

12 July 2013

**Quarterly Activities Report  
for the quarter ended 30 June 2013**

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**Highlights**

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- **Notice of General Meeting and Explanatory Memorandum for the proposed acquisition of Manjaro Resources Pty Ltd ("Manjaro"), forwarded to shareholders on 5 July 2013.**
- **Manjaro, is an Australian registered company whose major asset is the right to a 60% interest in the Buhemba gold project ("Buhemba" or "the Project") located in Tanzania and the right to acquire an additional 20% interest in the Project prior to a decision to mine.**
- **Shareholders meeting scheduled for 10:00 am 9 August 2013.**
- **Buhemba is a historic mining operation that holds exploration potential for the discovery of significant open cut and underground gold resources.**
- **During the quarter, Manjaro undertook geological studies of the Project including digitisation of all available historic drilling data. Negotiations with the Tanzanian government for a definitive Joint Venture Agreement also commenced.**
- **Narracoota drilling programme delayed because of rain. Now scheduled to commence late July using aircore to test shallow targets.**

**Proposed Buhemba Acquisition**

On 23 April Latin Gold Ltd (ASX code: LAT) ("Company" or "Latin Gold") entered into a Binding Heads of Agreement to acquire up to an 80% interest in the Buhemba gold project ("Buhemba" or the "Project") located in the Lake Victoria Gold Region of Tanzania.

Under the terms of the agreement Latin Gold will acquire 100% of the issued capital of Manjaro Resources Pty Limited ("Manjaro"), an Australian registered company whose major asset is the right to a 60% interest in Buhemba and the right to acquire an additional 20% interest in the project prior to a decision to mine.

The proposed acquisition, which is subject to approval by Latin Gold shareholders on 9 August 2013, will result in the potential issue to Manjaro shareholders of up to 350 million shares in Latin Gold and the payment to Manjaro of \$500,000 for a three month due diligence and exclusivity period. The \$500,000 payment has been made by Latin Gold.

## **Buhemba Overview**

Buhemba was explored by Tanganyika Gold NL (a former ASX listed company) in the mid-1990s and that company delineated six main mineralised zones where significant shallow gold discoveries were made. A number of these discoveries were subsequently mined as a multiple open cut operation during 2003-2007 by a South African registered mining company.

The mine was closed down prematurely in 2007 with a reported 274,000 ozs of gold having been produced.

Based on the historic pre-mining JORC estimations available over the Project area, Buhemba has a remaining near surface exploration target of between 6.5 million tonnes and 8.5 million tonnes grading between 1.9-2.2 g/t (between 400,000 – 600,000 ozs insitu).

Further, there is potentially a significant tailings inventory contained within the Project area. Historic evaluation drilling over the tailings at Buhemba indicates an exploration target of between 900,000 and 1,000,000 tonnes grading between 1.4-1.7 g/t (between 40,000 – 50,000 ozs insitu).

In addition to these exploration targets, initial evaluation work by Manjaro has determined that considerable potential exists for the discovery of additional mineralisation down dip and proximal to the known mineralisation.

The Project area would also appear to have significant higher grade depth potential as it covers the historic Nyasenro mine, which anecdotal information indicates produced up to 350,000 ozs of gold at a grade of around 13.5g/t between 1930 and 1970.

**The potential quantity and grade of the exploration targets referred to above are conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.**

**The exploration targets have been determined through a review of the historic exploration work carried out over the Buhemba project and it is considered that this work, which contained the results of several drilling campaigns, was competent and of a modern standard.**

Should the proposed acquisition be approved by shareholders it is the intention of Latin Gold to undertake an active exploration programme over Buhemba within the coming 12 month period.

This exploration will include confirmation drilling over historic resource blocks and tailings as well as drilling to test a number of step up exploration targets within the Project area.

During the June quarter, Manjaro undertook geological studies of Buhemba including the digitization of all of the available historic drilling data. These studies included a site visit.

In addition, Manjaro commenced detailed discussions with representatives of the Tanzanian State Mining Company for the finalisation of the definitive joint venture agreement.

### **Narracoota Project Overview**

Latin Gold is the operator of the Narracoota joint venture. Under the terms of this joint venture Latin Gold can earn a 90% equity interest in the project through the expenditure of \$500,000. When that expenditure level has been reached 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.

A detailed review of the Narracoota project was completed during the March quarter. This review focused on a complete review of all historical exploration data as well a re-interpretation of the geological data to better understand the geology and structure within the project area.

A particular focus of the review was on the stratigraphic units and their position within the Narracoota Volcanics that underlay the large majority of the project area.

As a result of this review the exploration potential of the Narracoota project has been significantly enhanced.

The study identified a number of new gold and volcanic massive sulphide target areas, based on both geology and interpreted structure. In addition, a number of previously defined but undrilled VTEM anomalies were re-analysed and shown to be valid and high priority massive sulphide drill targets.

It is proposed that these target areas be tested in a two or three phase drilling programme. The commencement of these drilling programmes has been delayed because of rig availability and rain. It is intended that an aircore programme to test the shallow targets will commence in late July.

Part of these drilling programmes will be funded through an approved \$65,000 grant under the Royalties for Region Co-Funded Government-Industry Drilling Programme.

Howard Dawson  
Chairman

*Information in this report to which this statement is attached that relates to Exploration Results and Exploration Targets 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.*

## Narracoota Project Exploration Targets

