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ILO NORTE COPPER-GOLD PROJECT NOW 100% OWNED BY LATIN RESOURCES

Highlights:

- **Ilo Norte Project returned unencumbered to Latin following Zahena's move to Ilo Este and provision of final assay results.**
- **Estimated total exploration spend at Ilo Norte by Zahena was over US$3M with an additional US$200,000 that was paid directly to Latin.**
- **16 holes were drilled by Zahena for a total of 12,657.9 m of diamond core, now property of Latin, and available for due diligence by prospective earn in partners along with complete database of assays and other geological data.**
- **14 of the 16 holes drilled over 2km^2, had several intersections, together totalling from between 21 to 189 metres of low grade Cu mineralisation (0.1%-0.3% Cu) in each hole, highlighting the extent of the mineralised system ("smoke"). (Table 1).**
- **Best intersections were associated with structural zones:**

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Ag (g/t)
IN-009	423	429	6	**2.6 %**	0.25	6.0
Incl.	426	429	3	**4.9 %**	0.32	4.2
IN-012	255	258	3	**2.2 %**	0.19	0.1
IN-016	381	399	**18**	**0.66 %**	0.09	0.6
Incl.	387	393	6	**1.2 %**	0.23	0.6
IN-019	282	312	**30**	**0.93 %**	0.12	0.6
Incl.	300	306	6	**3.1 %**	0.45	2.1

Intersections are down-hole, true width unknown.

- **Latin believes considerable potential remains for high grade structurally controlled copper-gold +/- silver mineralisation, especially considering relatively broad drill pattern (400 m) spacing to date.**
- **Latin now seeking alternative JV partner interested in moderate tonnage high grade copper-gold deposit.**
- **Ilo Norte benefits from excellent infrastructure: 5km from sealed highway, 10km from a major copper smelter and 25km from the port city of Ilo.**
- **Over 560,000 tonnes per annum copper production and 125 billion pounds of copper in published resources and reserves within 100 km of Ilo Norte.**

Latin Resources Limited (ASX: LRS) ("Latin" or "the Company") announces that operational control of the company's 100% owned Ilo Norte Project has been returned to Latin following the termination of the earn-in option agreement by Minera Zahena. As previously announced, Minera Zahena have now entered into a new earn-in option agreement over Latin's 100% owned Ilo Este Project.

Zahena's exploration activities at Ilo Norte brought US$200,000 in cash payments to Latin's Peruvian subsidiary, and the 12,657.9 m of diamond drilling from 16 holes completed represents an estimated investment of more than US$3 million into the Project, with the drill core and all exploration data retained as property of Latin. All exploration data including final assay results from the latest drilling have been received.

Of the 16 diamond drill holes drilled over a 2 km^2 area (Figure 1), 14 made several intersections over the length of the holes. Within each of these 14 holes, totals of between 21 to 189 metres of low grade Cu mineralisation (0.1%-0.3% Cu) were intersected, highlighting the extent of the mineralised system (Table 1).

Within this extensive mineralised system, the best intersections were associated with structural zones as follows:

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Ag (g/t)
IN-009	423	429	6	**2.6 %**	0.25	6.0
Incl.	426	429	3	**4.9 %**	0.32	4.2
IN-012	255	258	3	**2.2 %**	0.19	0.1
IN-016	381	399	**18**	**0.66 %**	0.09	0.6
Incl.	387	393	6	**1.2 %**	0.23	0.6
IN-019	282	312	**30**	**0.93 %**	0.12	0.6
Incl.	300	306	6	**3.1 %**	0.45	2.1

Intersections are down-hole, true width unknown.

Zinc mineralisation, interpreted to be a separate mineralising phase is present in the periphery of the mineralised system, rarely directly associated with copper, and occurs in intersections from tens to over one hundred metres with grades in the 0.1% to 0.5% Zn range (Table 2).

At least 3 km^2 of intense alteration (Magnetite-Pyrite-Albite-Kspar) has been defined between Latin's drilling in 2011 and the drilling undertaken by Zahena in 2014. Copper mineralisation in the range of 0.1%-0.3% Cu has been intersected over numerous lengths in excess of 10 m within this overall alteration package and high grade structure related intersections have also been intersected (Table 1). Structures are abundant, both NE/SW and NW/SE directions appear important controls on mineralisation, with significant offsets apparent from the drilling (Figure 2).

Given drilling to date has been on a broad (400x400m) spacing, Latin believes there is still good potential for defining a significant high grade structurally controlled ore body within the overall alteration envelope. This is supported by the several high grade intersections made to date, along with the numerous lower grade intersections that are considered the "smoke" indicative of much potential for more "fire" to come.

