

22 September 2016

## **LRS SIGNS BINDING TERM SHEET FOR PURCHASE OF ANSOTANA PEGMATITE PROJECT IN SALTA, ARGENTINA.**

### **HIGHLIGHTS**

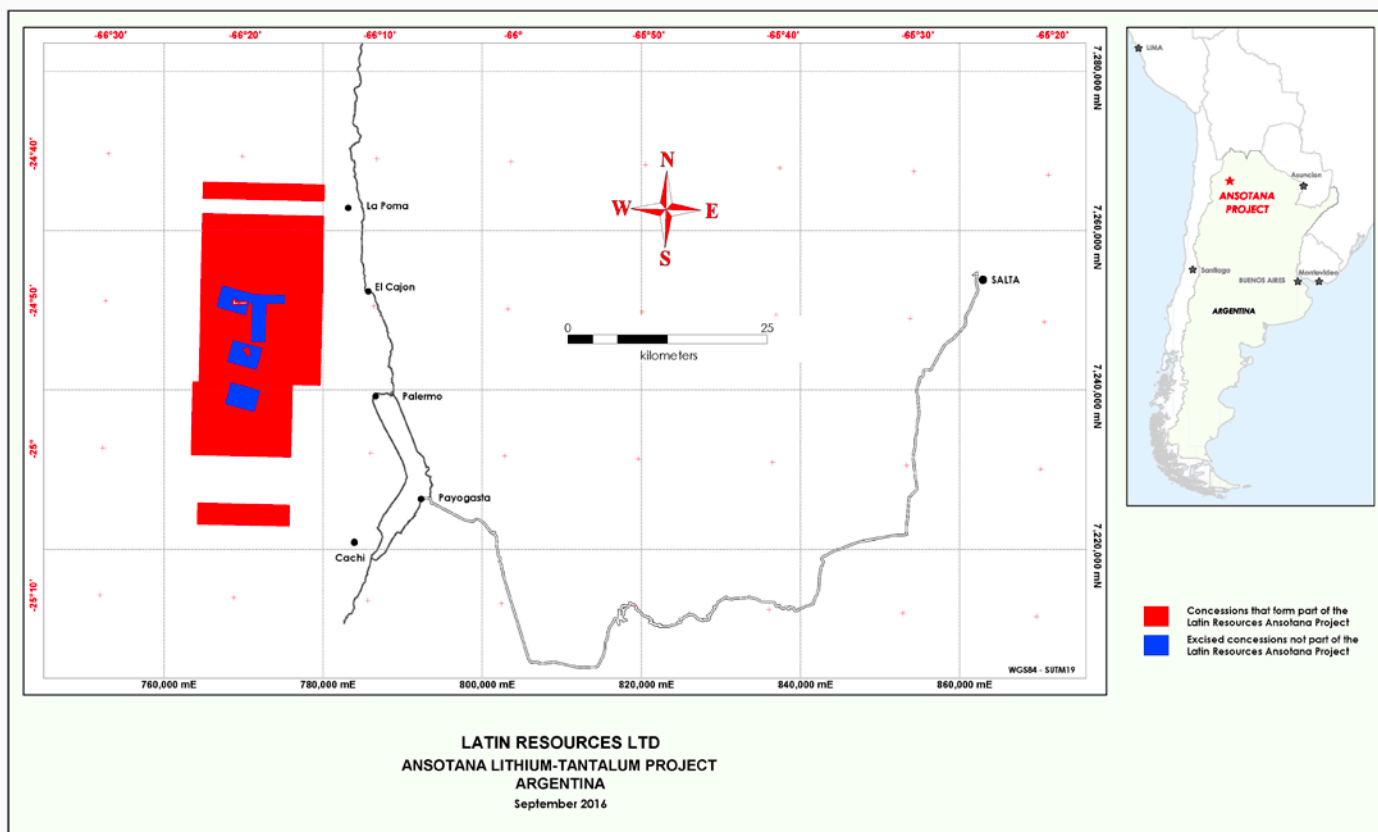
- **Latin Resources Limited (ASX:LRS) has entered into a binding Purchase and Earn-In Terms Sheet to acquire up to a 90% interest in several mining concessions which comprise of approximately 44,290 hectares of lithium and tantalum pegmatites in the Province of Salta, Argentina, known as the Ansotana Project ( “Ansotana “).**
- **The Ansotana concession area was mined for Tantalum and Bismuth by the Ansotana Mining Company between 1943 and 1945. The company carried out production on the mineralized pegmatites which material was sold to the USA during World War 2.**
- **The Ansotana Pegmatites are complex Lithium rich pegmatites and host minerals such as tantalite, beryl and the lithium bearing minerals such as spodumene, Lepidolite and montebrasite (amblygonite).**
- **This purchase, if successfully completed, will advance the continuing strategy of Latin Resources to secure the known hard rock lithium bearing pegmatites in Argentina.**

