



# **LATIN RESOURCES**

## **LIMITED**

---

## **Investor Presentation**

March 2015

# Disclaimer

This presentation and any oral presentation accompanying it has been prepared by Latin Resources Ltd (“LRS “ or the “Company”). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this presentation.

This presentation contains forecasts and forward looking information. Such forecasts, projections and information are not a guarantee of future performance, involve unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied. LRS has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this presentation. Accordingly, to the maximum extent permitted by applicable laws, LRS makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and take no responsibility and assume no liability for, the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission, from any information, statement or opinion contained in this presentation.

You should not act or refrain from acting in reliance on this presentation material. This overview of LRS does not purport to be all inclusive or to contain all information which its recipients may require in order to make an informed assessment of the Company’s prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.



**LATIN RESOURCES**  
Limited

# Latin Resources Limited (ASX Code: LRS)



Mineral exploration and development company  
with projects in Peru and Brazil



Over 5 years of exploration work and  
\$15m spent to date



Over 160,000 hectares of mining concessions in Peru and Brazil



Strong Management team

---

Shareholding	Shares	Options/Rights
Total Shares	333 million*	39 million*
Market Cap @0.02	\$7 million	exercisable @ \$0.05 to \$0.30 on or before 1 December 2017.

Junefield Group  
major Shareholder  
with **14%\***

Top 30  
Shareholders  
represent **62%\***  
of shareholding

\*As at 28<sup>th</sup> February 2015



**LATIN RESOURCES**  
Limited

# Peru - Project Portfolio & Strategy

## **Guadalupito Andalusite Proppant Project**

Andalusite,  
Iron  
Zircon, Rutile,  
Ilmenite



Close to  
Port & Infrastructure

---

**Fund & Drill Ilo Copper  
Projects**

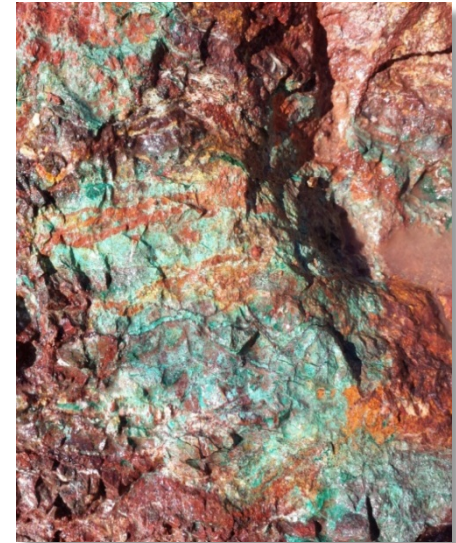
---

