

30 October 2012

**Quarterly Activities Report
for the period ended 30 September 2012**

Highlights

- **Air core and reverse circulation drilling programmes completed over Narracoota project gold and nickel targets.**
- **Continued review of advanced exploration through to existing mining projects for potential acquisition by Latin Gold.**

Narracoota Project (Latin Gold earning 90%)

Latin Gold is the operator of the Narracoota joint venture.

Under the terms of the joint venture Latin Gold can earn a 90% equity interest in the project through the expenditure of \$500,000. When that expenditure has been achieved, the tenement holder's (Nevada Iron Ltd) interest will revert to a 10% free carried interest through to completion of a feasibility study or the cumulative expenditure of \$2 million.

Drilling Completed September 2012 Quarter

In early July 2012, an air core drilling programme was carried out to further test the Au and nickel anomalies at Narracoota.

A total of 24 air core holes (NAC 026 – NAC 049 inclusive) for 1,152 metres were completed in this programme. Holes were both angle (60 degrees) and vertical and the large majority were completed with blade only.

In each hole it was targeted that at least 5 metres of moderately fresh to fresh Proterozoic basement would be intersected before termination.

As there was nil outcrop, all targets were blind and all holes spudded within recent alluvium.

The drilling intersected dolerites and possible ultramafics over the gold ("Au") target, which lies in the north central part of the tenement area. The drilling was closely spaced in order to determine a trend (if any) to the mineralisation.

The drilling mostly bottomed in fresh rock, but all of the broader zones of mineralisation were located within the pallid and saprolite zones.

Best results are shown in the following table.

Hole	Co-ordinates	Azimuth/Inclination	Interval	Au assay (g/t)
NAC 026	661549mE 7134010mN	60/180	20-24m	0.20
NAC 027	661549mE 7134025mN	60/180	21-35m	0.70
NAC 029	661573mE 7134000mN	60/180	17-23m	0.23
NAC 030	661574mE 7134010mN	60/180	19-25m	0.40
			31-44m	0.36
NAC 031	661574mE 7134020mN	60/180	30-38m	1.01
NAC 032	661574mE 7134030N	60/360	24-29m	0.72
NAC 033	661624mE 7133995mN	60/130	28-32m	0.60
NAC 034	661623mE 7134009mN	60/180	18-23m	0.15

Au results in g/t, Au assayed by FA30.

Drilling over the nickel targets in the central part of the Project area again intersected ultramafic lithologies but they largely appeared to be volcanic fragmentals rather than flows or intrusive.

Tertiary channels of significant thickness were also intersected in the central target areas.

To follow up the wide zones of mineralisation recorded in the just completed and previous air core programmes as well as a single RC hole (NRC 005), a 5 hole RC programme was carried out over the Au target in August 2012.

This programme was designed to test the mineralisation at depth to determine if better grades were present and also to determine what controls, if any, were on the anomalous zone.

Three of the RC holes intersected wide zones (+20 metres) of well developed breccia within a dolerite.

These breccias zones contained fine disseminated pyrite, occasional coarse grained pyrite, epidote within a matrix of silica. In rare occurrences crystalline silica was also present.

These intersections were very encouraging and demonstrated that within the anomalous area there had been significant ground preparation for mineralisation as well as the introduction of sulphides.

Unfortunately, and despite the highly anomalous Au values recorded in the air core drilling the breccia zones intersections in the RC drilling returned very minor, or below detection, Au assays.

Repeat assays on bulked sample intervals confirmed these results.