**Salta, Argentina - Latin Resources Limited (ASX: LRS) (“Latin” or “the Company”)** is pleased to announce that they have signed a binding term sheet for the acquisition, via an earn-in agreement, of the Ansotana group of concessions in Salta, Argentina. The 24 concessions, subject to the Binding Term Sheet, cover approx. 44,290 hectares in the El Quemado pegmatite district. The project is located approximately 75 kilometres west from the city of Salta. The 60km long El Quemado pegmatite district is the most northerly of the various pegmatite districts in the 800km long Argentine Pampean Pegmatite province. These pegmatites are known to range in strike length up to 800m with widths up to 40m. The Ansotana mine produced commercial quantities of tantalum and bismuth. They are also known to contain the commercially important lithium minerals spodumene, amblygonite and Lepidolite.

Latin Resources will carry out detailed Due Diligence on the Ansotana project to assess the prospectively of the pegmatites for lithium. The due diligence period agreed is 60 days from

access to the site. The plan is to commence due diligence on the Ansofana project in October. The major focus of the due diligence will be to ascertain if there is viable lithium mineralisation to ultimately prove up a JORC resource.

This earn in agreement will potentially further allow Latin Resources to secure known lithium targets to build on its already substantial portfolio of lithium exploration concessions in the Catamarca district of Argentina.



**Figure 1: Location of the Ansofana Pegmatite Project, (grey line is access route from Salta) in the mining friendly Salta Province, host to one of the world's richest source of lithium. The 24 Ansofana concessions total approx. 44,290 hectares.**

### Catamarca Project update

The exploration strategy for Latin Resources will be to firstly commence drilling on the Catamarca concessions in the 4<sup>th</sup> Quarter of 2016 once the concessions have been granted.

The Managing Director has recently been in Catamarca with the exploration team to assess the projects and timeline. The concessions have been delayed in being granted due to the actual size of the project, the concessions total 70,000 hectares, therefore creating a longer administrative process for the mines department than normally expected. The processing of the concessions are nearing completion with the authorities confirming that they will be granted in October.

The exploration team have spent 2 weeks in the field carrying out some initial field work including mapping and defining the drill targets. The drill permits are expected to be approved thereafter the granting of concessions with drilling commencing in November.

## Terms of the Earn-In Agreement

The Earn in agreement has been constructed to allow exploration work to be carried out in the first 6 months to ascertain and determine if there is viable lithium mineralized resource before any substantial payment including shares to the vendor.

The consideration for a 90% interest in the Ansotana Projects shall, subject to necessary Latin shareholder and regulatory approvals, be divided into (i) the delivery to Minera Ansotana S.A./Mr Enrique Vidal ("Vendor") of US\$10,000 in cash and US\$1,000,000 equivalent shares over a 36 month period in accordance to the schedule detailed in Annex "A" (ii) the delivery to Vendor of US\$2M payments divided in four US\$500K instalments payable 6, 12, 18 and 24 months as from the delivery of the feasibility report described below; and (iii) Latin providing an exploration capital contribution of US\$3,000,000 over a 3 year period in a Newco entity controlled by the Vender with security over Newco held by Latin Resources.

Furthermore, **LRS** shall can elect to directly fund a Bankable Feasibility Study or a Decision to Mine report (the "Report") and, if positive, the construction of a plant (the "Plant") and necessary additional equipment designed to commercially produce Lithium and tantalum, in accordance with the recommendations of the Report if viable under the Report within a 4-year period as of the closing of the capital contribution period detailed in the above paragraph (total 7-year period).

