

22 December 2014

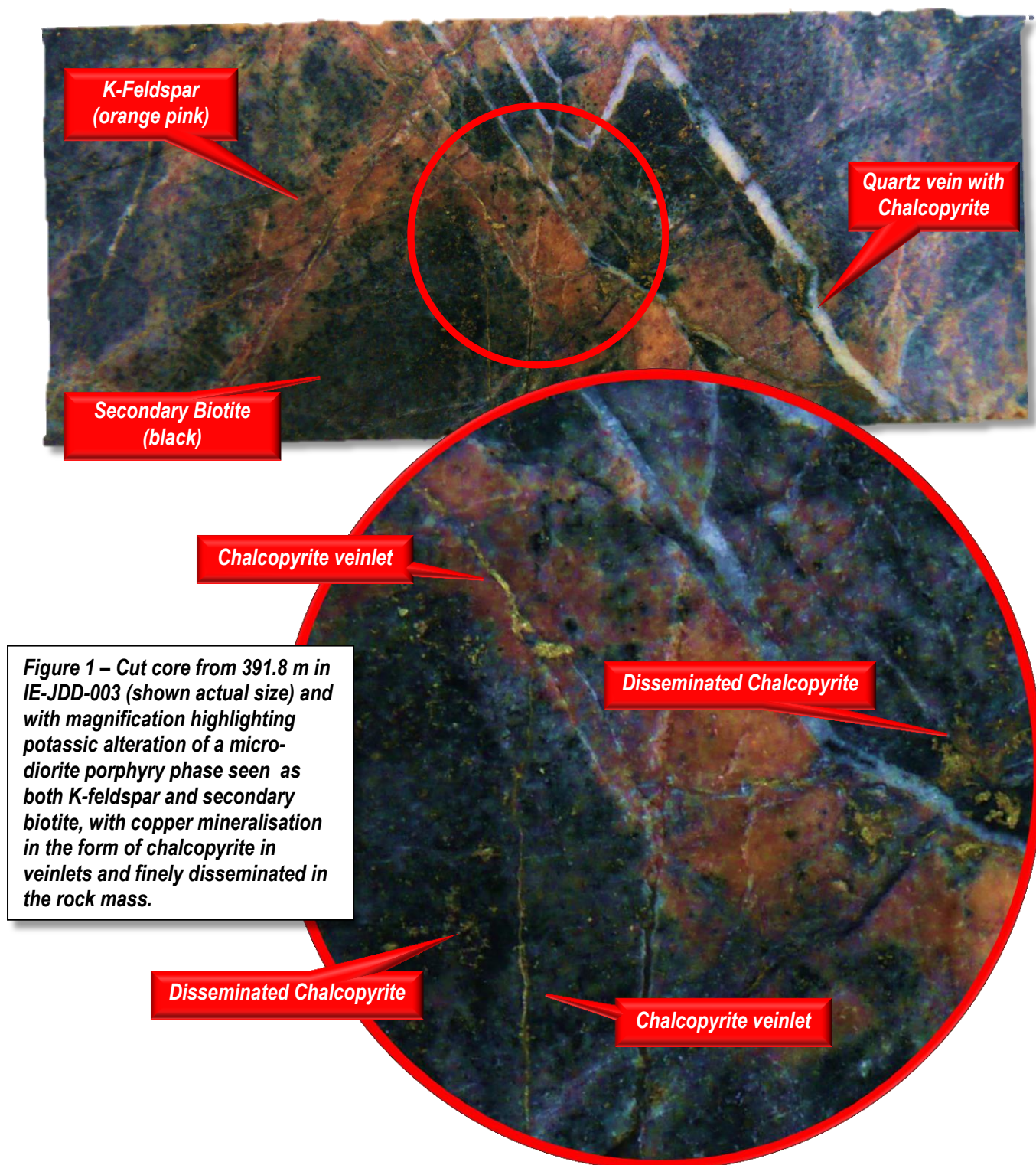
## **COPPER MINERALISATION CONTINUES OVER 1.1 KM OF STRIKE AT ILO ESTE COPPER PORPHYRY**

### **Highlights**

- Third hole, IE-JDD-003, has reached 500 m with significant intervals of visible copper mineralisation throughout the hole.
- Multiple, moderate to intensely stockworked and potassic altered porphyry phases are seen in the majority of the core.
- Alteration and stockwork intensity are greater and more continuous than in previous holes.
- Copper mineralisation occurs as chalcopyrite seen in veins, veinlets and finely disseminated in the rock mass.
- Molybdenum mineralisation observed as molybdenite in selected quartz stockwork veins.
- Samples from 0-450m submitted to laboratory, results expected early January.
- Geology, alteration and mineralisation of third hole all reinforce that Ilo Este is a very large copper porphyry system now intersected over 1.1km of strike in the northern belt alone.
- Latin in discussions with a number of potential partners to further evaluate such a large system - considered the most cost effective strategy to realize value for shareholders. The overall Ilo Este mineralised porphyry system covers at least 3km<sup>2</sup>, located 6 km from the Pan-American Highway, a Railway and an Electrical Substation, and from there 32 km to the Port of Ilo.
- Over 560,000 tonnes per annum copper production and 125 billion pounds of copper in published resources and reserves within 130 km of Ilo Este.