Latin Resources managing director Chris Gale said: *"We believe exploration to date suggests there is good potential for a moderate tonnage high grade copper-gold deposit at Ilo Norte, which given the proximity to infrastructure and favourable topography, would likely be an attractive mine development."*

He added, "*We look forward to attracting a new partner for Ilo Norte willing to join us in the challenge of unravelling the complex structural setting required to deliver the exploration success we are confident awaits at Ilo Norte.*"

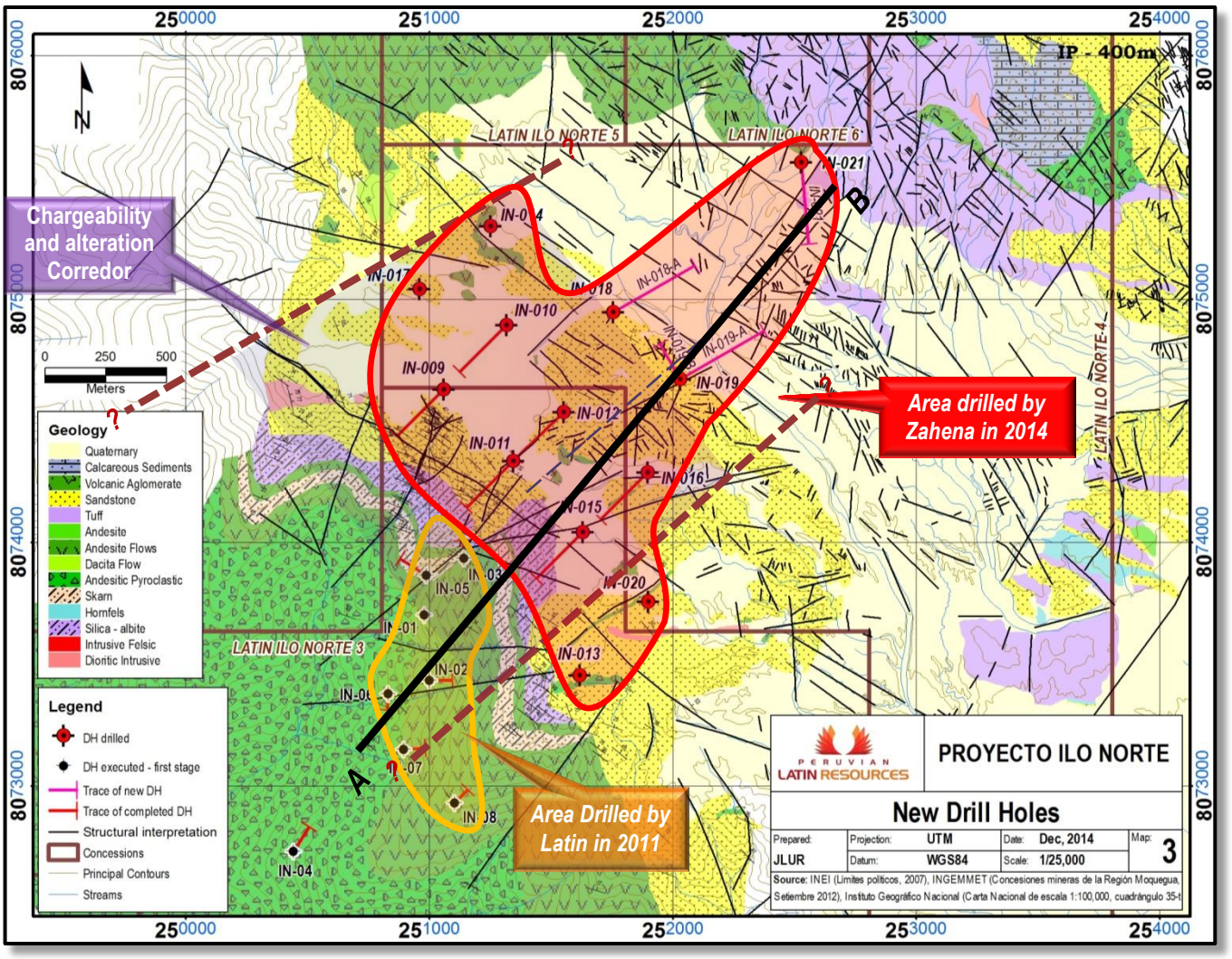

Figure 1 – Map of Ilo Norte showing updated geological mapping and topography as a base with a structural interpretation from imagery overlain. Drill holes IN-01 though IN-08 were completed in 2011 by Latin and IN-009 through IN-021 were completed in 2014 by Zahena.