1. **Due Diligence:** **LRS** will have an exclusive sixty (60) days period to conduct its due diligence on the Projects from the effective entering to the Properties by **LRS**. ("Due Diligence Period").
2. **Purchase Agreement:** Upon the expiry of the Due Diligence Period **LRS** and **Vendor** will have an exclusive period of fifty (50) days to execute a formal agreement to record the terms of the investment for the Purchase and Earn-In ("**Project Agreement**") and incorporate and transfer the Projects to the Joint Venture Entity (the "JVE").
3. **Earn-In:** Subject to expiry of the Due Diligence Period and **LRS** deciding at its election to proceed to enter into the Purchase Agreement, **the Vendor** will give **LRS** the right to earn up to 90% of the JVE subject to the following terms and conditions:
  - a) **LRS** shall conduct an exploration program, which is estimated in US\$3,000,000 in expenditures during a 3-year term. On completion of the exploration program **LRS** will have earned-in 90% of the JVE.
  - b) On completion of the exploration programs, **LRS** will have the right, and subject to any necessary **LRS** shareholder or regulatory approval, to make a further investment for exploration to enable the development of the Feasibility Report and, if positive, the construction of the Plant.

- c) In that event, LRS shall finance the construction of the Plant to produce Lithium, Tantalum and other minerals that the Report justifies development, without the dilution to Vendor of his 10% free carry participation, carrying the Vendor until the Plant commences commercial production of Lithium in accordance with the recommendations of the Report (“The Plant”).
4. In addition to its 10% participating interest in the JVE and the Vendor shall have to receive, free carry interest , of up to 40% of the tantalum, niobium, beryllium concentrates that the Plant produces. For clarity, any Lithium material shall be distributed 90% LRS and 10% to the Vendor and any of the non-lithium material (tantalum, niobium, beryllium) shall be distributed 60%LRS and 40% Vendor in the most efficient way for the development of the Project in accordance to the Report.

#### **Timing of issue of Shares “Annex A”**

Date	New Consideration
Signing of binding agreement	\$10,000
6 months	\$150,000 worth of shares *
12 months	\$250,000 worth of shares*
18 months	\$200,000 worth of shares*
24 months	\$200,000 worth of shares*
30 months	\$100,000 worth of shares*
36 months	\$100,000 worth of shares*
<b>TOTAL</b>	<b>\$1,010,000</b>

\*the Latin Resources shares to be issued will be valued at 30 day VWAP at time of issue

\*\* Issue of shares is subject to Purchase Agreement being executed and necessary LRS shareholder and regulatory approvals

**Managing Director Chris Gale commented,** *“Latin Resources has always prided itself on being an exploration first mover in Latin America with two advanced projects in Peru. The proven track record of developing its projects to an advance stage such as the MT03 copper project in Ilo which is currently being joint ventured with First Quantum Minerals and the 1 Billion tonne JORC resource of Guadalupe are proof of its exploration expertise. The acquisition of the Ansofana project will firmly position Latin Resources as the preeminent lithium hard rock exploration company in Argentina. The Ansofana project will build its lithium pegmatite pipeline to over 100,000 hectares of quality known historical spodumene mineralisation in Salta and Catamarca.*

He went on to say *“The company recently raised over \$3m which allows Latin Resources to commence immediate exploration work including drilling on its Catamarca project. The added advantage of the Ansofana project is that the concessions are all granted , previous exploration means the project is virtually drill ready once the 60 day due diligence is completed and subject to sufficient evidence of the pegmatites bearing lithium mineralisation”*