Latin Resources Limited (ASX: LRS) ("Latin" or "the Company") announces that the third drill hole at its 100% owned Ilo Este project, IE-JDD-003, has reached 500 m depth and has intersected significant intervals of visible copper mineralisation observed in multiple phases of moderate to intensely potassic altered and stockworked porphyry intrusives ranging from quartz diorite, diorite and micro-diorite.

The copper mineralisation observed is predominantly chalcopyrite (copper sulphide) and is commonly associated with potassic alteration observed occasionally as k-feldspar and more commonly as secondary biotite. Chalcopyrite is seen in veinlets and also disseminated through the rock mass (Figure 1).



Chalcopyrite is also observed occasionally as larger veins such as that shown in Figure 2 where the chalcopyrite occurs in an intensely stockworked and potassic altered quartz micro-diorite porphyry.



**Figure 2 – Copper mineralisation observed as chalcopyrite vein in intensely stockworked and potassic altered quartz micro-diorite porphyry at 193.5m in IE-JDD-003.**

Molybdenum mineralisation is also observed in greater abundance in IE-JDD-003 compared with the first two holes and occurs as molybdenite in selected quartz veins in the stockwork (Figure 3).

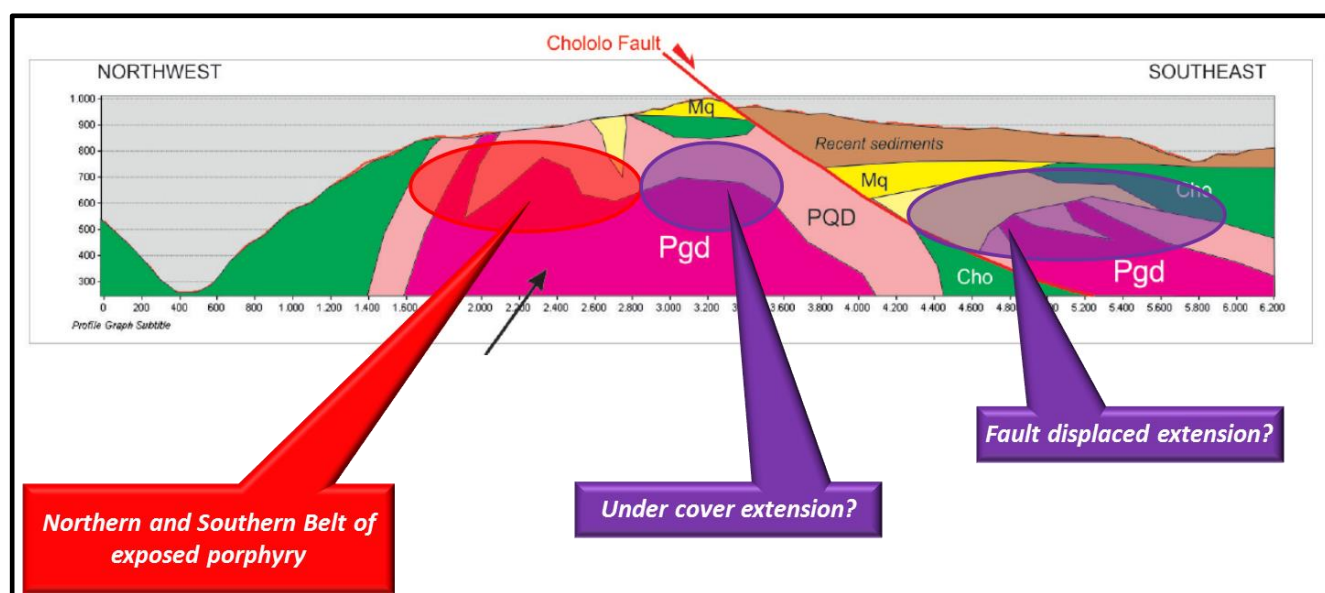


**Figure 3 – Core from IE-JDD-003 from 189.35 m to 192.15 m showing typical stockworking and potassic altered quartz micro-diorite porphyry with magnifications showing molybdenite (grey coloured molybdenum sulphide mineral) occurring within the quartz stockworking.**

Sampling of the first 450m of core from IE-JDD-003 is complete and samples have been submitted for analysis. Results are expected early January 2015.

