
QUARTERLY ACTIVITIES REPORT for the period ending 31 December 2019

Highlights

OPERATIONS

Electric Metals – Noomberry Halloysite Project Acquisition

- Decision to identify and develop strategic mineral projects in Australia as part of the Company's new strategic direction
- Entry into conditional Binding Terms Sheet for acquisition of **Electric Metals** - 100% owner of **Noomberry Halloysite Project** and **Big Grey Silver-Lead Project**

Catamarca & San Luis Lithium Projects - Argentina

- Suitable terms to the Company were unable to be agreed upon in negotiations with regarding a possible joint venture on both projects; negotiations were subsequently ended by the Company. However, there has been renewed interest from a new company wishing to discuss terms on LRS Argentina lithium projects.

Ilo Sur Copper Project – Peru

- The Board believes that the Company's delays at the Ilo Sur Project in Peru with respect to applications may be nearing a positive conclusion soon, as at the time of writing of this report.

CORPORATE

Financial

- Cash as at 31 December 2019 is \$733,000.
- A total amount of \$1,000,000 was raised via a placement and \$520,000 was raised via convertible notes.
- Total shares issued as at 31 December 2019 is 343M.
- The Prospectus for a non-renounceable entitlement issue to raise up to approximately \$2,084,255 was dispatched on 20 December 2019.

General Meeting

- All resolutions put forward by the board at the company's AGM were carried.

REVISED STRATEGY

Latin Resources aims to deliver value to its shareholders through its diversified portfolio of battery mineral assets through a combination of joint ventures as well as developing its extensive suite of lithium projects with partners becoming operators on these projects, therefore preserving cash to the fullest extent possible.

The Company has made a strategic decision to continue its operations in South America only on the basis of a part sale or joint venture on its projects. The Company currently has a joint venture with First Quantum Minerals (FQM) in Peru which is ideally the direction the Company wishes to take with its lithium projects in Argentina and Brazil. The Company will continue to source suitable joint venture partners in Argentina and Brazil on its lithium projects (refer to ASX announcement of 4 October 2019).

In the December 2019 quarter, the Company committed to identifying and developing viable mineral projects in Australia in addition to those in Latin America to achieve the goals set out in this new strategy.

OPERATIONS

Electric Metals

On 24 October 2019, Latin Resources announced it has entered into a conditional Binding Terms Sheet to acquire Electric Metals Pty Ltd (Electric Metals), 100% owner of the Noombenberry Halloysite Project near Merredin, WA, and the Big Grey Silver-Lead Project in the Paterson region, WA (Acquisition).

The Binding Terms Sheet is subject to the satisfaction of the usual conditions for a transaction of this nature, including due diligence by both parties and obtaining shareholder approvals.

First assay results from a recent sampling program conducted at Noombenberry Project announced on 20 November 2019 were encouraging, with raw samples displaying grades of Al_2O_3 of up to 25%.

Latin has also engaged the services of a United Kingdom-based Kaolin and halloysite specialist, First Test Minerals. First Test Minerals will test for specific properties such as tube dimensions, surface area, pore volume and will advise Latin on the potential of the in-situ product for potential sales into new high value applications such as polymers, slow release, cosmetics, medical and cleantech.

First Test Minerals have been established in kaolin and industrial minerals analysis for over 30 years and have worked on assessment and development on kaolin and halloysite deposits across Australia, Middle East and the United States. A detailed evaluation on the samples will be carried out by First Test Minerals which will include refining a <2-micron fraction to give specific detail on levels of kaolinite and halloysite in the different fractions. Centrifuge/cyclones will separate out the finer material and there will be the underflow (coarser particles) tested for quality and grade. A detailed report on the testing findings along with a commercial potential report is expected to be delivered early in the new year.

The area visited by the Latin contract geologist consists of pallid zones of a laterite and clay weathering profile developed over granitic outcrops, the kaolinite float is also the dominant rock type in and around the wheat fields that abuts the fresh outcropping granite.