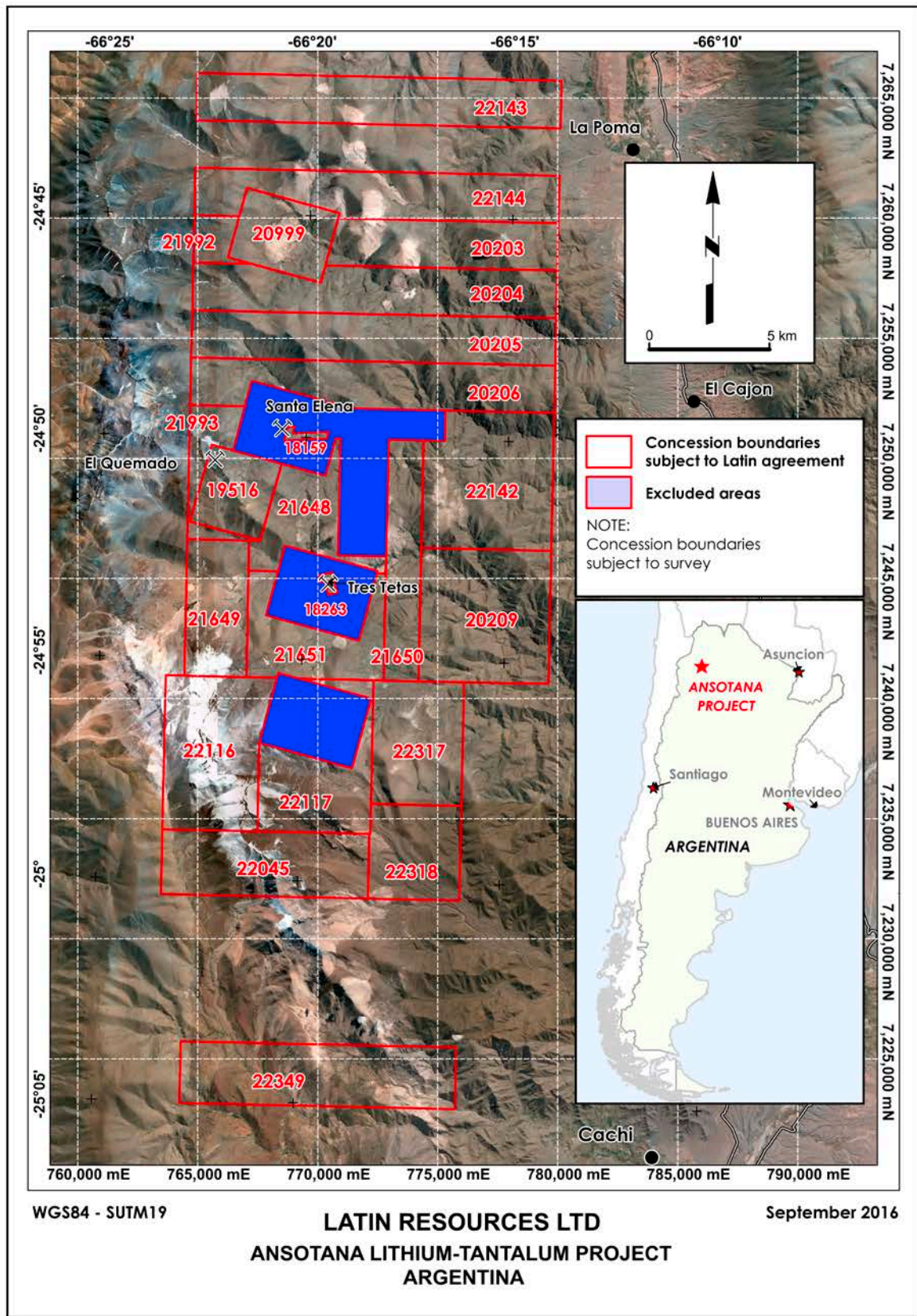


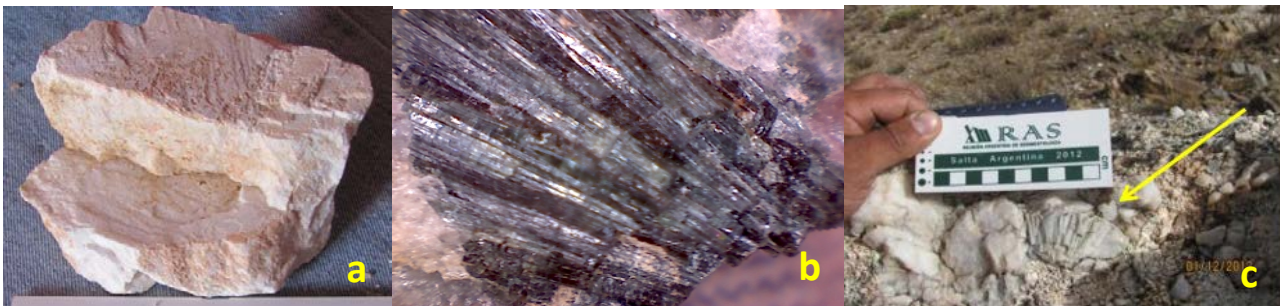
Figure 2: The concessions of the Ansoтана Projects. The 24 Ansoтана concessions total approx. 44,290 hectares.