The mineralisation observed in IE-JDD-003, clearly verifies the importance of the porphyry system as mapped over more than 3km<sup>2</sup> as a large and significantly mineralised system with substantial scope for improved grades within the overall envelope of alteration and mineralisation mapped to date. The three holes drilled so far, each hosting porphyry copper mineralisation, cover 1.1 km of strike in the northern intrusive belt (Figure 5 & 6), with the southern intrusive belt still to be tested (Figure 7).

In addition the likely extension of the northern intrusive belt under cover to the East South East increases the size potential of the system as does the possible fault offset upper portion of the porphyry which may host the typically higher grade phyllic zone which is only observed in restricted areas of the outcropping system as mapped, suggesting that it has either been eroded, or possibly cut by the low angle Chololo Fault adjacent to the South East (Figure 4).



**Figure 4 – Schematic section showing the exposed porphyry system currently being drill tested, its likely covered extension to the East, and the low angle Chololo Fault that has potentially offset the upper part of the porphyry system, possibly preserving the typically higher grade phyllic alteration zone in the hanging wall of the fault under cover further to the South East.**

Such a variety of potential over such a large area will require significant time and investment to realise, and for this reason Latin has begun discussions with a number of parties with the aim of attracting the required investment at the project level through a joint venture or earn in arrangement in order to more rapidly unlock value for Latin shareholders.

Preparations are underway to continue drilling the fourth planned hole once IE-JDD-003 is completed, likely before the end of December 2014. IE-JDD-004 aims to intersect a highly anomalous area within the Southern Intrusive Belt characterised by strongly stockworked Quartz Diorite Porphyry and an adjacent hornfels unit which being more mafic than the other rocks in the system, promises to potentially host higher grade copper mineralisation.

**Latin's Managing Director Chris Gale said:** "Our third hole at Ilo Este hosts classic porphyry lithologies, alteration and stockworking accompanied by visible copper and molybdenum mineralisation. We look forward to reporting assay results early in the New Year. The third hole also reinforces the size of the system and in order to properly evaluate its full potential in a timely manner in current market conditions, we have begun discussions with a number of mining groups to secure the required investment in the project to enable value to be unlocked more rapidly for Latin shareholders."