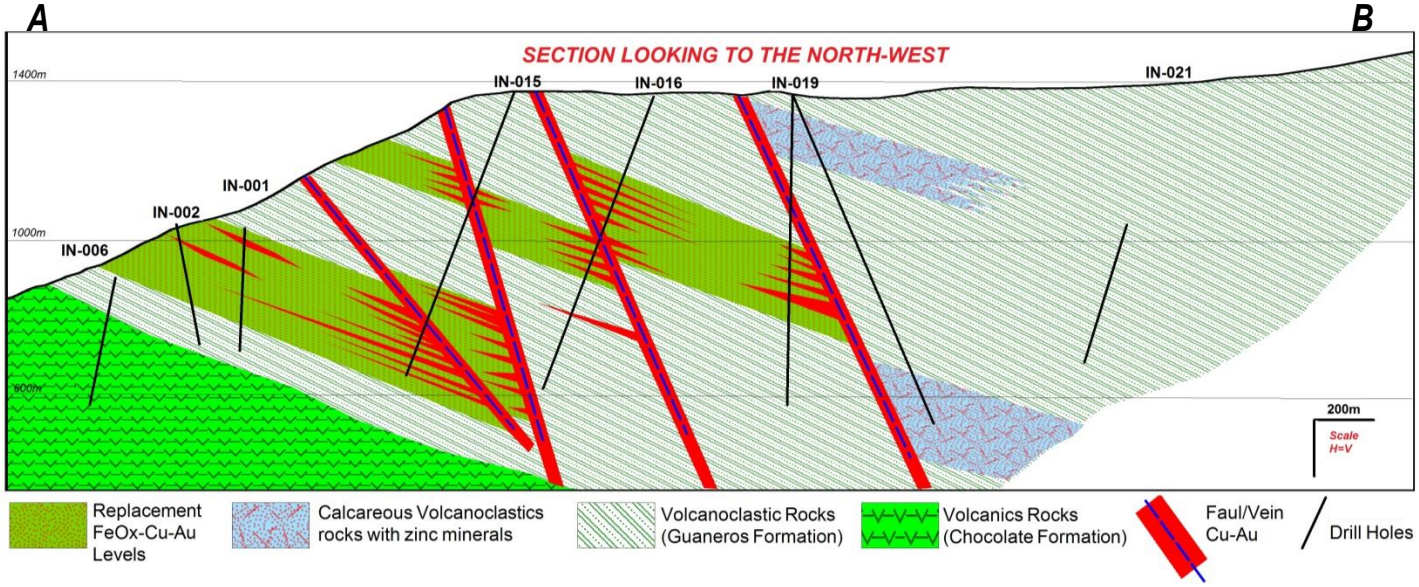

Figure 2 – Section Line A-B marked on Figure 1. The model for mineralisation of Cu/Au supported by the drilling is marked in red and is associated with steep structures (high grade), and also as replacement style mineralisation following selective lithologies (to date relatively low grade).

Table 1 –Copper Intersections from Zahena's 16 Drill holes using 0.1% Cu cut-off with corresponding average, uncut, Au and Ag grades. Intersections are down-hole, true width unknown. (Hole IN-21 had no significant intersections).

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-09	24	48	24	0.11	0.02	1.51
IN-09	423	429	6	2.6	0.25	5.95
IN-09	471	495	24	0.17	0.08	0.45
IN-09	765	792	27	0.17	0.06	0.38

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-10	60	132	72	0.12	0.03	0.28
IN-10	144	165	21	0.15	0.16	0.71
IN-10	300	321	21	0.11	0.02	1.80
IN-10	468	471	3	0.53	0.08	0.10
IN-10	741	753	12	0.22	0.07	0.10
IN-10	786	800	14	0.15	0.08	0.10

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-11	138	162	24	0.15	0.04	0.53
IN-11	348	360	12	0.39	0.06	0.03
Incl	348	354	6	0.53	0.09	0.35
IN-11	666	675	9	0.17	0.09	0.33
IN-11	723	735	12	0.11	0.06	0.35

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-12	168	183	15	0.14	0.06	0.02
IN-12	195	201	6	0.32	0.12	0.10
IN-12	222	234	12	0.27	0.07	0.20
IN-12	249	261	12	0.59	0.26	0.10
Incl	255	258	3	2.21	0.19	0.10
IN-12	294	306	12	0.24	0.20	5.76
IN-12	393	399	6	0.11	0.01	0.10
IN-12	411	426	15	0.23	0.05	0.10
IN-12	459	501	42	0.18	0.05	0.27
IN-12	510	522	12	0.14	0.03	0.33
IN-12	735	756	21	0.12	0.07	0.15

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-13	240	258	18	0.13	0.06	0.20
IN-13	333	342	9	0.16	0.13	0.05
IN-13	417	423	6	0.19	0.02	0.10
IN-13	486	498	12	0.13	0.03	0.70
IN-13	522	537	15	0.14	0.06	0.20
IN-13	696	702	6	0.13	0.04	0.20