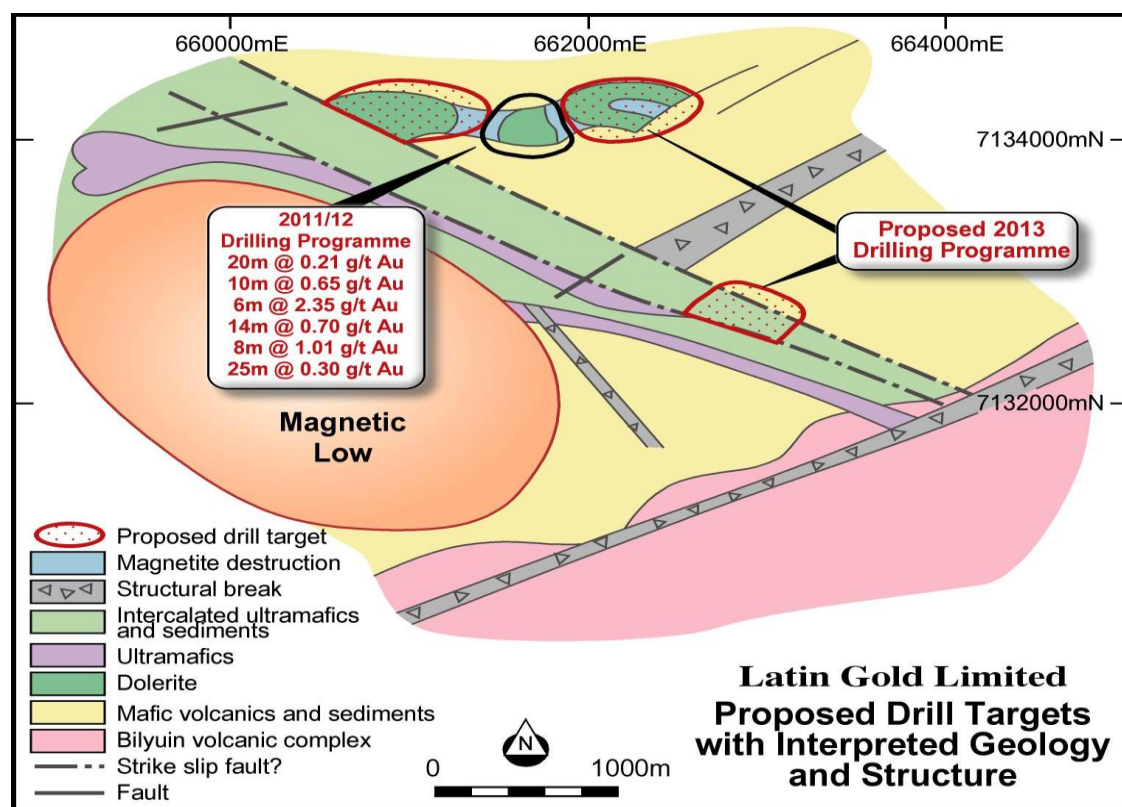
This was a significant disappointment. There is no obvious explanation for the lack of Au mineralisation within the breccias as the reasonably widespread mineralisation recorded within the weathered profile does not appear to be the result of, or associated with, any supergene enrichment.

In conjunction with these two drilling programmes, a more detailed magnetic interpretation of the dolerite unit and its possible extent was carried out.

As a result of this study it was determined that the host dolerite has 2-3 kilometres of apparent strike extent with variable magnetic response along its length.

Although the deeper RC drilling failed to confirm the results from the shallower drilling it has still nevertheless been demonstrated that the dolerite unit is anomalous in Au and has also undergone significant brecciation with the introduction of silica, sulphides and alteration minerals.

The dolerite unit is covered by 10-12 metres of Recent alluvials. As a result, drilling is the only effective exploration tool over this area.



Proposed drill targets for 2013 Exploration Programme

As a consequence, a regional air core programme will be conducted in early 2013 to comprehensively test the dolerite for further mineralised zones.

In addition, it is proposed that a number of lines of drilling be undertaken to test the nickel anomalies closer to the potential source – the Bilyuin volcanic centre.

New Projects

In addition to the existing exploration activities Latin Gold continues to actively seek new projects. The focus is on the acquisition of projects with established resources and near term development potential.

During the September 2012 quarter 12 projects were reviewed in detail but failed to reach either the Company's technical or financial hurdles.

Cash Reserves

The Company had cash holdings of \$3.1 million as at 30 September 2012.

Information in this report to which this statement is attached that relates to Exploration Results is based on information compiled by Howard Dawson, who is a Member of the Australian Institute of Geoscientists. Mr Dawson is an officer of the Company, is self-employed and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Dawson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.