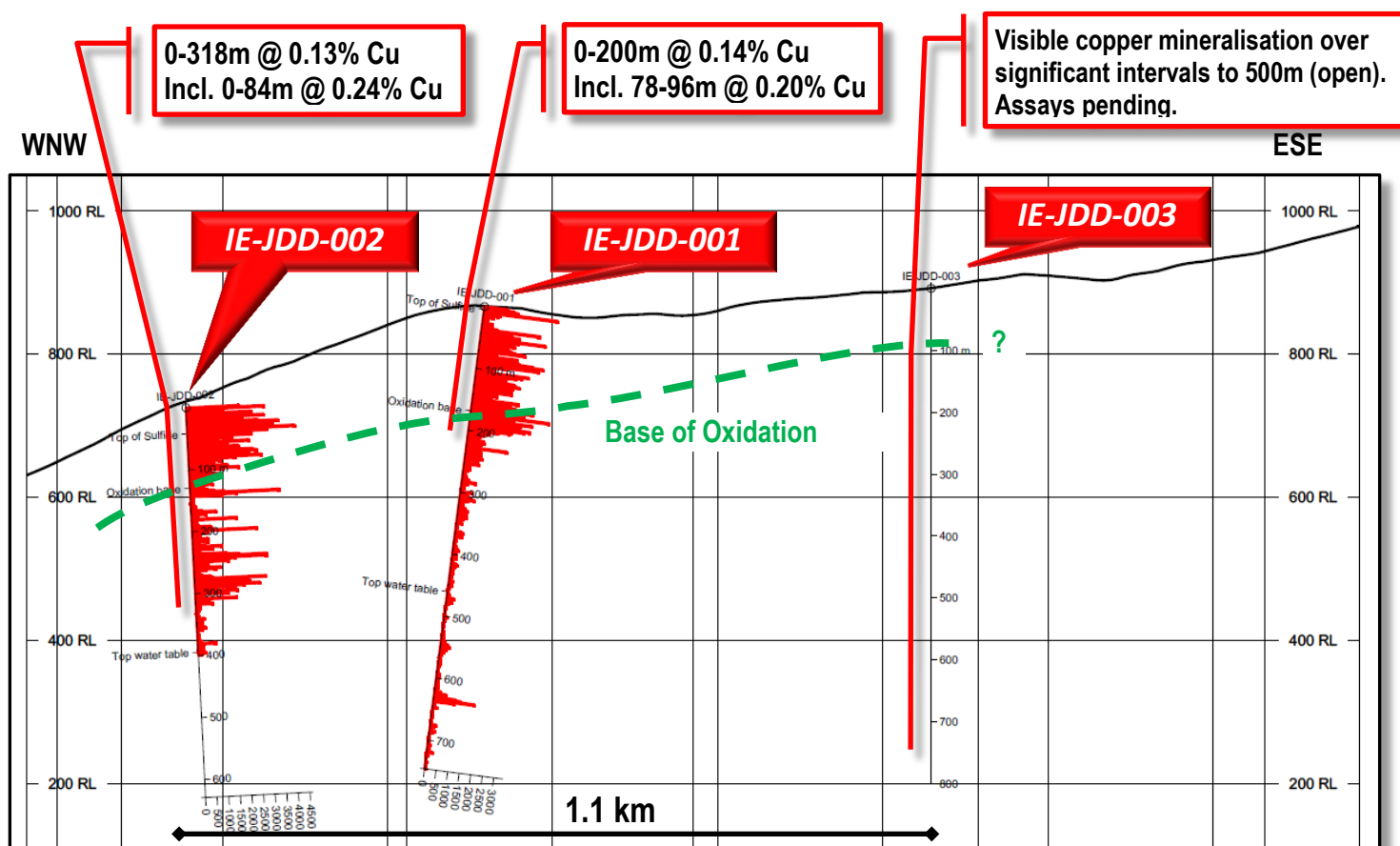


Figure 5 – Long section parallel with the strike of the Northern Intrusive Belt showing copper assay results (red) from drill holes IE-JDD-001 and IE-JDD-002. Note the base of oxidation. Section line appears on map in Figure 7.

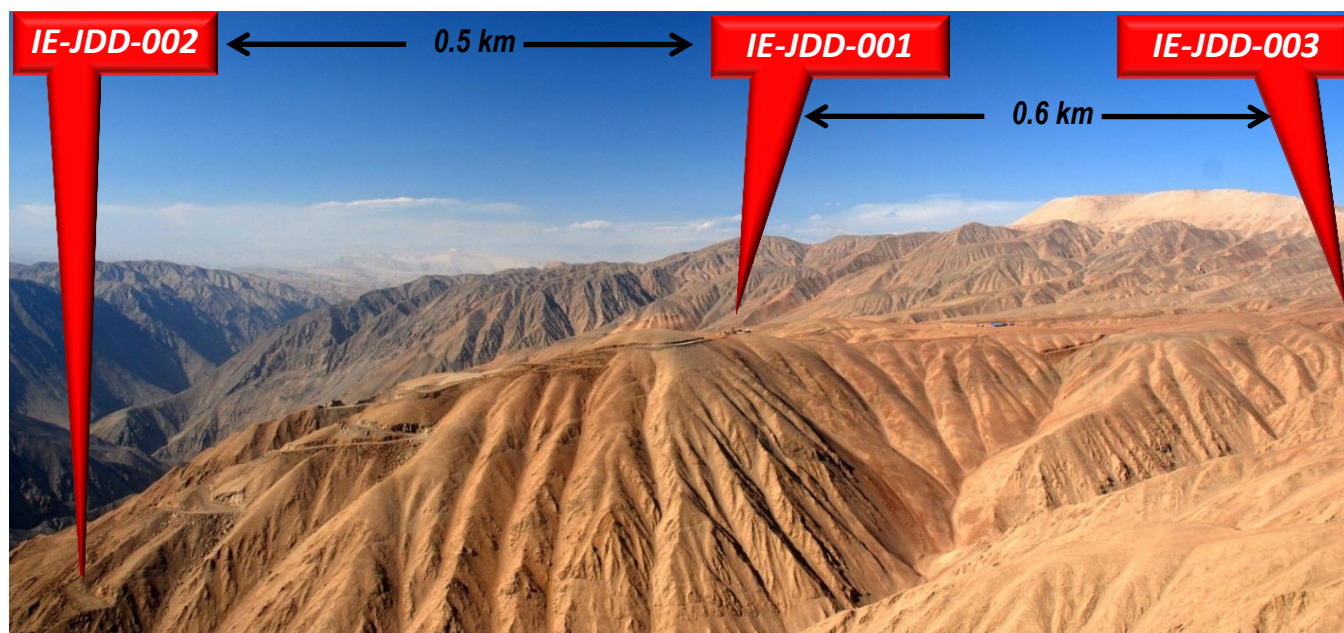


Figure 6– View of the Northern intrusive belt at Ilo Este taken from the Southern intrusive belt. Approximately 1.1 km separates the first three holes within the large porphyry intrusive complex.