A total of 13 rock chip samples were taken during the site visit and were submitted to the Intertek Lab for chemical analyses.

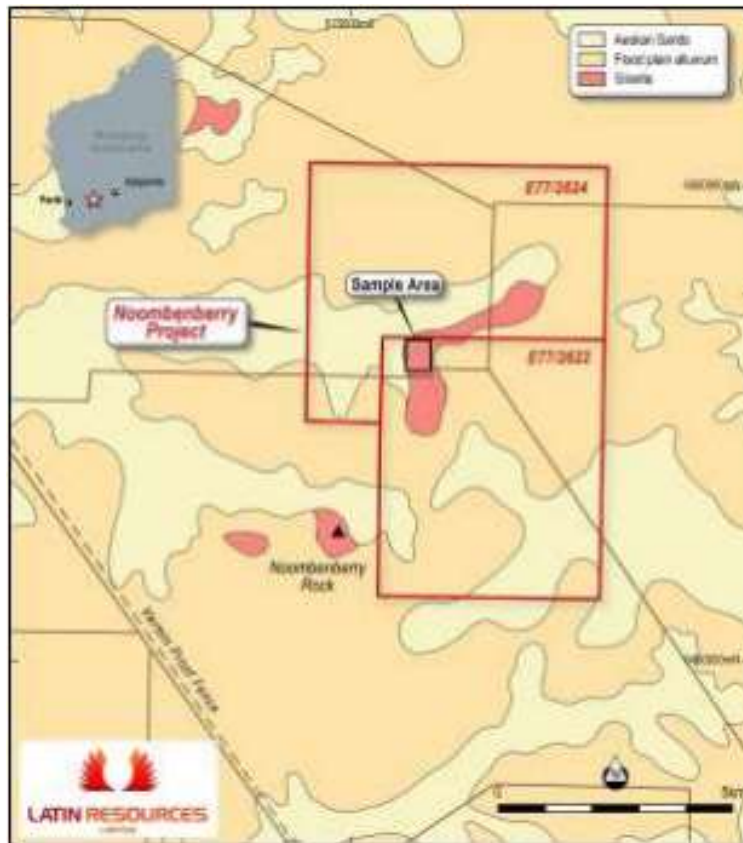


Figure 1: Noomberry Project and sample location Map



Figure 2: Erosional gully exposing outcropping kaolinic profile at surface

13 samples were submitted to Intertek Genalysis (Maddington) for a 15-element analysis FB1/XRF with the main elements Al²O³ & SiO² of importance.

Samp ID	Easting	Northing	Al ₂ O ₃ %	SiO ₂ %	Comments
SR001	671,505	6,496,098	15.41	74.25	Dam Wall
SR002	671,430	6,495,463	22.24	67.23	Gully
SR004	671,386	6,495,489	25.56	61.81	Paddock Float
SR005	671,464	6,495,506	19.56	67.07	Float
SR006	671,505	6,496,098	19.57	68.33	Float
SR007	671,505	6,496,098	21.25	64.39	Float
SR008	671,505	6,496,098	20.72	65.5	Dam Wall
SR009	671,505	6,496,098	22.87	61.47	Dam Wall
SR010	671,505	6,496,098	20.95	65.61	Dam Wall
		Average	20.90%	66.20%	
AVON A	671,505	6,496,098	26.71	60.1	Composite
AVON B	671,505	6,496,098	18.82	69.95	Composite
AVON C	671,505	6,496,098	19.2	68.21	Composite
			21.57	66.08	
SR003	671,316	6,495,738	14.16	74.77	Granite

Chemical Analyses of Noomberry Field trip samples

The overall raw Al²O³ assay gives the Company great encouragement as the next process of a wet screening to produce 45-micron sample will remove the silica and other minerals such as micas, the end product (45-micron) will be re-assayed to establish a final grade of Al²O³.

