

31 January 2013

**Quarterly Activities Report
for the period ended 31 December 2012**

Highlights

- **Latin Gold granted \$65,000 in the 2013 West Australian State Government Exploration Incentive Scheme for additional drilling at Narracoota.**
- **Ongoing and aggressive review of advanced exploration through to existing mining projects for potential acquisition by Latin Gold.**
- **John Macdonald joins board as non-executive director.**

Narracoota Project (Latin Gold earning 90%)

Latin Gold ("Latin Gold" or the "Company") is the operator of the Narracoota joint venture.

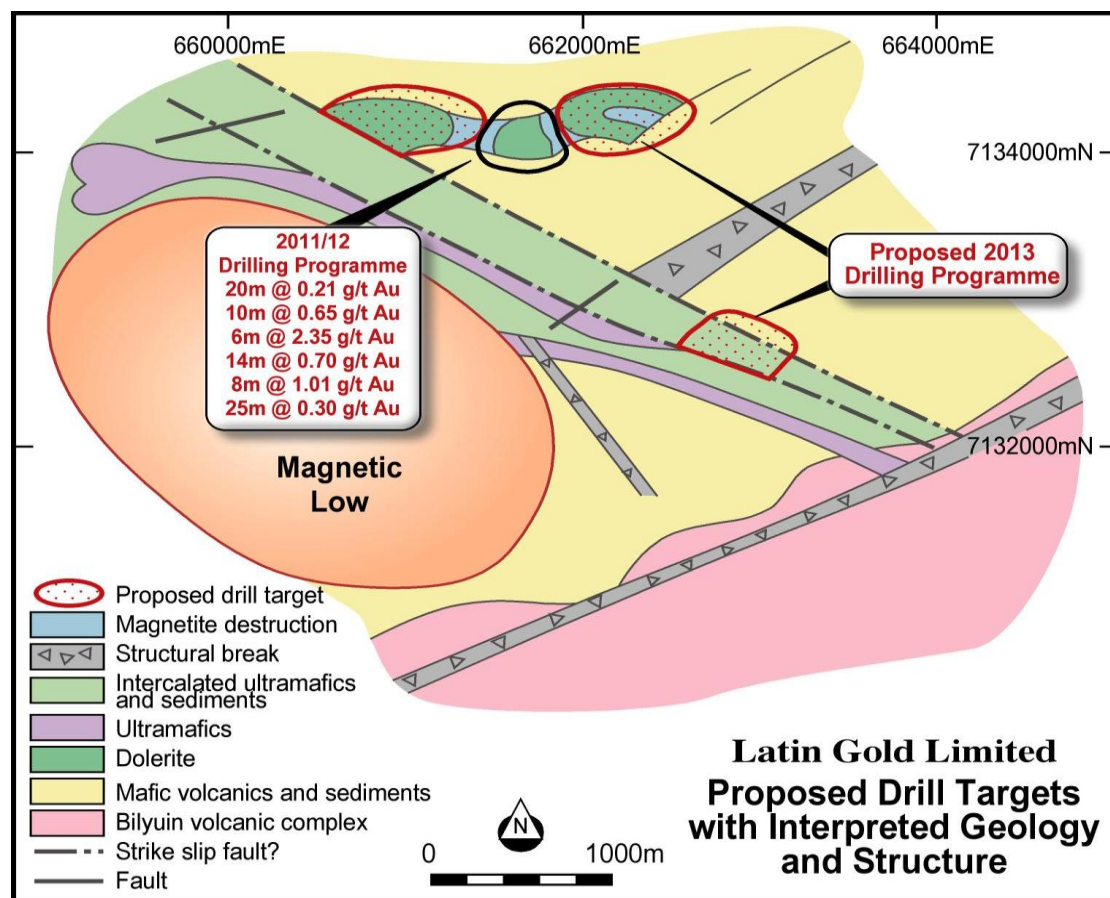
Under the terms of the joint venture Latin Gold can earn a 90% equity interest in the project through the expenditure of \$500,000. When that expenditure has been achieved, the tenement holder's (Nevada Iron Ltd) interest will revert to a 10% free carried interest through to completion of a feasibility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

During the December 2012 quarter the Company was successful in its application for \$65,000 under the 2013 West Australian State Government Exploration Incentive Scheme. These funds will comprise 50% of the estimated exploration drilling budget for the Narracoota project during the 2013 year.

The successful application was mostly for additional drilling to test the gold anomaly discovered in the north central part of the project area during 2011. This gold anomaly is completely soil covered and is contained within a brecciated dolerite.

As a result of the transported soil cover over the target area, Air core drilling will be undertaken to test for potential strike extensions to the mineralisation intersected to date. Follow-up RC drilling may also be undertaken if the results warrant.

The gold anomaly to date has shown wide widths of low grade gold mineralisation (incl. 14m @ 0.70g/t, 10m @ 0.65g/t, 8m @ 1.01g/t) with occasional higher grade intersections within the mineralised envelope (incl 6m @ 2.35g/t).



All drilling results have previously been reported.

Late in the quarter a review of the entire project commenced. The focus of this review was to amalgamate all previous exploration results with current exploration models for VMS type deposits, including de Grussa. This review will be reported in early February but early conclusions are encouraging and have highlighted additional areas to test by drilling in 2013.

John Macdonald

Latin Gold was pleased to advise during the quarter that John Macdonald had agreed to join the board as a non-executive director. John is an experienced geologist and resource analyst having worked in the securities industry for over 20 years.

The addition of John has allowed the search for additional project opportunities to be significantly accelerated.

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.

Cash Reserves

The Company had cash holdings of \$3.03 million as at 31 December 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.