**Figure 7 – Copper (ppm) in soils and rock chips plotted over geology at Ilo Este. Two ESE striking intrusive belts targets are marked. Latin's drilling is marked by black drill traces. Section Line from Figure 1 also marked.**

**IE-JDD-001 – 0-200m @0.14% Cu  
(Highest grades 0.34%Cu)**

**IE-JDD-002 – 0-318m @0.13% Cu  
(Highest grades 0.46%Cu)**

**Northern Belt – Only partly tested by RTX drilling**

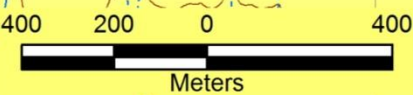
**IE-JDD-003  
Underway, with visible copper mineralisation over much of the 500m drilled to date.**

**IE-JDD-004  
Planned**

**Southern Belt – UNTESTED!**

**Further potential under cover to the ESE – UNTESTED!**

**Chololo Fault**



#### LEGEND LITHOSTRATIGRAPHY

UPPER QUATERNARY	Cong	Sandstones, conglomerates, rare coals. Poorly consolidated.
	Mq	Boulders, conglomerates. Common granite clasts. Poorly consolidated.
LOWER JURASSIC (LIASSIC)	Cho	Chocolate Fm (undivided). Andesites, andesitic tuffs, sandstones, siltstones.
	Sst	Sandstone, siltstone, minor mudstone.
	PA	Porphyritic andesite.
	Xtal	Andesitic crystal-lapilli tuff.
CRETACEOUS?	IGNEOUS INTRUSIONS	
	Fels	Undivided felsic dyke, largely inferred from satellite image.
	Ap	Aplite, microgranite. Locally silicified and pyrite-rich (argillite altered).
	Rhy	Porphyritic rhyolite, abundant small quartz phenocrysts.
	PD	Porphyritic dacite. Isolated phenocrysts feldspar and embayed quartz in very fine grained groundmass.
	PGd	Porphyritic granodiorite, similar to PQDi with common euhedral biotite phenocrysts.
	PQDi	Porphyritic quartz diorite. Slightly isolated feldspar, hornblende and quartz phenocrysts in fine grained groundmass.
	PQD	Porphyritic quartz diorite. Weakly porphyritic, with touching feldspar, hornblende phenocrysts. Plutonic texture.
	IGBx	Igneous breccia, andesitic with microdiorite xenoliths; epidote-rich.
	PMd	Porphyritic microdiorite.
	PQMd	Porphyritic quartz microdiorite.
	HYDROTHERMAL BRECCIA	
	HYBX	Hydrothermal breccia (undivided).
	CONTACT METAMORPHIC ROCKS	
	Horn	Hornfels. Very fine grained. Protolith uncertain.

#### SIMBOLOGY

	DH drilled
	DH in progress
	DH Planned
	Projection of DH
	Contacts
	Faults
	Course
	Rivers
	Streams
	Main level curves
	Mining concessions



#### Rock Chip Sample Cu (ppm)

	< 600
	> 600 < 850
	> 850 < 1 300
	> 1 300 < 3 000
	> 3 000

#### Soil Sample Cu (ppm)

	< 60
	> 60 < 150
	> 150 < 200
	> 200 < 800
	> 800

## ILO ESTE's SPECIAL LOCATION

### Infrastructure

The Ilo Este mineralised system is located at less than 1000 m above sea level, 6 km from the Pan-American Highway, a Railway Line and an Electrical Substation, and from there 32 km to the Port of Ilo. The project area is also located within uninhabited desert lands owned by the Peruvian State.