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-14	357	363	6	0.12	0.09	0.09

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-15	276	285	9	0.20	0.05	0.33
IN-15	288	309	21	0.24	0.08	0.25
incl	291	297	6	0.44	0.10	0.25
IN-15	336	351	15	0.11	0.01	0.30
incl	369	378	9	0.14	0.00	1.00
IN-15	480	489	9	0.12	0.03	0.20
IN-15	570	579	9	0.11	0.05	0.10
IN-15	609	645	36	0.25	0.16	0.35
Incl	624	633	9	0.38	0.21	0.50
IN-15	750	768	18	0.27	0.15	0.30
Incl	753	759	6	0.44	0.22	0.65
IN-15	783	800	17	0.13	0.10	0.20

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-16	120	153	33	0.14	0.01	0.26
incl	123	126	3	0.32	0.01	0.10
IN-16	228	234	6	0.29	0.18	0.10
IN-16	258	267	9	0.17	0.01	0.23
IN-16	381	399	18	0.66	0.09	0.55
Incl	387	393	6	1.2	0.23	0.60
IN-16	435	447	12	0.17	0.01	0.85
incl	435	438	3	0.35	0.01	1.70
IN-16	474	477	3	0.51	0.13	0.20

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-17	6	27	21	0.20	0.03	1.17
IN-17	150	174	24	0.12	0.04	1.73
IN-17	195	207	12	0.11	0.22	2.98
IN-17	345	360	15	0.11	0.01	1.24
IN-17	543	555	12	0.14	0.04	0.20
IN-17	609	702	93	0.11	0.03	0.36
IN-17	726	732	6	0.11	0.07	0.25
IN-17	762	768	6	0.12	0.07	0.20

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-18	216	231	15	0.25	0.05	0.76
IN-18	240	243	3	0.22	0.13	0.02
IN-18	426	429	3	0.34	0.01	2.40
IN-18	630	639	9	0.26	0.03	0.60
IN-18	681	690	9	0.12	0.05	0.19
IN-18	768	783	15	0.10	0.02	1.04

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-19	282	318	36	0.78	0.10	0.50
Incl	285	312	27	1.0	0.13	0.63
incl	300	306	6	3.1	0.45	2.10
IN-19	351	360	9	0.14	0.11	0.40

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-20	291	303	12	0.33	0.05	0.75
IN-20	333	339	6	0.14	0.02	1.20
IN-20	438	450	12	0.20	0.06	0.27
IN-20	468	480	12	0.11	0.01	0.10
IN-20	669	678	9	0.10	0.02	2.16

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-18A	579	585	6	0.12	0.07	0.10
IN-18A	639	651	12	0.26	0.14	0.57
incl	639	642	3	0.71	0.44	1.20
IN-18A	726	732	6	0.14	0.07	0.95

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-19A	387	396	9	0.19	0.01	2.80
IN-19A	546	558	12	0.26	0.01	3.18
IN-19A	681	687	6	0.15	0.13	1.10
IN-19A	768	780	12	0.16	0.10	1.40
Incl	774	777	3	0.39	0.23	3.00

Hole No.	From	To	Int.	Cu (%)	Au (g/t)	Ag (g/t)
IN-19B	237	243	6	0.19	0.01	0.40
IN-19B	255	270	15	0.19	0.01	1.48
Incl	264	270	6	0.34	0.01	2.90

Table 2 –Zinc Intersections from Zahena's 16 Drill holes using 0.1% Zu cut-off. Intersections are down-hole, true width unknown. (Hole IN-11 and IN-12 had no significant intersections).

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-09	21	78	57	**0.32**
IN-09	99	126	27	0.27
IN-09	150	177	27	0.12
IN-09	183	198	15	0.22

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-10	60	132	72	0.13
IN-10	246	255	9	0.12
IN-10	300	321	21	0.25
IN-10	360	393	33	0.28

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-13	141	147	6	0.25
IN-13	228	234	6	0.20
IN-13	417	423	6	0.13
IN-13	459	468	9	0.18

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-14	162	168	6	0.17
IN-14	243	252	9	0.12
IN-14	273	324	51	0.17

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-15	339	345	6	0.11
IN-15	369	396	27	0.18

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-16	153	159	6	0.18
IN-16	231	234	3	0.11

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-17	36	69	33	0.26
IN-17	87	102	15	0.27
IN-17	183	189	6	0.18
IN-17	195	207	12	0.19
IN-17	303	333	30	0.21
IN-17	345	360	15	0.19
IN-17	366	375	9	**0.37**
IN-17	393	399	6	0.32
IN-17	438	450	12	**0.35**
IN-17	453	465	12	0.20
IN-17	609	702	93	0.12