Develop projects to  
**Produce in near term**

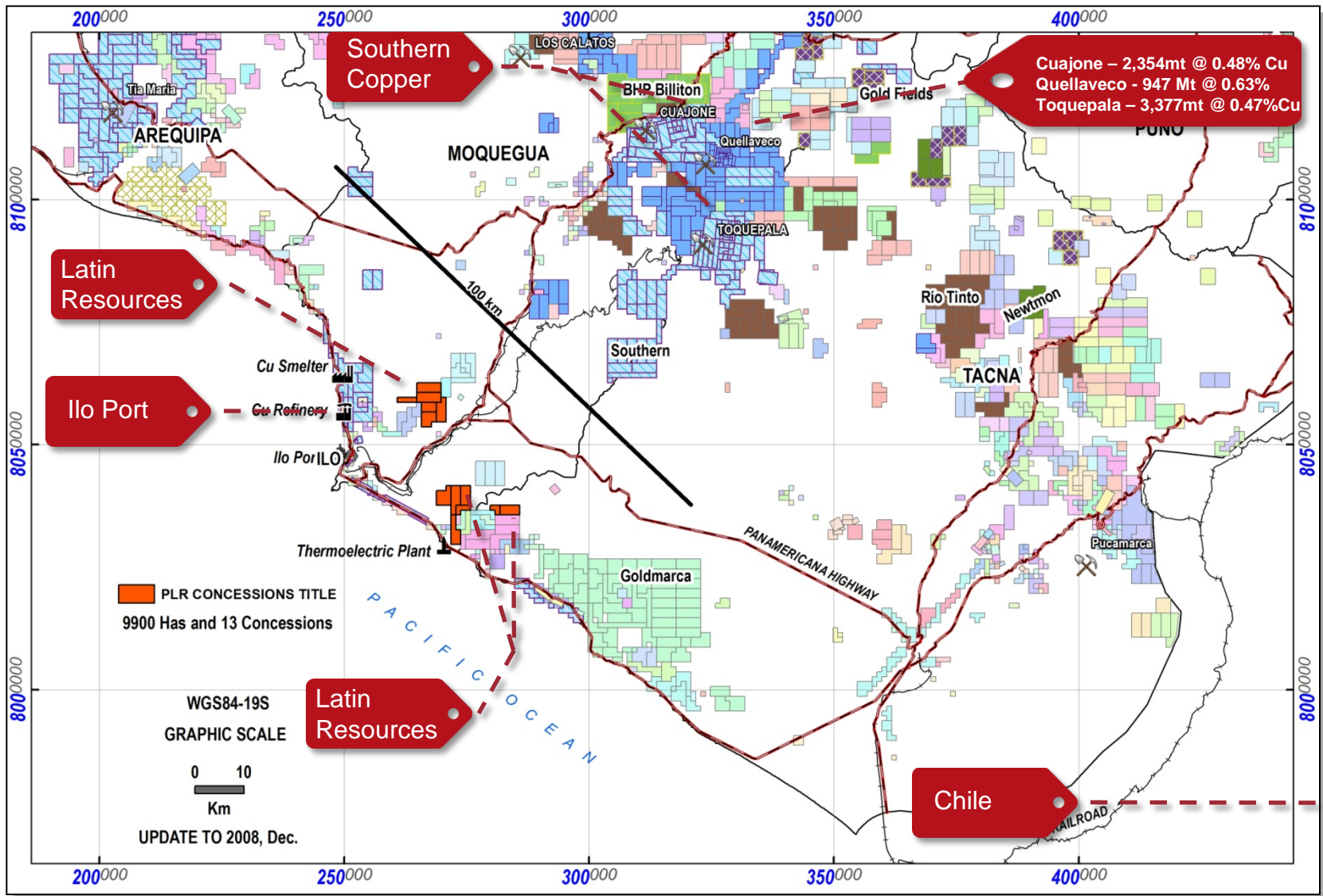
---

Find JV partner for  
**Guadalupito**

## **Ilo Copper Projects - Peru**

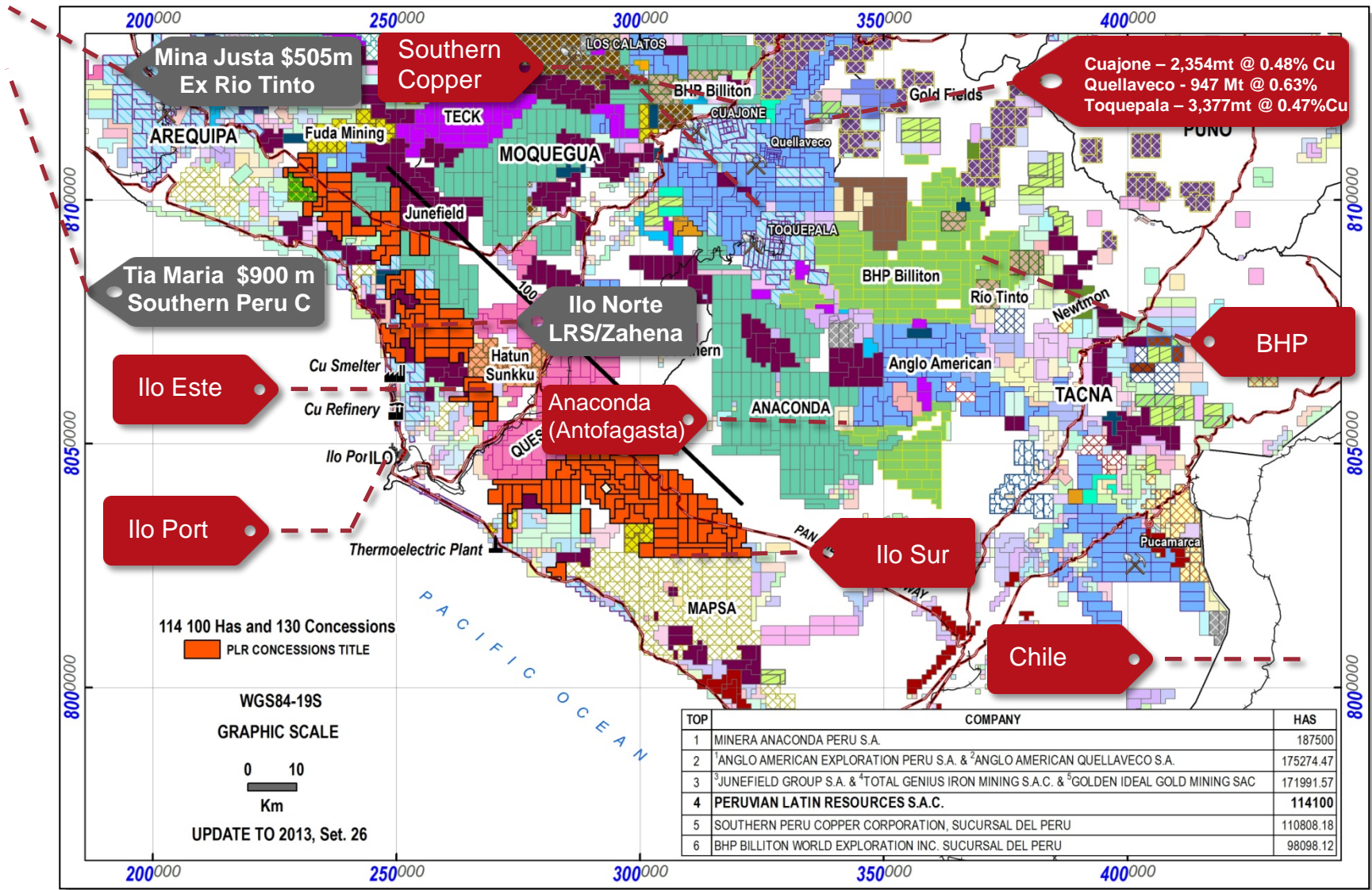


# Ilo District 2008



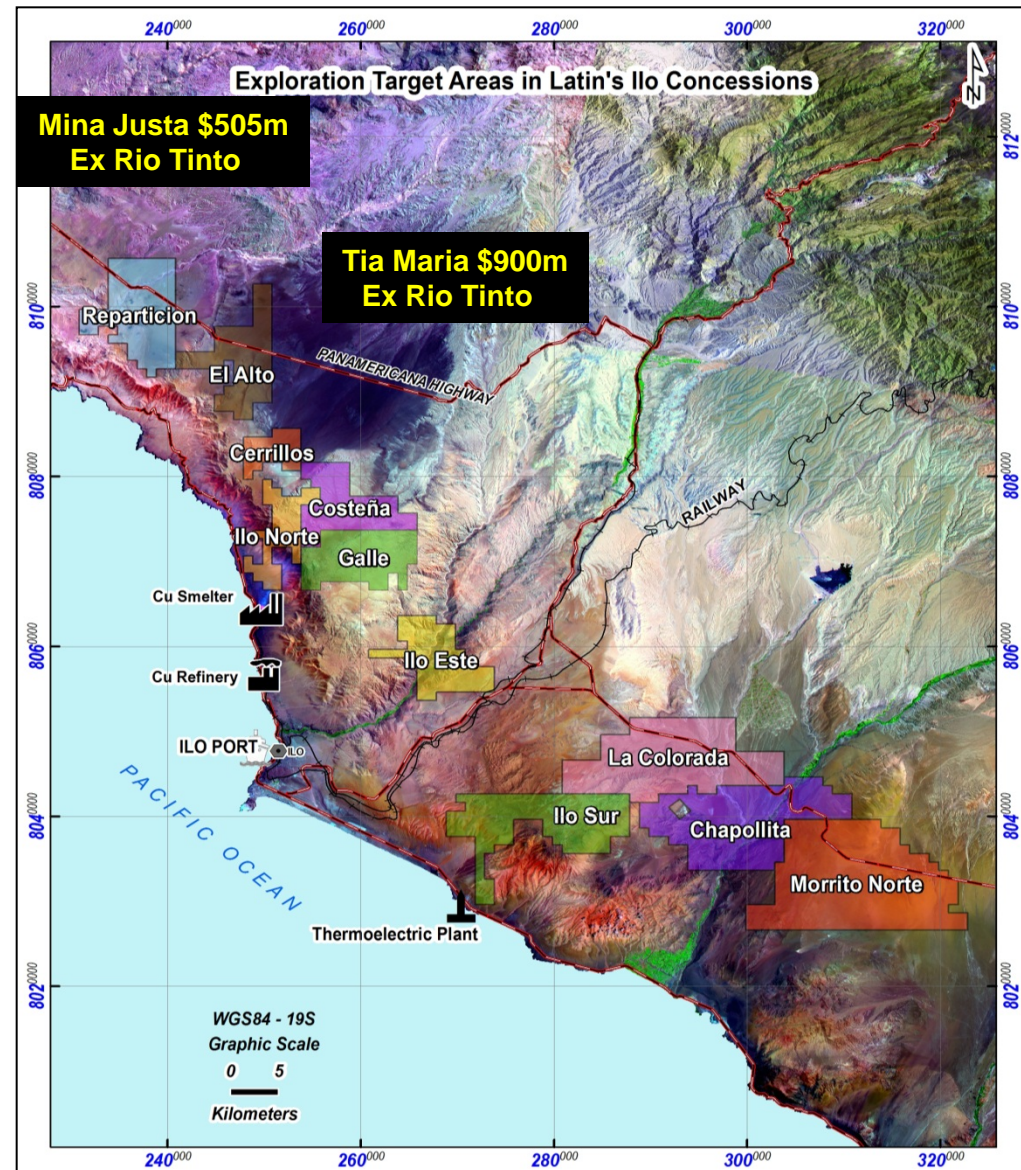


# Ilo 2014 – Southern Peru host over 125 Billion pounds of contained copper in published reserves and resources

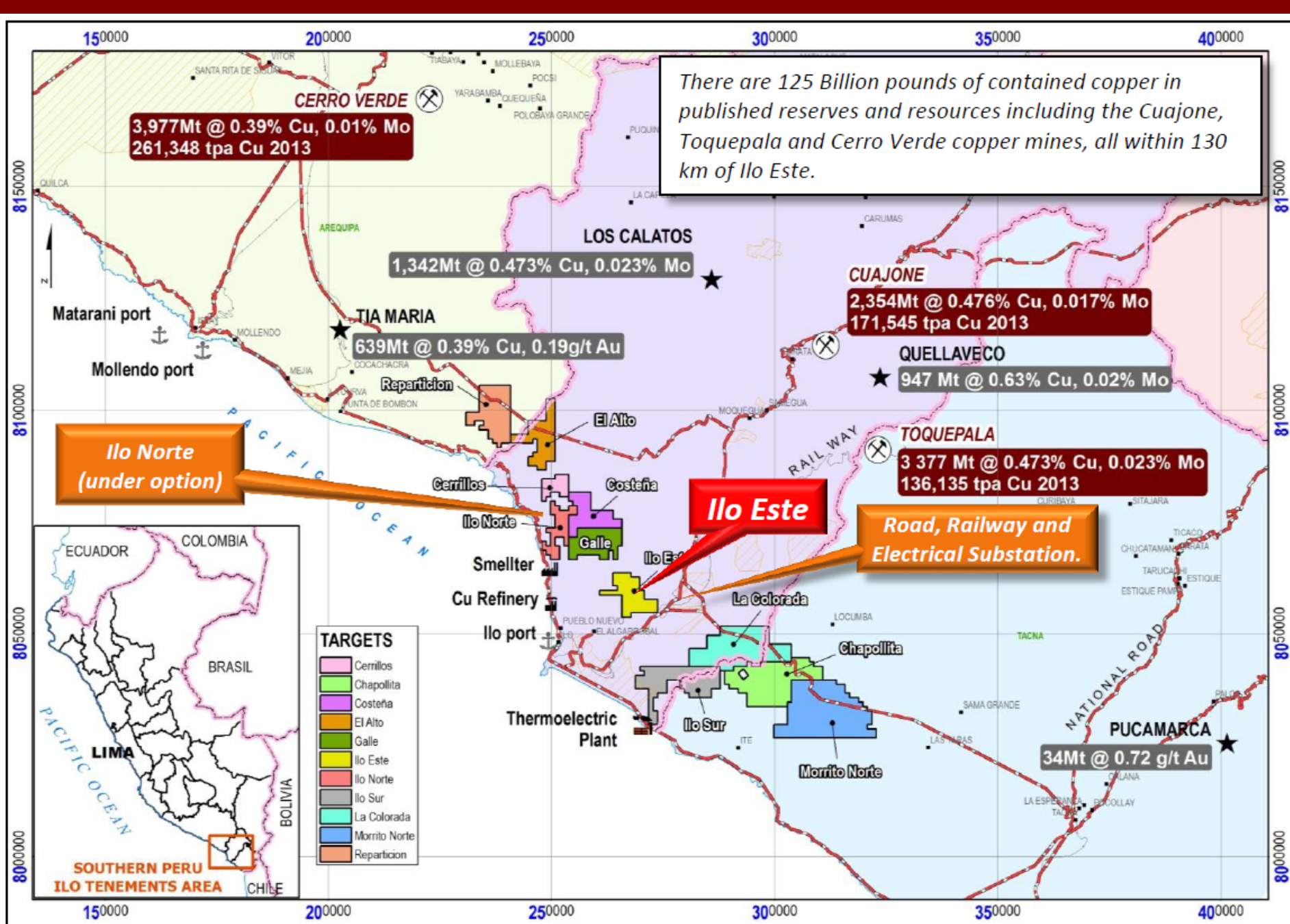


# Latin Resources Concessions – 111,800 Hectares

- 10 new target areas located in the Iron Oxide Copper Gold (IOCG) & Porphyry district of the Ilo region of southern Peru.
- Excellent infrastructure – roads, power, ports.
- Copper deposits in the region;  
Porphyry & Cu-Au IOCG  
Tia Maria 639mt @0.39% Cu  
Cuacone 2354mt @0.48% Cu  
Toquepala 3377mt@0.47% Cu  
Quellaveco 947mt@0.63%Cu  
Mina Justa 413mt @0.79%Cu









# Ilo Este – First Drill Hole – 746.2m

- First hole, IE-JDD-001, completed to a depth of 746.2 m with continuous copper and gold mineralisation from 0 to 200 m down hole.
- 0-200m @ 0.14% Cu, 0.1g/t Au, 22ppm Mo, 0.8g/t Ag (uncut).