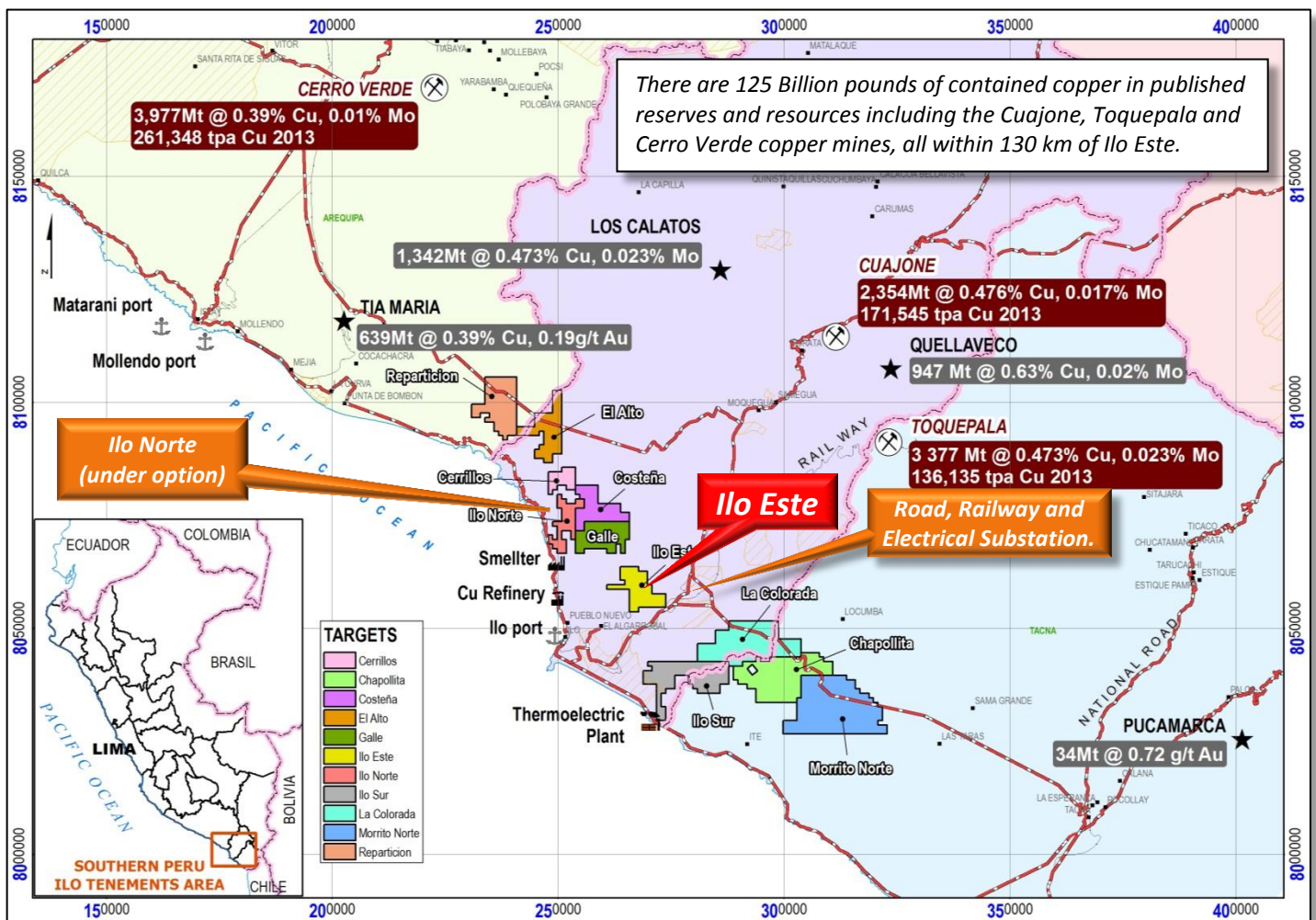
Such magnificent infrastructure located so close to the project would significantly reduce development capital compared with other large porphyry deposits located higher in the Andes.

### Southern Peru's Prolific Copper District

The Western flanks of the Andes in Southern Peru host a number of Tier one Porphyry copper deposits including Cerro Verde (4Bt @ 0.39% Cu, 0.01% Mo), Toquepala (3.4Bt @ 0.47% Cu, 0.023% Mo) and Cuajone (2.4Bt @ 0.48% Cu, 0.017% Mo), each of which produced 261,348, 136,135 and 171,545 tonnes of copper respectively in 2013, and together accounted for over 40% of Peru's 2013 copper production.

In addition the Quellaveco (947Mt @ 0.63% Cu, 0.02% Mo), Tia Maria (639Mt @ 0.39% Cu, 0.19 g/t Au), and Los Calatos (1.4Bt @ 0.47% Cu, 0.023% Mo) projects are under development.

**All these projects are within 130 km of Ilo Este.**



Location of Ilo Este Project and 10 other target areas within Latin's over 100,000 hectare concession holding in the prolific Southern Peru copper district.

**For further information please contact:**

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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, with a specific focus on Peru. The company has a portfolio of projects in Peru and is actively progressing its two main project areas: Guadalupito (Andalusite and Magnetite) and Ilo (Iron Oxide-Copper-Gold and Copper Porphyry). Latin has also recently acquired the mineral rights covering a total of 40,483 hectares in the new Iron Ore district of Rio Grande do Norte State, Brazil.

**Competent Persons Statements**

*The information in this report that relates to geological and geochemical data and exploration results is based on information compiled by Mr Andrew Bristow, a Competent Person who is a Member of the Australian Institute of Geoscientist and a full time employee of Latin Resources Limited's Peruvian subsidiary. Mr Bristow has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Bristow consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The information in this report that relates to geological and alteration mapping of the Ilo Este Porphyry System is based on a separate report supplied by Dr Warren Pratt (CGeol), a Competent Person who is a Fellow of the Recognised Overseas Professional Organisation "Geological Society of London" and a Director of Geological Mapping Limited, and has no affiliation with Latin Resources Limited other than as a consultant. Dr Pratt has sufficient experience which is relevant to the style of mineralization and the type of deposit under consideration 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 (JORC Code). Dr Pratt consents to the inclusion in this report of the matters based on his report in the form and context in which they appear.*

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**LATIN RESOURCES**  
LIMITED

## APPENDIX

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of the above diamond drilling results at the Ilo Este Project, comprising the Peruvian Mining concessions: Latin Ilo Este I, Latin Ilo Este II, Latin Ilo Este III, Latin Ilo Este IV, Latin Ilo Este V, Latin Ilo Este VI, Latin Ilo Este VII and Latin Ilo Este IX totalling 6,200 hectares .