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-18	*66*	*168*	102	*0.22*
IN-18	180	207	27	**0.35**
IN-18	426	429	3	0.46
IN-18	738	744	6	0.34
IN-18	768	783	15	0.20

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-19	87	99	12	0.12
IN-19	120	174	54	**0.32**
IN-19	339	351	12	0.21
IN-19	744	750	6	0.25

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-20	93	99	6	0.12
IN-20	645	651	6	0.49
IN-20	669	678	9	**0.82**

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-21	546	558	12	0.11
IN-21	762	792	30	0.27

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-18A	36	54	18	0.11
IN-18A	78	231	153	0.18
IN-18A	402	429	27	0.14
IN-18A	702	711	9	0.11

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-19A	81	93	12	0.15
IN-19A	168	207	39	0.28
IN-19A	234	252	18	0.14
IN-19A	297	309	12	**0.36**
IN-19A	357	366	9	0.23
IN-19A	381	408	27	0.25
IN-19A	468	474	6	0.27
IN-19A	567	573	6	0.21
IN-19A	783	941	158	**0.41**

Hole No.	*From*	*To*	*Int.*	*Zn (%)*
IN-19B	69	117	48	0.28
IN-19B	174	195	21	0.12

About Ilo Norte

The Ilo Norte project is an advanced exploration project, prospective for copper-gold mineralisation located right in the heart of a major copper producing region. There are 125 Billion pounds of contained copper in published reserves and resources including the Cuajone, Toquepala and Cerro Verde copper mines, all within 100km of Ilo Norte (Figure 3).

The project hosts a very large alteration system, which is at least 10km long and several hundred metres thick. This alteration is important for several reasons:

- Many mineral deposits are surrounded by a halo of altered rocks that is a much larger exploration target than the deposit alone.
- Variations in alteration can be used as vectors for the location of a mineral deposit.
- Large alteration zones can indicate large mineral deposits.

Latin Resources drilled Ilo Norte in 2011 (Figure 1). Drilling was downslope of the (then undiscovered) alteration package, but nonetheless returned some very good intersections. Best results were 36m at 0.29% copper and 0.09g/t gold (including 14m at 0.55% Cu and 0.13g/t gold); and 21m at 0.25% copper and 0.09g/t gold. These results prove that the system hosts copper and gold and it was not unreasonable to expect better results within the heart of the alteration system, such as those reported from more recent drilling including 30m @ 0.93% Cu and 0.12 g/t Au from including 6m @ 3.1% Cu and 0.45 g/t Au.

A geophysical survey completed in early 2013 defined a large (2000m by 800m) Induced Polarization (IP) anomaly. The anomaly is indicative of chargeable material within the alteration system which coincided with sulphides intersected by drilling in 2014, and which also hosted copper and gold bearing structures (Figure 1).