**Highest grades intersected: 0.34% Cu, 1.4g/t Au, 251ppm Mo, 5.4g/t Ag**

From (m)	To (m)	Interval (m)	Cu (%)		Au (g/t)		Mo (ppm)		Ag (g/t)		metres <0.1% Cu included in avg
			Avg	Max	Avg	Max	Avg	Max	Avg	Max	
0	10	10	0.15	0.32	0.11	0.23	22	31	0.2	0.5	2
36	72	36	0.15	0.28	0.09	0.17	19	38	0.6	1.7	6
78	96	18	0.20	0.28	0.12	0.22	14	19	2.1	5.4	0
104	142	38	0.14	0.23	0.09	0.20	11	30	0.7	3.8	8
148	200	52	0.19	0.34	0.15	1.4	39	251	1.1	2.7	4

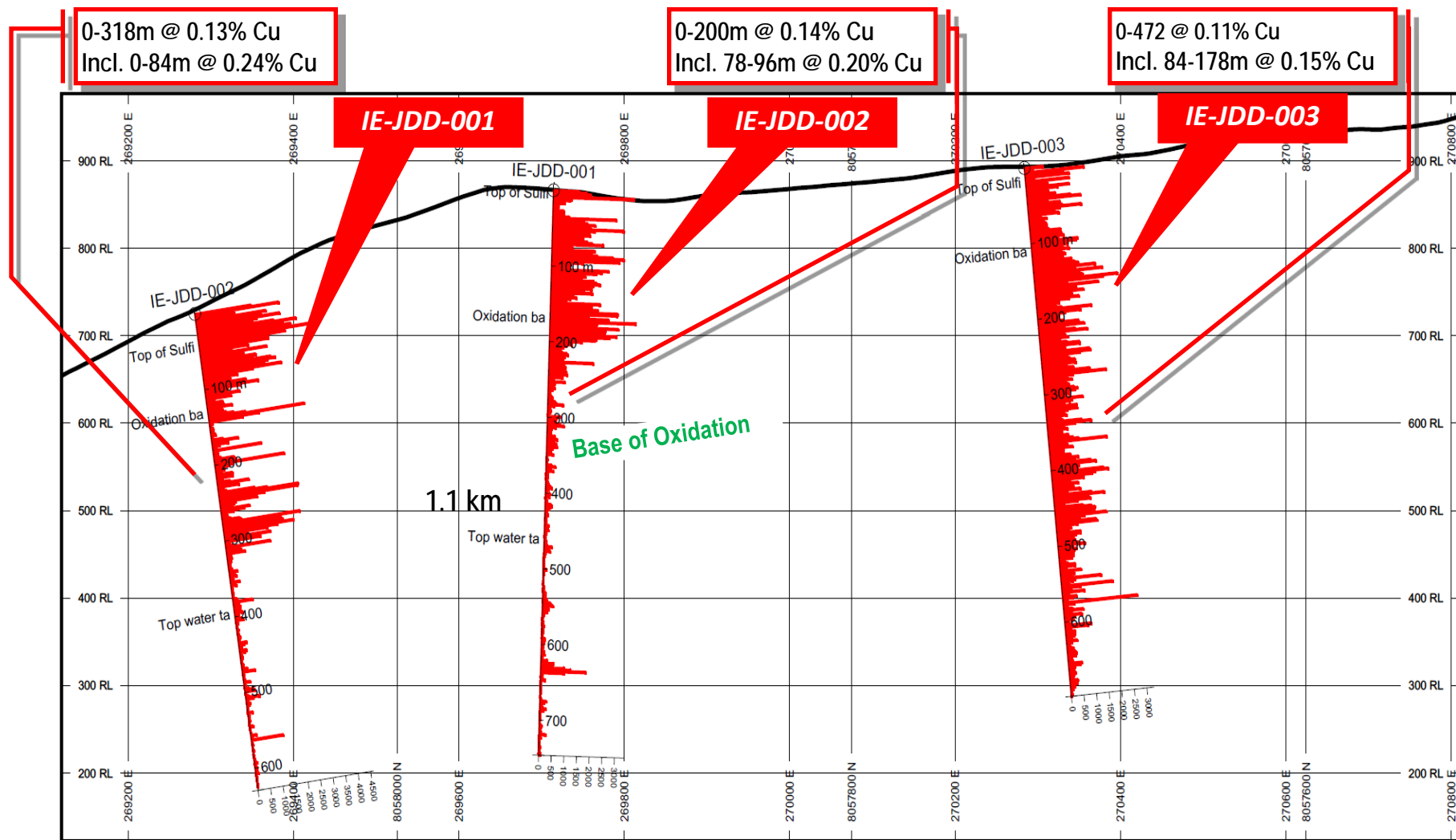


*Depths are down hole depths.*



**LATIN RESOURCES**  
Limited

# Ilo Este – Long Section – Northern Belt





# Ilo Este – Infrastructure

- 14 km of access roads from the Pan-American Highway are in good condition and provide access for future drilling with minimal investment.
- The mineralised system is 6 km from the Pan-American Highway, Railway Line and Electrical Substation, and from there 32 km to the Port of Ilo.





## **ZAHENA JOINT VENTURE - TO EARN 70% OF LATIN'S ILO ESTE PROJECT**

- **Earn-in option to transfer 70% ownership of its Ilo Este Project to Compañía Minera Zahena SAC (CMZ) for a total consideration of US\$1 million cash and exploration work commitments totalling US\$3 million plus the immediate execution of a 11000 metre diamond drilling program.**
- **PLR to receive staged payments over 3 years totalling US\$1 million.**
- **A 11,000 metre drill program is to be completed by CMZ within 18 months.**
- **Following exercise of the option, a Newco will be formed where PLR retains 30% ownership. CMZ will have a limited option to buy out PLR's 30% interest for a cash sum, to be negotiated, plus a 2% Net Smelter Return royalty on all mineral sales.**
- **A USD\$5 million cash payment in the event a successful definite feasibility (DFS) study is completed**