### 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
<b>Sampling techniques</b>	<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>A total of 500 m of diamond drill core from hole number IE-JDD-003 are the subject of this announcement. 450m of core has been sampled and assay results are pending.</li> <li>The core has been sampled by Company technicians under supervision from Company geologists using a diamond saw in half down the axis of the core taking care to representatively split any visible mineralisation. Half core samples over two metre intervals were bagged for dispatch to SGS laboratories in Peru.</li> <li>Laboratory analysis requested consists of jaw crushing of sample received, splitting and pulverizing of a 200 g sub sample for subsequent analysis for Au by 30 g fire assay, Cu, and 35 other elements by ICP-AES following a four acid digest.</li> <li>The drill hole locations were determined by hand held GPS. Drill core has been inspected and certain lithologies and mineralisation styles noted. Core is being logged in detail including magnetic susceptibility, density measurements and RQD.</li> </ul>
<b>Drilling techniques</b>	<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>The drilling subject of this announcement is standard tube diamond core drilling which in hole IE-JDD-003 was PQ (85mm) from surface to 108.75m down hole and from 108.75m to 500m, HQ (63.5mm). The core is not oriented.</li> </ul>
<b>Drill sample recovery</b>	<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> </ul>	<ul style="list-style-type: none"> <li>Core barrel length and core length measurements were made. No significant core loss was experienced.</li> <li>No significant core loss was experienced.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable- Core recovery is consistently greater than 95%, and is predominantly competent resulting in negligible loss/gain of fine/coarse material.</li> </ul>
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>Drill core was inspected and certain lithologies and mineralisation styles noted qualitatively. Core is undergoing detailed geological logging at present which records lithology, alteration, mineralisation and structure. Logging also includes measurements of core density every 10 m down hole. Magnetic Susceptibility measurements are taken down the entire length of core and RQD logging is also undertaken.</li> <li>Logging was qualitative, photographs were taken of all core in boxes.</li> <li>100% of the core referred to in this announcement was photographed and inspected qualitatively.</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>450m of core from IE-JDD-003 has been sampled by Company technicians under supervision from Company geologists using a diamond saw in half down the axis of the core taking care to representatively split any visible mineralisation. Half core samples over two metre intervals were bagged for dispatch to SGS laboratories in Peru.</li> <li>The two metre, half core samples were submitted to SGS Peru and following standard sample preparation techniques are to be crushed to ¼ inch and riffle split to obtain 200 g for pulverizing and subsequent analysis, appropriate for the mineralisation style.</li> <li>Second half analyses were undertaken one in fifty samples. Results are yet to be received.</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>Analytical techniques and procedures for samples submitted for analysis are appropriate for the style of mineralisation. Au by 30g fire assay is considered total, and Cu +35 other elements by ICP-AES following a 4 acid digest is also considered total for Cu and Mo considering the minerals present.</li> <li>QA/QC procedures are considered appropriate with blanks and half samples inserted approximately 1 in 50 samples each and standards inserted approximately 1 in 20. Laboratory duplicates are also to be undertaken approximately 1 in 40 samples.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No independent verifications of intersections have been made at this time.</li> <li>No twin holes have been undertaken at this time.</li> <li>Sample data recorded in the field was data entered into excel spreadsheets and verified and will be cross checked electronically against assay reports from the laboratory.</li> <li>Logging data was data entered into excel spreadsheets and subsequently cross checked against hand drawn summary logs.</li> <li>All data is stored electronically in Company server based file system with regular off site back-ups.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>Drill hole collars were located using hand held GPS.</li> <li>Coordinates reported in this announcement are in UTM WGS84</li> <li>Altitude of drill collars was extrapolated from their GPS location against 1:5000 scale Digital Terrain Model generated from digital photogrammetric restitution of ortho-rectified 1:20,000 scale aerial photography using industry standard techniques including ground control. Topographic control is considered adequate for this initial phase of exploration.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><i>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.</i></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>The geological information reported for the first time in this announcement is from one incomplete drill hole to 500m being drilled towards a planned depth of 800m, angled 60 degrees across the strike of an ESE trending intrusive porphyry belt. Initial drilling is exploratory in nature designed to confirm lithology, alteration and mineralisation styles and grade within distinct parts of the porphyry system as mapped.</li> <li>Results from continued and future drilling will determine ultimate spacing required for any Mineral Resource estimation.</li> <li>Sample intervals are 2 metres consistently, irrespective of lithological contacts or other features.</li> </ul>
<b>Orientation of data in relation to geological</b>	<ul style="list-style-type: none"> <li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> </ul>	<ul style="list-style-type: none"> <li>The drill hole subject of this announcement was planned to intersect across the strike of an ESE trending intrusive porphyry belt, intersecting in a representative way lithology, mineralisation and alteration within the belt that mapped at surface appears to have good continuity along strike.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>structure</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Mineralisation observed visually is present in a three dimensional stockwork and disseminated forms. Given the orientation of the hole cuts approximately perpendicular to the apparent strike of the intrusive bodies, no sampling bias is anticipated.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Sample security is managed directly by the Company and is in line with Industry best practice.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No audits have been undertaken to date.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> <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>The Ilo Este project comprises 8 titled Peruvian mining concessions: Latin Ilo Este I, Latin Ilo Este II, Latin Ilo Este III, Latin Ilo Este IV, Latin Ilo Este V, Latin Ilo Este VI, Latin Ilo Este VII and Latin Ilo Este IX totalling 6,200 hectares. These concessions are located as a block on the map in the body of the announcement (Page 6). The Company's 100% owned subsidiary, Peruvian Latin Resources S.A.C. (PLR) holds title inscribed in the Peruvian public mining registry.</li> </ul>
<i>Exploration done by other parties</i>	<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>Prior exploration on the project undertaken by the Company's 100% owned subsidiary has consisted of surface geochemistry, ground geophysics and geological mapping reported in April 2014. Exploration by Rio Tinto Exploration in 2000 consisted of shallow RC drilling, also documented in the announcement of April 2014.</li> </ul>
<i>Geology</i>	<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>The Ilo Este project hosts a copper-gold porphyry system. The deposit type, geological setting and style of mineralisation was the subject of the April 2014 announcement and is sufficiently detailed within the body of the text, supported by maps and diagrams.</li> </ul>
<i>Drill hole</i>	<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</i></li> </ul>	<ul style="list-style-type: none"> <li>Detail of the information relating to the two drill holes completed to date and the third hole underway that is the subject of this announcement are:</li> </ul>