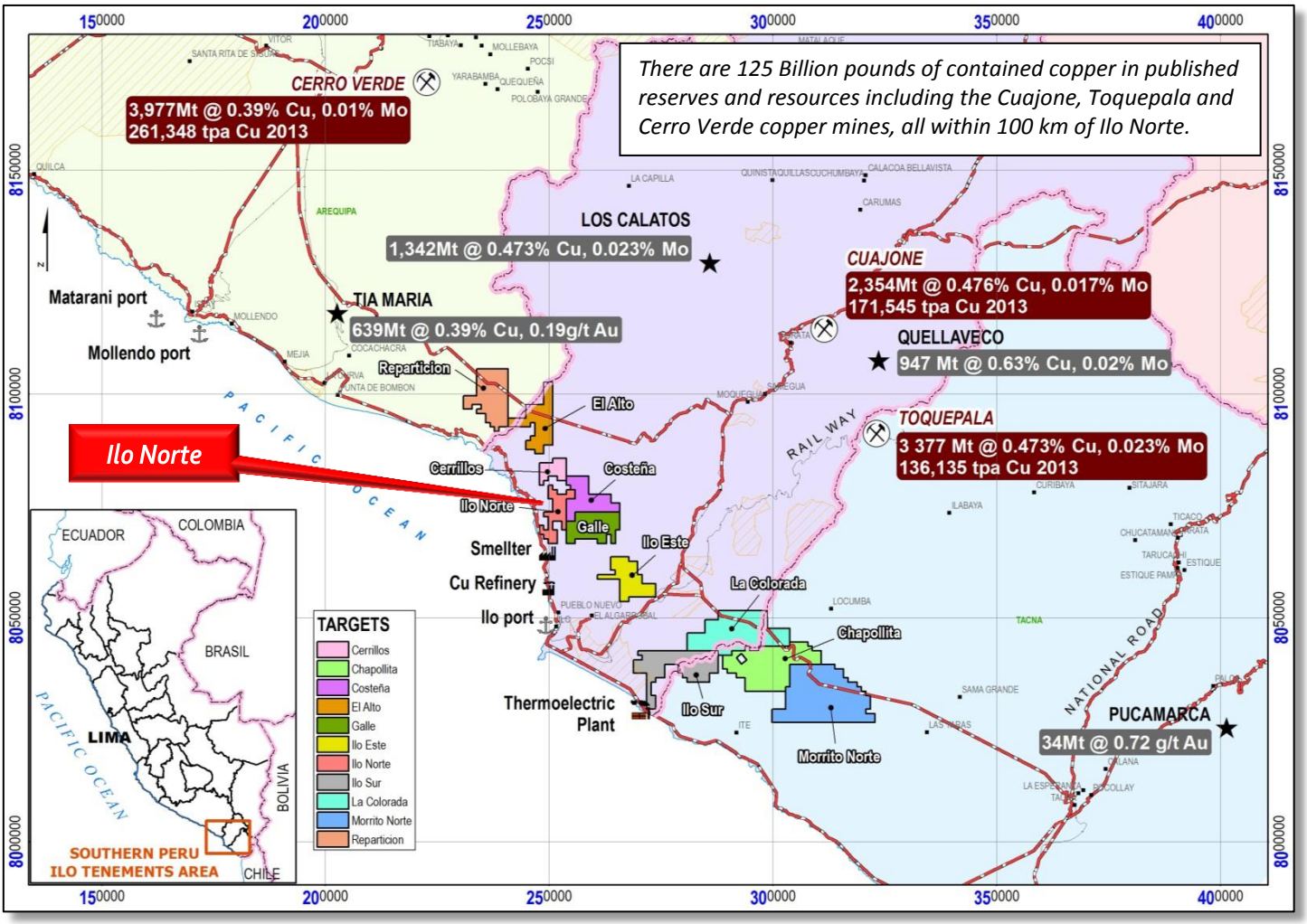

Figure 3 – Location of Ilo Norte Project and ten other target areas within Latin's over 100,000 hectare concession holding in Southern Peru.

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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 Ilo (Iron Oxide-Copper-Gold/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.

The information in this report that relates to geological data from drilling undertaken in 2014 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.

Some of the information in this report relates to previously released exploration results and geological data that were prepared and first disclosed under the JORC Code 2004. This has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, and was based on information compiled by Mr Andrew Bristow, a full time employee of Latin Resources Limited's Peruvian subsidiary. Mr Bristow is a member of the Australian Institute of Geoscientists and 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 December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Bristow consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

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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 Norte Project, comprising the Peruvian Mining concessions: Latin Ilo Norte 1, Latin Ilo Norte 3, Latin Ilo Norte 4, Latin Ilo Norte 5 and Latin Ilo Norte 6 totalling 4,300 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
Sampling techniques	• *Nature and quality of sampling (e.g. 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *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.*	• A total of 12,657.9 m of diamond drill core from each of hole numbers IN-009, IN-010, IN-011, IN-012, IN-013, IN-014, IN-015, IN-016, IN-017, IN-018 and IN-019, IN-020, IN-021, IN-018A, IN-019A and IN-019B are the subject of this announcement. Collar information of these holes has been reported in previous announcements as have partial assay results. • The core has been sampled by the project operator using hydraulic cutters that effectively break the core in half down the axis of the core. This core sampling method was used to avoid loss of brittle copper bearing minerals such as coarse chalcopyrite, chalcocite and covellite that can occur by wet diamond saw methods. Half core samples over three metre intervals were bagged for dispatch to SGS laboratories in Peru. • Laboratory analysis consisted of jaw crushing of sample received, splitting and pulverizing of a 200 g sub sample which was subsequently analysed for Au by 30 g fire assay, Cu, Zn and 34 other elements by ICP-AES following a four acid digest. Over range Fe was confirmed titrimetrically, and over range Cu and Zn by AAS on the same four acid digest. • The drill hole locations were determined by hand held GPS. • Drill core for all holes above has been photographed and logged for lithology, alteration and mineralisation style. Summary logs for IN-009, IN-010, IN-011, IN-012 IN-013, IN-014, IN-015, IN-016, IN-018 and IN-019 were reported in a previous announcement. Intersections using a 0.1% Cu and 0.1% Zn cut-off are included in the announcement .
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core*	• The drilling that is subject of this announcement is standard tube diamond core drilling which has been drilled using HQ (63.5mm), NQ (47.6mm) and in one hole BQ (36.5mm) for the last 88 metres. Depths to which different