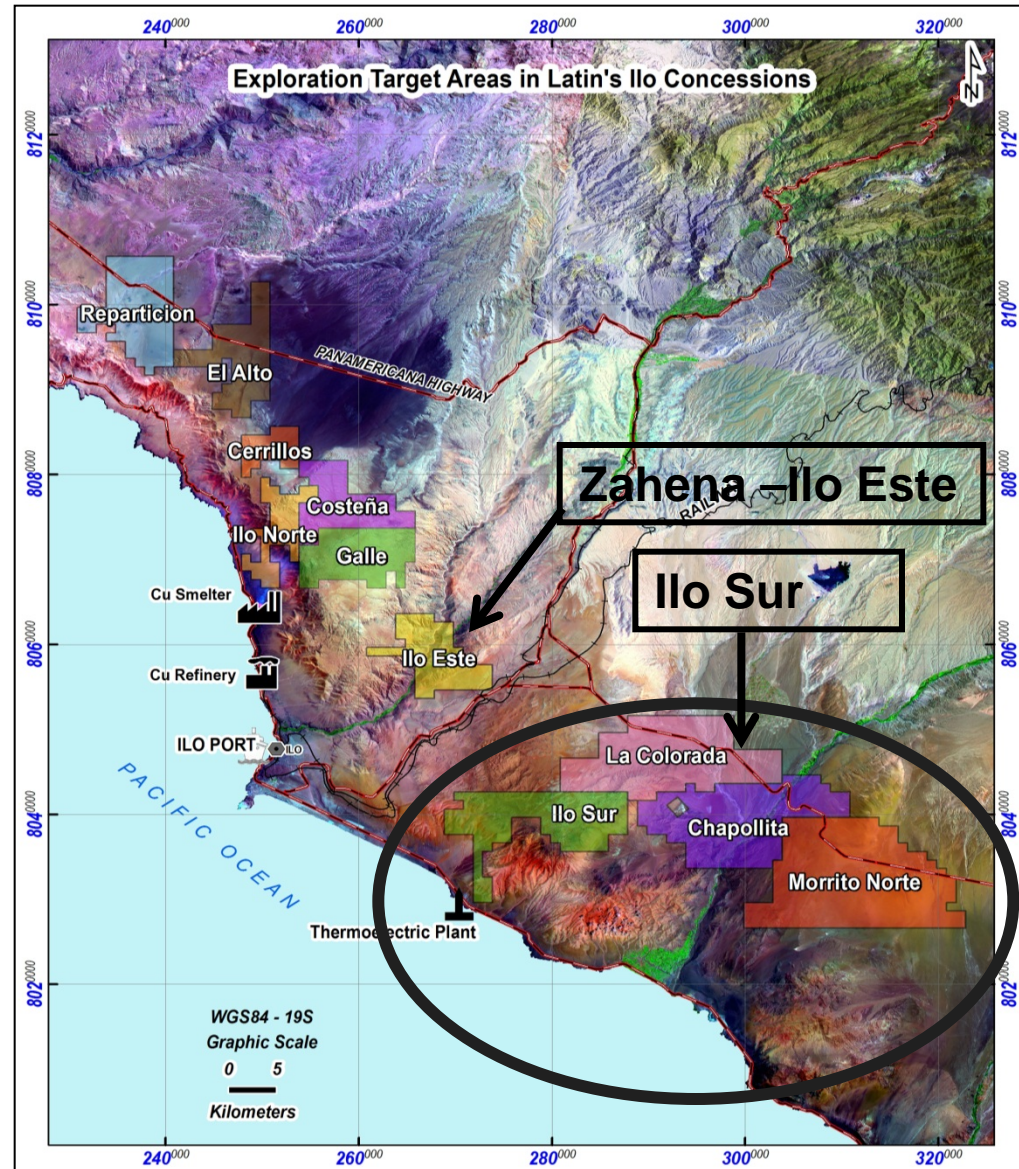
# Ilo Norte – High Grade Copper Intersected

- High grade copper intersected: 30m @ 0.93% copper & 0.12g/t gold from 282m including 6m @ 3.1% Cu & 0.45g/t Au from 300m in hole IN-019 (0.1% Cu cut off)
- 12 holes completed within 4 months ( 18 months was programmed by Zahena)
- Excellent infrastructure: 5km from sealed Highway, 10 km from Peru's major copper smelter and 25km from Port city of Ilo.
- Over 560,000 tonnes pa copper production and 125 billion pounds of copper in published resources and reserves within 100km of Ilo Norte.



# Latin Resources Ilo Sur Projects

- 4 target areas located in the Iron Oxide Copper Gold (IOCG) & Porphyry district in Southern Ilo region of southern Peru.
- Excellent infrastructure – roads, power, ports.
- Discussing potential Joint Venture on Ilo Sur projects