Criteria	JORC Code explanation	Commentary
Information	<p><b>Material drill holes:</b></p> <ul style="list-style-type: none"> <li>o easting and northing of the drill hole collar</li> <li>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>o dip and azimuth of the hole</li> <li>o down hole length and interception depth</li> <li>o hole length.</li> </ul>	<p><b>Hole Id: IE-JDD-001 (completed)</b>  Easting: 269724 mE, Northing: 8057957mN, Elevation: 876m  Azimuth: 17 degrees, Dip:-60 degrees.  Depth: 746.20m  Survey Method: GPS Handheld.  Datum: WGS84 Zone 17S</p> <p><b>Hole Id: IE-JDD-002 (completed)</b>  Easting: 269221 mE, Northing: 8057925mN, Elevation: 742m  Azimuth: 35 degrees, Dip:-60 degrees.  Depth: 629.20m  Survey Method: GPS Handheld.  Datum: WGS84 Zone 17S</p> <p><b>Hole Id: IE-JDD-003 (underway)</b>  Easting: 270265 mE, Northing: 8057635mN, Elevation: 897m  Azimuth: 30 degrees, Dip:-60 degrees.  Depth: 500 m (towards a planned depth of 800m)  Survey Method: GPS Handheld.  Datum: WGS84 Zone 17S</p> <ul style="list-style-type: none"> <li>• Not applicable, the information has been provided above.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• No previously unreported assay results are reported in this announcement.</li> <li>• No previously unreported assay results are reported in this announcement.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable – no metal equivalents were mentioned in this announcement.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<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 mineralisation reported in this announcement was intersected by inclined holes. The mineralized zones are likely to be steeply dipping, but their orientation is as yet unknown. Determination of the true width of mineralisation would be part of the objectives of future drilling to better define the mineralisation encountered..</li> </ul>
<b>Diagrams</b>	<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 map and section are included in the body of the announcement to show the location of the drill holes subject of the announcement and its relationship to previously announced geophysical and geochemical targets.</li> </ul>
<b>Balanced reporting</b>	<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 mineralisation styles observed visually and the fact that assays for this mineralisation are still pending is clear in this announcement and is considered balanced.</li> </ul>
<b>Other substantive exploration data</b>	<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>This announcement places the drill hole subject of the announcement in context with previously reported geochemical, geophysical and geological results and interpretations.</li> </ul>
<b>Further work</b>	<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>The drill hole subject of this announcement is incompletely sampled and not yet assayed, and must be completely sampled and assayed in order to validate or otherwise the geophysical/geochemical/geological targets that gave rise to its planned location orientation and depth. Given the size of the target area and the 13 planned and permitted drill holes reported previously, it is anticipated that further drilling will be undertaken to further test the target mineralisation, although the nature and extent and nature of further exploration will depend on ongoing results and interpretations of these as they become available, and subsequent availability of funds to complete the permitted drilling.</li> </ul>