***Pegmatites showing lepidolite veins, tourmaline and columbite etc***



***Lepidolite – lithium mica***



***a) Weathered spodumene, b) Tourmaline var. Elbite, c) Beryl crystal in outcrop (arrow)***

***Figure 3: Photos of mineralized pegmatite, Ansoatana lithium - tantalum project <sup>1</sup>***

## **GEOLOGY**

### ***Pegmatites of the Ansoatana project:***

Various studies of pegmatites of the Ansoatana group of pegmatites have been reviewed: Herrera (1964), Rossi (1965), Fernández Lima et al. (1970), Marconi (1972), Balmaceda (1982), Balmaceda and Kaniefsky (1982), Lottner (1983), Acosta et al. (1988) and Galliski (1983, 1992a, 1994a, 1994b) & Méndez et al (2006).

The Ansoatana Project is located in the El Quemado pegmatite district. The 60km long El Quemado pegmatite district is the most northerly of the various pegmatite districts in the 800km long

<sup>1</sup>Photos supplied by vendor

Argentine Pampean Pegmatite province. The Ansotana project consists of 24 concessions covering approx. 44,290 hectares. For details see list appended at end.

Lithium rich complex pegmatites are intrusive into a metamorphic Pre-Cambrian basement (the Puncoviscana Formation) comprised of shales, sandstones, greywacke and quartzite generally affected by a low grade, dynamic regional metamorphism resulting in a series of phyllites, slates and schists. The rocks are intruded by a series of trondhjemites and associated pegmatite bodies referred to as the Cachi Formation.

The Ansotana Project Concession group contains numerous complex rare metal pegmatites, some of which have previously produced Tantalite – Columbite (“Coltan”) and bismuth. Historical production is reportedly some 10 tonnes of tantalite – columbite concentrates grading 40% Ta<sub>2</sub>O<sub>5</sub> and some 5 tonnes of Bismuth concentrates with a reported grade of 50% Bi.

These pegmatites are known to range in strike length up to 800m with widths up to 40m. <sup>2</sup> They are complex zoned Li-Ta-Nb-Be rich pegmatite bodies some of which are known to have historically produced varying amounts of tantalite-columbite and bismuth concentrates. They are also known to contain the commercially important lithium minerals spodumene, amblygonite and Lepidolite<sup>3</sup> – but the quantities are not known as there has been no previous exploration for these minerals within the Ansotana region.

### **About Tantalum**

The major use for tantalum (Tantalite), as the metal powder, is in the production of electronic components, mainly capacitors and some high-power resistors. It is part of the refractory metals group, which are widely used as minor components in alloys. The chemical inertness of tantalum makes it a valuable substance for laboratory equipment and a substitute for platinum. Its main use today is in tantalum capacitors in electronic equipment such as mobile smart phones, DVD players, video game systems and computers. The current price of tantalum/tantalite is USD\$130 per kilo or USD\$130,000 per tonne.

### **Tantalum Market**

The primary mining of tantalum is in Australia, where the largest producer, Global Advanced Metals, formerly known as Talison Minerals, operates two mines in Western Australia, Greenbushes in the Southwest and Wodgina in the Pilbara region. It is also mined in Africa.

In more recent times Pilbara Minerals’ 100%-owned Pilgangoora Lithium-Tantalum Project, located 120km from Port Hedland in Western Australia’s resource-rich Pilbara region, is one of the biggest new lithium ore (spodumene) Tantalum deposits in the world,

The most recent Pilbara Mineral Resource update, published in July 2016 and incorporating the results of successful in-fill drilling completed from February to June 2016, comprises a Measured, Indicated and Inferred Resource of 128.6 million tonnes grading 1.22% Li<sub>2</sub>O (spodumene) and 138ppm Ta<sub>2</sub>O<sub>5</sub>(tantalum) containing 1.57 million tonnes of lithium oxide and 39 million pounds of Ta<sub>2</sub>O<sub>5</sub>.