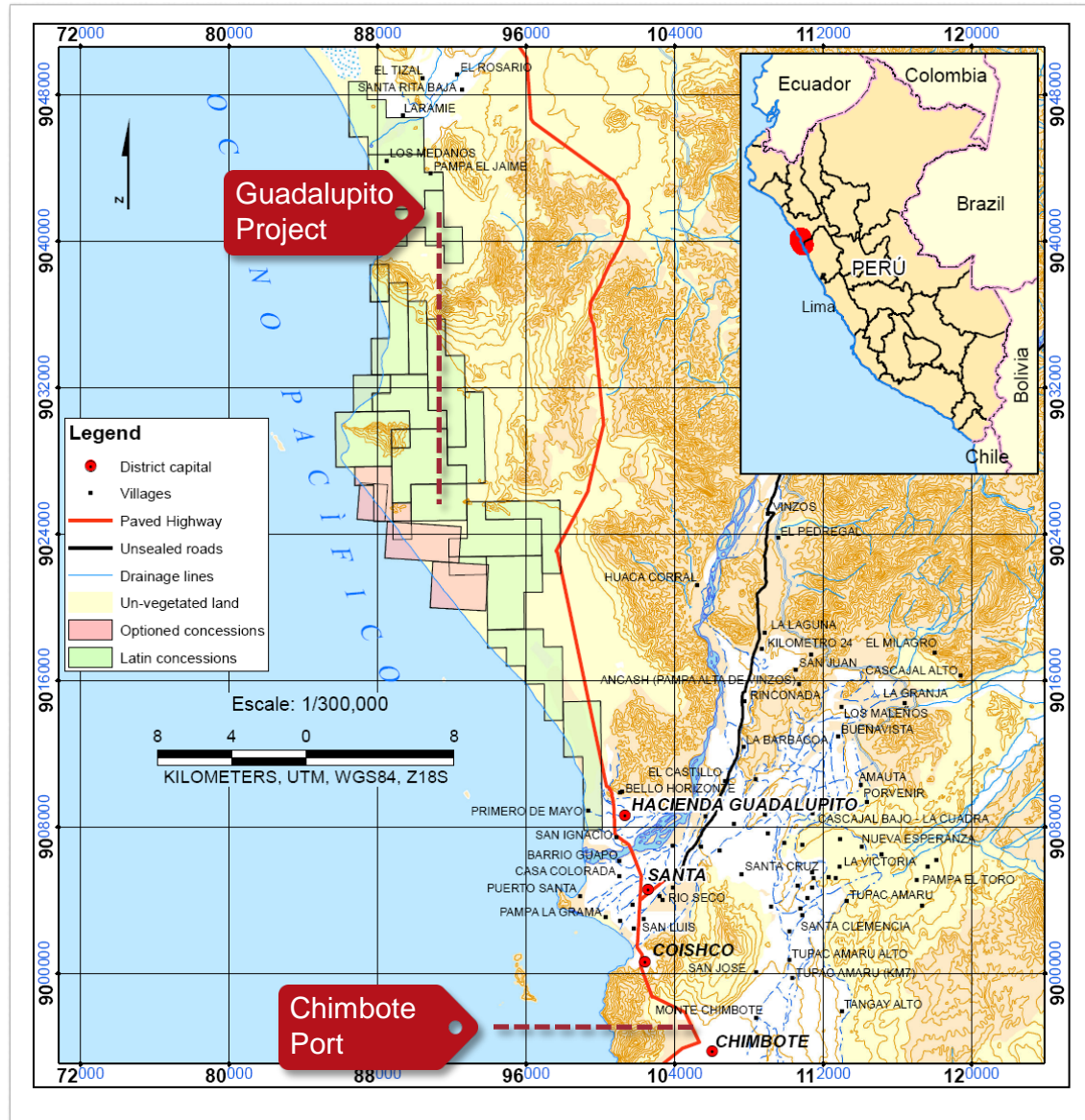
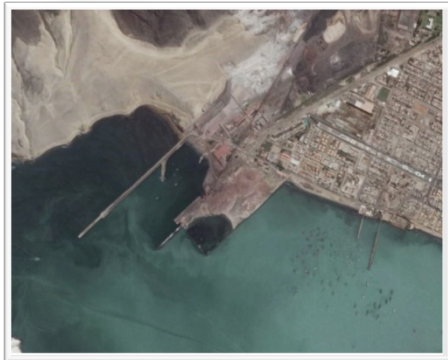
# Guadalupito Andalusite Project - Peru

Total holding of over  
**24,000 hectares**

The port town of Chimbote is  
**25kms South**

SiderPeru Steel works (Gerdau Group)  
**is located in Chimbote**

Close to  
**infrastructure - Port & Hwy**



# Guadalupito Andalusite Project



**1.3 Billion Tonnes  
@ 5.7% HM**

**JORC Inferred  
Resource**

## **Two Major Minerals**

**Andalusite 26% of HM**  
**Magnetite 25% of HM**

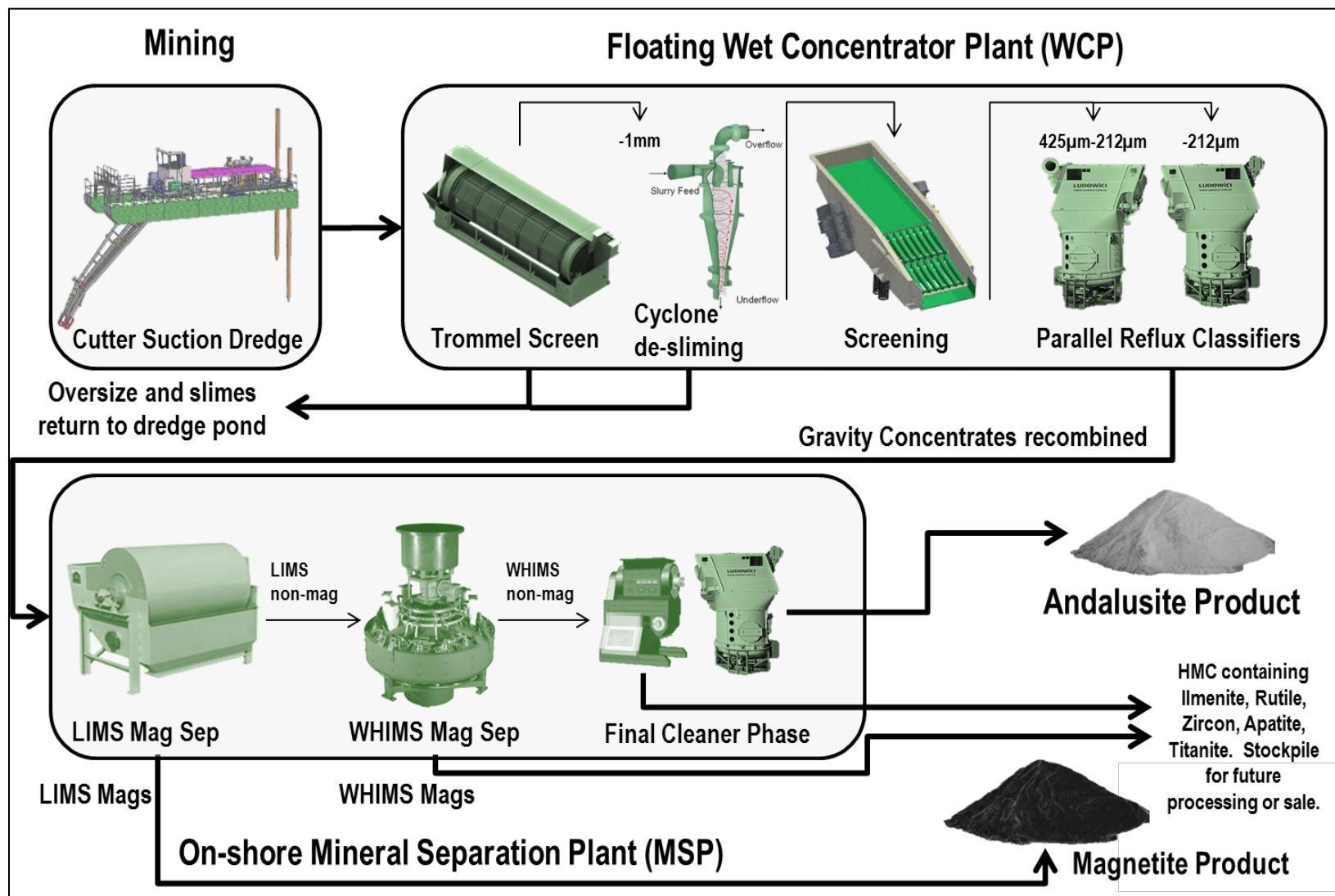
Discrete liberated mineral grains  
of recoverable size of **Zircon,**  
**Rutile and Ilmenite**  
have been identified.

