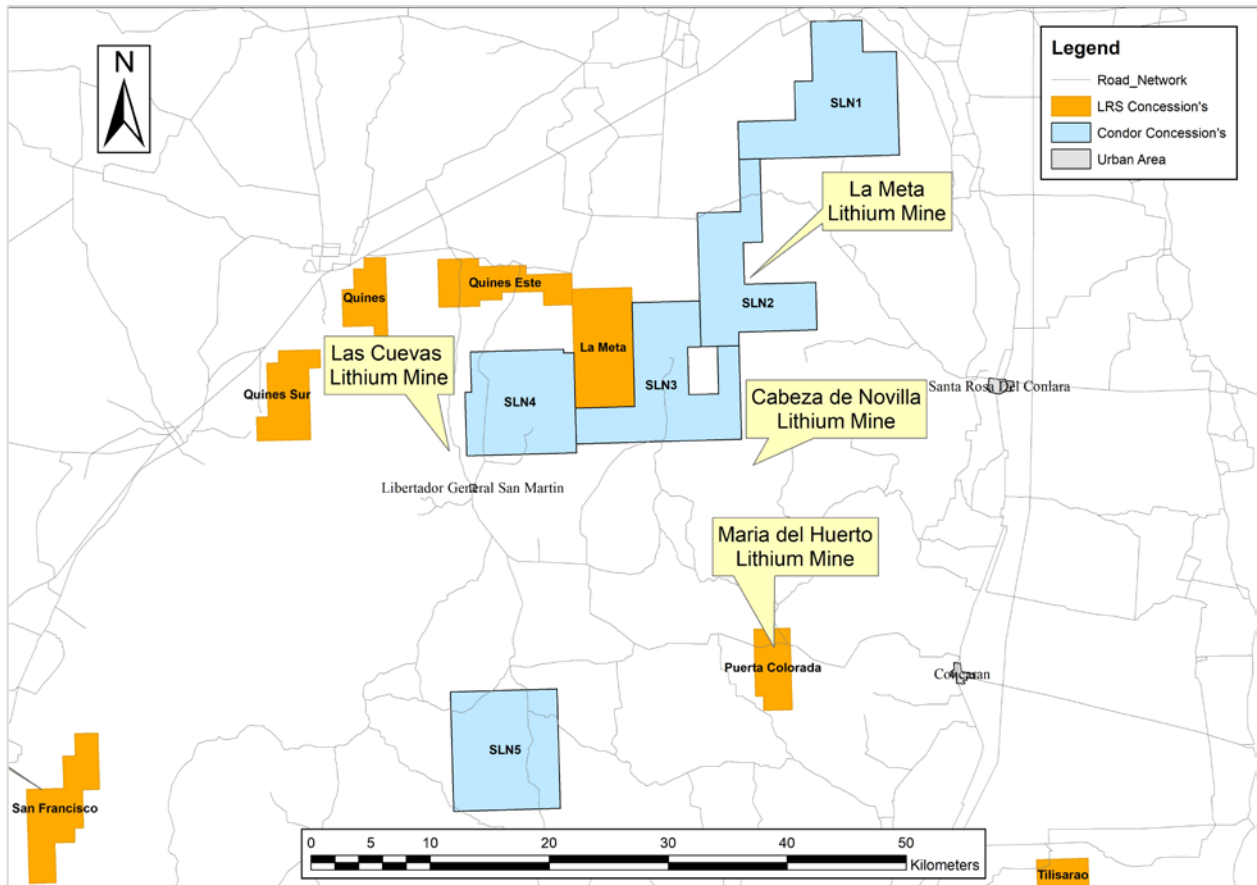


Figure 3: Condor concession locations

San Luis Province

San Luis Province has an established small mining industry that actively produces 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 approximately 8 crushing/grinding plants that process and sell minerals up the value chain for the ceramics and glass industry. (See figure 3)

Latin Resources is currently in discussion with plant owners/operators to enable a spodumene circuit to be added to an 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.

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

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

Managing Director Chris Gale commented, *“The acquisition of the Condor Concessions is further to Latin Resources strategy of building scale by controlling all of the known hard rock Lithium pegmatites in Argentina.*

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

The Kontrarian Resources Fund Term Sheet

The payment terms have been timed to ensure success in exploration before payments are made.

Due Diligence: Upon execution of the Binding Terms Sheet, LRS will have an exclusive thirty (30) days period reckoned from the date on which LRS gains access to the Projects to conduct its due diligence on the Projects.

Sale Agreement: Upon the expiry of the Due Diligence Period (30 days) LRS and Vendor will have an exclusive period of thirty (30) days to execute a sale agreement to record in more detail the terms of the acquisition of the Projects by LRS from the Vendor and the transfer of ownership of the Projects from the Vendor to LRS or its nominee.

Approvals: The acquisition of the Projects under the Binding Terms Sheet shall be subject to any applicable shareholder and regulatory approvals as maybe required by LRS. The concessions must be fully granted by the San Luis mining authorities before any payment of the consideration is made.

CONSIDERATION

Date	Consideration AUD\$
Completion of Sale Agreement, Due Diligence and subject to shareholder approval	\$100,000 in cash \$500,000 of LRS shares @ \$0.012 Total of 41,666,666 shares
6 months	\$1,000,000 worth of LRS shares * 10,000,000 \$0.03 options(expiry 2 years)
12 months	\$1,900,000 worth of LRS shares *
18 months	\$1,000,000 of exploration expenditure within 18 months
TOTAL	AUD \$3,500,000 in cash and shares

* Latin Resources shares will be valued at 30 day VWAP at time of issue

**issue of shares subject to sale Agreement being executed and necessary LRS shareholder and regulatory approvals

*** Each tranche of shares issued will be subject to a 6 month escrow period

CONCESSIONS

ANNEXURE B – Company Name	Application Number	Application Name	Hectares
Hitec Minerals and Metals SA	95-H-2016	SLN 1	9,883
Hitec Minerals and Metals SA	96-H-2016	SLN 2	7,798
Hitec Minerals and Metals SA	97-H-2016	SLN 3	9,698
Hitec Minerals and Metals SA	98-H-2016	SLN 4	7,800
Hitec Minerals and Metals SA	99-H-2016	SLN 5	8,998
		Total:	44,177

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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 266,000 hectares of exploration concessions in the lithium pegmatite districts of Catamarca, San Luis and Salta Provinces, Argentina as well as 28,000 hectares prospective for Cobalt in La Rioja.

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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