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<sup>2</sup> Mendez, Vicente, Nullo, Francisco E. and Otamendi, Juan 2006

<sup>3</sup> Galliski, M.A., Marquéz Zavala, M.F., Saavedra, J., 1999 & Mendez, Vicente, Nullo, Francisco E. and Otamendi, Juan 2006

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**APPENDIX – LIST OF CONCESSIONS COMPRISING THE ANSOTANA LITHIUM – TANTALUM PROJECT**

<u>Nº</u>	<u>EXPEDIENTE Nº</u>	<u>NOMBRE</u>	<u>SUPERFICIE (Ha.s)</u>
<u>1</u>	<u>18159</u>	<u>Santa Elena</u>	<u>60</u>
<u>2</u>	<u>18263</u>	<u>Tres Tetas I</u>	<u>42</u>
<u>3</u>	<u>19516</u>	<u>El Quemado</u>	<u>1000</u>
<u>4</u>	<u>20999</u>	<u>La Elvirita V</u>	<u>1200</u>
<u>5</u>	<u>21992</u>	<u>Aguas Calientes V</u>	<u>333</u>
<u>6</u>	<u>21993</u>	<u>El Quemado V</u>	<u>633</u>
<u>7</u>	<u>22045</u>	<u>Peñas Blancas V</u>	<u>2325</u>
<u>8</u>	<u>20203</u>	<u>Mirkos 4</u>	<u>1860</u>
<u>9</u>	<u>20204</u>	<u>Mirkos 5</u>	<u>2883</u>
<u>10</u>	<u>20205</u>	<u>Mirkos 6</u>	<u>2994</u>
<u>11</u>	<u>20206</u>	<u>Mirkos 7</u>	<u>2757</u>
<u>12</u>	<u>20209</u>	<u>Mirkos 10</u>	<u>2999</u>
<u>813</u>	<u>21648</u>	<u>Crosby 1</u>	<u>1282</u>
<u>14</u>	<u>21649</u>	<u>Crosby 2</u>	<u>1470</u>
<u>15</u>	<u>21650</u>	<u>Crosby 3</u>	<u>1464</u>
<u>16</u>	<u>21651</u>	<u>Crosby 4</u>	<u>1564</u>
<u>17</u>	<u>22116</u>	<u>Crosby 5</u>	<u>2630</u>
<u>18</u>	<u>22117</u>	<u>Crosby 6</u>	<u>1695</u>
<u>19</u>	<u>22143</u>	<u>Mircos 1</u>	<u>2994</u>
<u>20</u>	<u>22144</u>	<u>Mircos 3</u>	<u>2706</u>
<u>21</u>	<u>22142</u>	<u>Mircos 9</u>	<u>2994</u>
<u>22</u>	<u>22317</u>	<u>Crosby 7</u>	<u>1963</u>
<u>23</u>	<u>22318</u>	<u>Crosby 8</u>	<u>1500</u>
<u>24</u>	<u>22349</u>	<u>Josefina VII</u>	<u>2942</u>

Total Area

44290 hectares

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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. The Company has secured over 70,000 hectares of exploration concessions in the lithium pegmatite district of Catamarca in Argentina. It is also entering into a joint-venture arrangement with lithium technology company Lepidico.*

*The company also has a portfolio of projects in Peru and is actively progressing its Iron Oxide-Copper-Gold and Copper Porphyry projects in the Ilo region with its joint venture partners.*

**Competent Persons Statements**

*The information in this report that relates to geological data and exploration results is based on information compiled by Mr. Geoff Blackburn, a Competent Person who is a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM) and who is a part time employee of Latin Resources Limited. Mr Blackburn, FAusIMM, 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 Blackburn, FAusIMM, consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

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## APPENDIX

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of the above exploration results at the ANSOTANA Lithium – Tantalum Project, comprising the 24 exploration concession numbers: 18159 (Santa Elena), 18263 (Tres Tetras), 19516 (El Quemado), 20999 (La Elvirita V), 21992 (Aguas Calientes V), 21993 (El Quemado V), 22045 (Peñas Blancas V), 20203 (Mirkos 4), 20204 (Mirkos 5), 20205 (Mirkos 6), 20206 (Mirkos 7), 20209 (Mirkos 10), 21648 (Crosby 1), 21649 (Crosby 2), 21650 (Crosby 3), 21651 (Crosby 4), 22116 (Crosby 5), 22117 (Crosby 6), 22143 (Mircos 1), 22144 (Mircos 3), 22142 (Mircos 9), 22317 (Crosby 7), 22318 (Crosby 8), 22349 (Josefina VII) totalling 44290 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
<i>Sampling techniques</i>	<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>• no samples for geochemical testing have yet been collected.</li> </ul>
<i>Drilling techniques</i>	<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>• There are no drilling results reported in this announcement.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Drill sample recovery</i>	<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> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• There are no drilling results reported in this announcement.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• no samples have yet been collected</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• no samples have yet been collected</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• no samples have yet been collected</li> </ul>
<i>Verification of sampling and assaying</i>	<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> </ul>	<ul style="list-style-type: none"> <li>• no samples have yet been collected</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Discuss any adjustment to assay data.</li> </ul>	
Location of data points	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>no samples have yet been collected</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>no samples have yet been collected</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>no samples have yet been collected</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>sampling has not yet been undertaken</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No external audit or review of the sampling techniques or data has been undertaken beyond that of normal internal Company procedures and that of the respective Competent Persons in the compilation of this and supporting, separate reports.</li> </ul>