Conceptual exploration target of between **3.9 and 5.1 Billion** tonnes of mineralized sediments with between **3.2% and 8.4% HM** (*weighted average 4.5 Bt @ 6.1% HM*).

*The potential quantity and grade is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.*

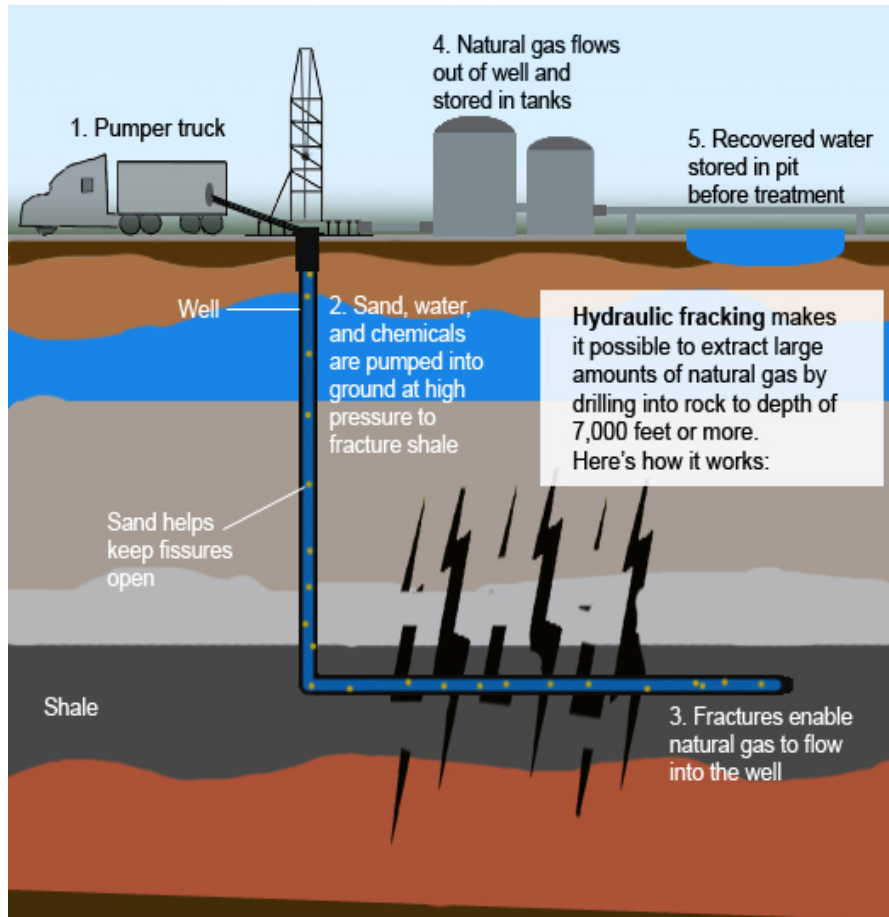
# Stage 1 Flow Sheet

## 15 mtpa Dredging Mining Operation





# Gas fracking and Proppant industry



Highest EUR, Production & IRR

Ultra-high strength  
Mono-size and spherical



High strength  
Uniform size and shape



Medium strength  
Irregular size and shape



Low strength  
Irregular size and shape



Highest Conductivity

Andalusite & Bauxite  
Ultra-conductivity ceramic

Tier 1

**LRS Proppant**

Tier 2  
Medium conductivity  
resin-coated sand  
Ceramic Proppants

Tier 3  
Low conductivity sand  
Silica Sands



**LATIN RESOURCES**  
Limited

# Proppant Market

- Fracking sands demand of 35m tons in 2014 growing to 45m tons in 2017 – Worth \$10b in 4 years time
- Ceramic proppants have maintained their 10% share of the US proppant market
- Ceramic proppants comprised most often of calcined bauxite, Andalusite , kaolin or a mixture
- Ceramic proppant hold other advantages over frac sand by allowing better gas flows in deeper wells
- French minerals conglomerate Imerys entered into the ceramic proppant market after acquiring manufacturer PyraMax Ceramics LLC for \$235m in 2013



# Andalusite Proppant

- There is a need for proppants that have an excellent conductivity and permeability under extreme conditions and the industry has taken a renewed interest in materials containing larger amounts of alumina.
- There is a need for a new proppant material that exists in ample supply and that can offer the strength required to prop fractures in modern wells.
- The sillimanite minerals are polymorphic forms of the same chemical composition, namely  $\text{Al}_2\text{SiO}_3$ . They include kyanite, sillimanite and andalusite.
- Andalusite is primarily mined in South Africa ,Peru and France, as well as China and Spain, although other deposits throughout the world exist and the properties of andalusite vary from mine to mine. Guadalupito is one of the largest fine Andalusite deposits in the world
- The andalusite may be mixed with other additives to form the proppant or anti-flowback additive. For example, additives such as bauxite, kaolin, meta-kaolin, pure or technical grade alumina (about 98%-99.9% alumina by weight),





# Andalusite Pilot plant



## Andalusite Sand "GUADALUSITE"

Typical Chemical Analysis	Typical Sieve Profile			
	METRIC		IMPERIAL	
Al <sub>2</sub> O <sub>3</sub> 61.2%	+360 µm	0.9%	+45 Mesh	2.1%
SiO <sub>2</sub> 37.9%	+200 µm	31.6%	-45+70 Mesh	29.50%
Fe <sub>2</sub> O <sub>3</sub> 0.18%	+140 µm	35.0%	-70+40 Mesh	55.40%
K <sub>2</sub> O 0.11%	+100 µm	20.4%	-140 Mesh	13.0%
TiO <sub>2</sub> 0.14%	+60 µm	10.0%		
MgO 0.07%	-60 µm	3.0%		
Na <sub>2</sub> O 0.01%				
CaO 0.09%				
Cr <sub>2</sub> O <sub>3</sub> <0.01%				
ZrO <sub>2</sub> <0.25%				