Argentina

The Company announced on 4 October 2019 negotiations with a party to conclude a joint venture on its lithium projects in Argentina. While negotiations reached an advanced stage, suitable terms and conditions were not able to be agreed between the parties to the satisfaction of the Company. As a result, the Company decided to end the negotiations.

Latin Resources have recently been approached by an Argentinean company to discuss terms for a JV on its lithium projects in Argentina, the discussions are at a preliminary stage.

Ilo Sur Copper Project – MT03, Peru

The delays experienced in Peru with the MT03 applications on Latin's Ilo Sur copper properties in southern Peru have been challenging. However, LRS believe we are nearing a positive conclusion on that front. Encouragingly, FQM have not deviated from their desire to pursue this exciting opportunity with the Company.

CORPORATE

General Meeting

In accordance with Listing Rule 3.13.2 and section 251AA of the Corporations Act, we advise details of the resolutions and the proxies received in respect of each resolution put to the General Meeting of shareholders held 11 December 2019 are set out in the attached proxy summary.

LATIN RESOURCES LIMITED GENERAL MEETING 11 December 2019

Proxy Summary

1) APPROVAL OF ACQUISITION OF ELECTRIC METALS PTY LTD

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Open	Abstain
4,273,403	198,271	619,975	37,480

The motion was carried as an ordinary resolution on a show of hands.

2) ISSUE OF CONSIDERATION SECURITIES

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Open	Abstain
4,041,977	378,597	619,975	88,580

The motion was carried as an ordinary resolution on a show of hands.

3) ISSUE OF MILESTONE CONSIDERATION SECURITIES

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Open	Abstain
4,013,977	464,771	619,975	30,406

The motion was carried as an ordinary resolution on a show of hands.

4) ISSUE OF PLACEMENT SHARES AND OPTIONS

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Open	Abstain
4,007,906	485,128	620,775	15,320

The motion was carried as an ordinary resolution on a show of hands.

5) APPROVAL TO ALLOW FOR CONVERSION OF CONVERTIBLE NOTES

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Open	Abstain
3,919,948	504,140	620,775	84,266

The motion was carried as an ordinary resolution on a show of hands.

6) ISSUE OF BROKER OPTIONS

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Open	Abstain
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3,890,205	510,486	619,975	108,463
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The motion was carried as an ordinary resolution on a show of hands.

7) ISSUE OF NEW OPTIONS

The instructions given to validly appointed proxies in respect of the resolution were as follows:

For	Against	Open	Abstain
3,884,534	492,771	619,975	111,849

The motion was carried as an ordinary resolution on a show of hands.

About Latin Resources	Corporate Summary
<p><i>Latin Resources Limited is an Australian-based mineral exploration company focused on creating shareholder wealth through the identification and definition of mineral resources in Latin America. The Company has secured over 173,000 hectares of exploration concessions in the lithium pegmatite districts of Catamarca and, San Luis Provinces, Argentina.</i></p> <p><i>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.</i></p> <p><i>Latin Resources recently entered into a Conditional Binding Terms Sheet to acquire Electric Metals Pty Ltd (Electric Metals), 100% owner of the Noombenberry Halloysite Project near Merredin, WA, and the Big Grey Silver-Lead Project in the Paterson region, WA (Acquisition).</i></p>	<p>At December 2019</p> <p>ASX: LRS</p> <p>Shares Issued:</p> <p>- Quoted 343.3M</p> <p>- Unquoted (Loan funded Shares) 4.0 M</p> <p>Options Issued:</p> <p>- Unlisted 129.6M</p> <p>- Unlisted 14.6M</p> <p>Convertible Notes:</p> <p>- 520,000</p> <p>Rights Issued: Nil</p>

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The information in this announcement that relates to Mineral Resource estimates, Exploration Results and general project comments is based on information compiled by Nicholas Revell, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr. Revell is a geologist consultant to Latin Resources. Mr. Revell 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. Revell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.