

ASX RELEASE

22 November 2011

Company Announcements Office
ASX Limited

SETTLEMENT OF SALE OF PARON GOLD PROJECT AND MINING INFORMATION

The Directors of Latin Gold Limited (**Latin Gold**) refer to the Company's Quarterly Activities Report, dated 31 October 2011, which set out the settlement terms with regard to the sale of the Paron Gold Project (**Paron**) and certain mining information to Coronet Metals Inc (**Coronet**).

Pursuant to the settlement, Coronet agreed to, inter alia, pay Latin Gold a further US\$1,500,000. Latin Gold confirms that it has today received from Coronet the US\$1,500,000.

Total Consideration

The total consideration received pursuant to the sale to Coronet of Paron and the mining information is as follows:

- Cash received: US\$3.25 million
- Coronet shares held: 6,522,366 (7.94%)

The balance of the *sale* consideration, being US\$7.5 million, is milestone linked with US\$1.5 million payable within 5 days of commencement of construction of site works (directly related to the installation of a mine or mill) and a bonus of US\$1.0 million payable at the same time if the JORC resource exceeds 275,000 ounces of gold. US\$1.0 million (in Coronet shares) is payable on the initial gold pour, US\$2.0 million is then payable within 5 days of the 12 month anniversary of the initial gold pour and US\$2.0 million is payable within 5 days of the 24 month anniversary of the initial gold pour.

In addition to the sale consideration, 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 (the Paron Deeps target is an undrilled potential hanging wall extension to the existing Paron resource).

An overriding 1.0% gross royalty on all production from Paron in excess of 200,000 ounces is also payable.

Michael Higginson
Company Secretary