

**ASX RELEASE**

6 June 2011

Company Announcements Office  
ASX Limited

By electronic lodgement

**SETTLEMENT OF SALE OF PARON GOLD PROJECT**

The Directors of Latin Gold Limited advise of the completion of the sale of Golden Eagle Resources SAC (the owner of the Paron Gold Project mining concessions located in Peru) and other mining and exploration information and related assets to TSX Venture Exchange listed Coronet Metals Inc (Coronet).

The consideration received for the sale being a total of US \$7.5 million (US \$6.5 million in cash and US \$1 million in Coronet shares, at a deemed price of Canadian \$0.30 per share).

The total sale consideration is US \$14.0 million with an overriding 1.0% gross royalty on all production in excess of 200,000 ounces.

The balance of the sale consideration is milestone linked with US \$1.5 million payable within 5 days of commencement of construction and a bonus of US \$1.0 million payable at the same time if the JORC resources exceed 275,000 ounces of gold. US \$2.0 million is then payable within 5 days of the 12 month anniversary of the initial gold pour and a further US \$2.0 million is payable within 5 days of the 24 month anniversary of the initial gold pour.

In addition, Coronet shares to the value of US \$2.5 million will be issued within 5 days of a JORC inferred resource of equal to or greater than 250,000 ounces of gold being defined within the Paron Deeps exploration target.

Coronet has further closed a private placement of 36,172,010 Units, raising Canadian \$10,851,603. Each Unit consists of one common share of the Company with free attaching Warrants on a 1 for 2 basis. Each Warrant entitles the holder, on exercise thereof, to purchase one additional common share at a price of C \$0.50 for a period of 24 months from the completion of the offering. The expiry of the Warrants is subject to acceleration such that, should the volume weighted average price of the common shares exceed C \$1.00 for twenty consecutive

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trading days, Coronet may notify the holders of the Warrants that the Warrants will expire on the 30<sup>th</sup> day after such notice is given, unless exercised before such date.

Latin Gold Limited has agreed to purchase a total of 3,261,183 Units in this private placement.

Michael Higginson  
Company Secretary

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