Criteria	JORC Code explanation	Commentary
	is oriented and if so, by what method, etc.).	core barrel diametres were used in each hole are detailed previous announcements. The core is not oriented.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Core barrel length and core length measurements were made. No significant core loss was experienced. • No significant core loss was experienced. • No significant core loss was experienced; hence no relationship between sample recovery and grade could be established.
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Drill core from IN-009, IN-010, IN-011, IN-012, IN-013, IN-014, IN-015, IN-016, IN-017, IN-018 and IN-019, IN-020, IN-021, IN-018A, IN-019A and IN-019B was logged for lithology, alteration, mineralisation and structure by senior geologists on site. Summary Logs for IN-009, IN-010, IN-011, IN-012, IN-013, IN-014, IN-015, IN-016, IN-018 and IN-019 were reported previously. • Logging was qualitative and quantitative, photographs were taken of all core in boxes and of specific intervals of interest in greater detail. • 100% of the core IN-009, IN-010, IN-011, IN-012, IN-013, IN-014, IN-015, IN-016, IN-017, IN-018 and IN-019, IN-020, IN-021, IN-018A, IN-019A and IN-019B referred to in this announcement was photographed and logged as above.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The core has been sampled by the project operator using hydraulic cutters that effectively break the core in half down the axis of the core. This core sampling method was used to avoid loss of brittle copper bearing minerals such as coarse chalcopyrite, chalcocite and covellite that can occur when using wet diamond saw methods. Half core samples over three metre intervals were bagged for dispatch to SGS laboratories in Peru using industry standard chain of custody procedures. Core sampling procedures have been inspected regularly by Latin geologists and found to be consistent and representative. • The three metre, half core samples were submitted to SGS Peru and following standard sample preparation techniques were crushed to ¼ inch and riffle split to obtain 250 g for pulverizing and subsequent analysis, appropriate for the mineralisation style. • Second half analyses were undertaken one in forty samples. Results are considered sufficiently precise to validate sample representativity.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• Analytical techniques and procedures are appropriate for the style of mineralisation. Au by 30g fire assay is considered total, and Cu/Zn +34 other elements by ICP-AES following a 4 acid digest is also considered total for Cu and Zn considering the minerals present. Over range determinations of Cu/Zn by AAS and Fe by titrimetric methods were employed where necessary. • QA/QC procedures are considered appropriate with blanks and half samples inserted approximately 1 in 40 samples each and standards inserted approximately 1 in 20. Laboratory duplicates were also undertaken approximately 1 in 40 samples. Acceptable precision and accuracy were obtained from analysis of results.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No independent verifications of intersections have been made at this time • No twin holes have been undertaken at this time. • Sample data recorded in the field was data entered into excel spreadsheets and verified and cross checked electronically against assay reports from the laboratory. • Logging data was data entered into excel spreadsheets and subsequently cross checked against hand drawn summary logs that were also drafted into presentation format using drafting software. • All data is stored electronically in Company server based file system with regular off site back-ups.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drill hole collars were located using hand held GPS. • All Coordinates for the drill holes subject of this announcement were reported previously in UTM WGS84 • 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.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	• The exploration results reported in this announcement are from 6 drill holes approximately 400 m apart and angled between 70 degrees along three sections which allowed the shallow dipping volcano-sedimentary rocks to be cut almost perpendicular to their dip. It is apparent that some degree of geological overlap will be achieved between these holes to be assessed in

Criteria	JORC Code explanation	Commentary
		future interpretation of results. Results are also reported from a further 6 holes that were drilled vertically, again approximately 400 m apart (for hole location and dip relationships see figure 1 and previous announcements). These holes were drilled to obtain maximum depth penetration. Results are also reported from a further 4 holes drilled at different angles and azimuths as reported in a previous announcement and represented on Figure 1 of this announcement.
	• *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.* • *Whether sample compositing has been applied.*	• Results from the drill holes subject to this announcement are considered insufficient to undertake a mineral resource estimate. Any future drilling will be planned using the spacing required for any Mineral Resource estimation. • Aside from the 3m sample interval described above, no other sample compositing was undertaken.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• The drill holes subject of this announcement were planned to intersect as perpendicular as possible a geophysical chargeability anomaly and the dip of volcano-sedimentary rocks bearing replacement style mineralisation to the south east as mapped in outcrop. Target depth of the chargeability anomaly has been reached, and sulphide mineralisation would appear to explain the anomaly. The strataform replacement style mineralisation observed in the drill core suggests that the host volcano-sedimentary rocks intersected by the drilling dip consistently with rocks of a similar package observed in outcrop to the south east.
	• *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.*	• Geological information to date suggests that there is likely to be some sampling bias in relation to the high grade mineralisation observed to date considering this was intersected by vertical and inclined holes. The structural zones that are mineralized are likely to be steeply dipping, thus intersections are possibly longer than the true width of the mineralisation, although the extent of bias is unknown. Determination of the true width of mineralisation would be part of the objectives of future drilling to better define the mineralisation encountered.
Sample security	• *The measures taken to ensure sample security.*	• Sample security is being managed by the project operator to the satisfaction of the Company and is in line with Industry best practice.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits have been undertaken to date.