# Current Proppant pricing

Average Bakken Well							
Company	Primary feedstock	Size	US\$ Sale price per pound mkt.av.	Compressive strength	Bulk Density	Pounds of proppants	Cost per well USD
Carbo Econoprop LWC	Kaolin Clay	20/40	\$0.32	7,500 psi	1.56	6,000,000	\$1,920,000
Imerys ProLite LWC	Kaolin Clay	20/40	\$0.32	7,500 psi	1.50	5,769,231	\$1,846,154
Chinese LWC	Low grade bauxite	20/40	\$0.26	7,500 psi	1.62	6,230,769	\$1,620,000
Carbo CarboProp ISP	Bauxite	20/40	\$0.42	10,000 psi	1.88	7,230,769	\$3,036,923
Imerys Propynite	Bauxite,Andalusite	20/40	\$0.44	15,000 psi	1.88	7,230,769	\$3,181,538

- Andalusite currently selling for \$400 to 550 tonne
- Ceramic Proppant selling for between \$700 and \$900 per tonne
- Guadalupito Andalusite product can be produced for \$60 per tonne

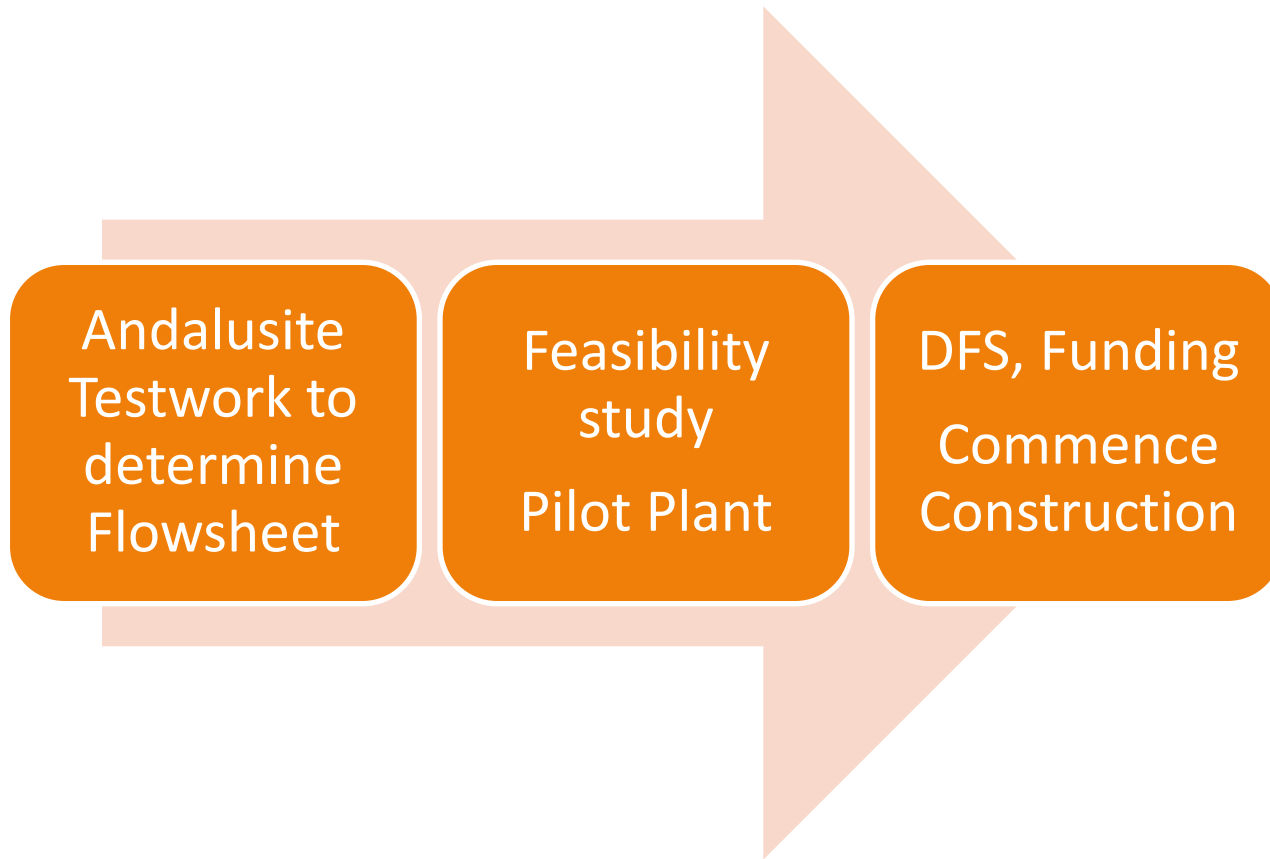




# Andalusite Proppant Processing



# Chimbote Proppant Plant Next Steps



# Strategy and Goals for 2015

**Identify J/V partner for Guadalupito project**

---

**Develop Bankable Feasibility Study**

---

**Commence construction of Proppant processing plant**

---

**Continue to drill Ilo Copper projects with J/V partners**





## Competent person statement

*The information in this presentation 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.*

In addition the following [Disclosures](#) and [Competent Person Statement](#) should be read in relation to the Conceptual Exploration Target for the Guadalupito project referred to on page 18 of the announcement.

## Disclosures

The latest global Conceptual Exploration Target (CET) for the Guadalupito Project was estimated at between 3.9 and 5.1 Billion tonnes with between 3.2% and 8.4% HM (weighted average 4.5 Bt @ 6.1% HM), and was exclusive of previously published JORC inferred resource estimates at "Heldmaier" and "Tres Chosas". The potential quantity and grade is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. A detailed explanation of the estimate was published on 21 November 2012 and is based on the significant amount of exploration data including drilling results generated by the Company during the previous two years.

Given that a JORC (2004) inferred resource estimate of 1,073 Mt @ 6.1% HM was subsequently completed, (reported 07 February 2013), and was mostly within one part of the CET area, the validity of that part of the CET has been confirmed. Infill drilling and sampling activities have been designed to test the validity of much of the remaining CET, and exploration and environmental permits have been approved for these activities by relevant authorities, and are current up to 2016 with potential for extension.

When these activities will be completed remains uncertain given the significant inferred resource estimate already completed that provides more than enough resource for most conceivable medium to long term production scenarios. The completion of further validation of the CET and estimation of additional resources will depend on the budget allocated by the Company under a variety of funding scenarios under consideration for the Project at this time. It is envisaged that validation activities will take place over the coming 1 to 5 years.

## Competent Person Statement

*The information that relates to previously released mineral resources 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.*

*The information in this report that relates to the Conceptual Exploration Target 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.*



**LATIN RESOURCES**  
Limited



**LATIN RESOURCES**  
LIMITED

---

Thank you and Questions