

11 June 2015

JUNEFIELD CONVERTIBLE NOTE – UPDATE

Latin Resources Limited (**ASX: LRS**) ("**Latin Resources or the Company**") is pleased to advise that it has renegotiated the Junefield High Value Metals Investment Limited (**Junefield**) \$2.5 million Convertible note (**Convertible Note**).

The Convertible Note is due to expire on 31 July 2015 however the Company has signed a binding Terms Sheet with Junefield to settle the majority of the amount owing with repayment of the balance being deferred for 18 months.

A summary of the main terms and conditions of the binding Term Sheet is as follows:

- Payment of AUD \$500,000 in cash to Junefield;
- Conversion of \$1.5 million plus accrued interest into shares in the Company at the conversion price of \$0.02; and
- Loan of \$500,000 to the Company for an 18 month period at an interest rate of 12% per annum.

The Term Sheet is subject to other standard terms and conditions for a transaction of this nature and full documentation.

The Conversion and Loan is subject to the payment of the \$500,000 to Junefield which will come from one of a number of funding options currently being considered by the Company.

Latin Managing Director Chris Gale said: *"We are very pleased to have renegotiated favourable terms on the Convertible Note with our largest shareholder Junefield which is an excellent outcome for the Company. The deal strengthens the Company's balance sheet by clearing the majority of its major debt off its balance sheet and deferring repayment of the balance for another 18 months. Interest costs will also be reduced complementing recent cost reduction measures announced in the March 2015 Quarterly report."*

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: Ilo (Copper Projects) and Guadalupito (Andalusite and Iron sands projects).

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