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	• *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.*	• The Ilo Norte project comprises 5 titled Peruvian mining concessions: Latin Ilo Norte 1, Latin Ilo Norte 3, Latin Ilo Norte 4, Latin Ilo Norte 5 and Latin Ilo Norte 6 totaling 4,300 hectares and one Peruvian mining claim pending title: Latin Ilo Norte 2 totaling 1,000 hectares. These concessions and claim are located as a block on the map in the body of the announcement (Figure 3). The Company's 100% owned subsidiary, Peruvian Latin Resources S.A.C. (PLR) holds title inscribed in the Peruvian public mining registry. The earn-in option agreement subject of previous announcements has been terminated, and the assignment of rights also terminated. The property is now under complete control of the Company. Surface land rights are privately owned and valid agreements exist for the use of the land for the current exploration activities, including a good faith clause to negotiate conditions for future mining activities should this be required.
	• *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.*	• The area of exploration interest is within the 5 titled mining concessions which are publicly registered and in good standing..
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Prior exploration on the project was undertaken directly by the Company's 100% owned subsidiary according to the JORC (2004) code and has been reported previously in numerous announcements made by the Company during 2010, 2011, 2012 and 2013. No other exploration by other parties other than that subject of this announcement is known.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Ilo Norte project is host to strataform sulphide replacement (skarn) style mineralisation hosted in favorable beds within a NW striking, shallow dipping package of volcano-sedimentary rocks of Jurassic age that include andesitic volcanics and sandstones/siltstones. Silica-Albite alteration is extensive along a strike scarp that forms a steep slope to the south west of the area being drilled. Although no evidence has yet been obtained it is likely that a concealed intrusive source for the mineralizing fluids may be discovered as the heart of the alteration system. High grade mineralisation has been encounted in discordant structures relative to the replacement style mineralisation and represents a significant target for future drilling.

Criteria	JORC Code explanation	Commentary
Drill hole Information	• *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:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.*	• Detail of the information relating to the drill holes subject of this announcement have been reported previously. Locations of the drill holes are also marked on a map (Figure 1) which places them in context with previously released exploration results according to the JORC code (2004 edition). Down hole intersections using 0.1% Cu/Zn cut-offs have been reported in tables 1 and 2, with the corresponding, uncut gold grade for the intersection in table 1.
	• *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.*	• Not applicable, the information has been provided above.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	• Reported intersections have been determined using 0.1% Cu and 0.1% Zn cut off's as appropriate for each metal, no high grade cut has been used.. Average gold and silver content of the Cu intersections has been included without high or low cut-off grades. Intersections reported are down hole and are simple averages of sample intervals of equal length, thus no weighting is necessary.
	• *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.*	• Intersections that include a significantly higher grade portion within the overall intersection have been reported in an appropriate manner to demonstrate such variability.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Not applicable – no metal equivalents were mentioned in this announcement.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• The high grade mineralisation reported in this announcement was intersected by both vertical and inclined holes. The structural zones that are mineralized are likely to be steeply dipping, but their orientation is as yet unknown, thus intersections reported are likely to be longer than the true width of the mineralisation. Determination of the true width of mineralisation would be part of the objectives of future drilling to better define the mineralisation encountered..
Diagrams	• *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 map and section are included in the body of the announcement to show the location of the drill holes subject of the announcement and their relationship to previously announced geophysical

Criteria	JORC Code explanation	Commentary
	appropriate sectional views.	and geochemical targets. • All intersections using a 0.1% cut off for Cu and Zn as appropriate with corresponding average Au content have been tabulated in table 1, with the highest grade intersections summarized in the body of the announcement. • A representative section appears in Figure 2 which includes a representation of the geological and structural model for mineralisation.
Balanced reporting	• *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.*	• The reporting of exploration results, geological information, alteration and mineralisation from the drilling and the summary of mineralised rocks encountered in the holes is considered balanced.
Other substantive exploration data	• *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.*	• This announcement places the drill holes subject of the announcement in context with previously reported geochemical, geophysical and geological results and interpretations.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The results reported in this announcement highlight the existence of high grade Copper mineralisation associated with discordant structures and veins relative to the extensively and intensely altered package of volcano-sedimentary rocks that would appear to be the source of the geophysical (chargeability) anomaly and also contain lower grade copper and zinc mineralisation. Given the option and assignment agreement previously reported has been terminated, future drilling while technically justified will depend on funding by an earn-in/option/assignment operator currently being sought..