## 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	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The ANSONTANA Lithium – tantalum project comprises the following exploration concession applications: 18159 (Santa Elena), 18263 (Tres Tetras), 19516 (El Quemado), 20999 (La Elvirita V), 21992 (Aguas Calientes V), 21993 (El Quemado V), 22045 (Peñas Blancas V), 20203 (Mirkos 4), 20204 (Mirkos 5), 20205 (Mirkos 6), 20206 (Mirkos 7), 20209 (Mirkos 10), 21648 (Crosby 1), 21649 (Crosby 2), 21650 (Crosby 3), 21651 (Crosby 4), 22116 (Crosby 5), 22117 (Crosby 6), 22143 (Mircos 1), 22144 (Mircos 3), 22142 (Mircos 9),</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <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>	<p>22317 (Crosby 7), 22318 (Crosby 8), 22349 (Josefina VII) totaling 44290 hectares. The concessions are located as a block on the map in the body of the announcement (Figure 2). While the concessions are yet to be granted, the Company's knows of no cause for granting not to occur according to regular procedure, and with the applications presented, the areas requested are exclusive to the Company. The company is in the process of determining surface land ownership.</p> <ul style="list-style-type: none"> <li>Legal advice from the company's mining lawyer in Argentina is that the concessions are currently in good standing, the 60 day due diligence process will include a detailed review.</li> </ul>
<p><i>Exploration done by other parties</i></p>	<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>Documentation of Exploration as defined by a systematic search process within the concession application areas by other parties is very limited. Specific detailed study, including mineralogical, geological and pseudo economic estimates of mineral content within discrete pegmatite bodies has been undertaken by numerous scientific studies within the list of publications referenced. The work is considered to be of good quality considering the age of the work and technology available to the authors at the time of publication.</li> </ul>
<p><i>Geology</i></p>	<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>Deposit types are pegmatite dykes of intrusive origin resulting in the crystallization and differentiation of a number of mineral species including Spodumene and to a lesser extent other Lithium species. These dykes are lenticular having up to several hundred metres of strike and several metres width. They appear to have been emplaced along favorable structures within mica schists in the vicinity (+/- km's) of larger intrusive bodies.</li> </ul>
<p><i>Drill hole Information</i></p>	<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 Material drill holes:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>There are no drilling data reported or to the knowledge of the company pre-existing within the project area and none are referred to in the extensive literature studied to date.</li> <li>Not applicable, all available information has been provided above.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> <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 weighted average grades or intersections are subject of this announcement.</li> <li>Not applicable – no aggregate intersections are subject of this announcement.</li> <li>Not applicable – no metal equivalents were mentioned in this announcement.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<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>No intercept lengths or mineralisation widths were reported in this announcement.</li> </ul>
<i>Diagrams</i>	<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 maps are included in the body of the announcement to show the location of the old mine workings from where the samples were collected.</li> </ul>
<i>Balanced reporting</i>	<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>Not applicable</li> </ul>
<i>Other substantive exploration data</i>	<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>To the extent possible in such an announcement, the exploration data generated by Latin is meaningfully represented and has been related in an integral fashion.</li> </ul>
<i>Further work</i>	<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>Further mapping, surface sampling and eventual drilling of selected targets are planned to estimate resources according to JORC.</li> <li>A map showing the locations of the principle studied known deposits has been included in the body of the report. Subsequent work by the company will provide more detail of each of these, and also exploration results aimed at locating more lithium bearing pegmatites within the project area.</li> </ul>