

**31 October 2013****Quarterly Activities Report  
for the period ended 30 September 2013**

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**Highlights**

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- **The proposed acquisition of Manjaro Resources Pty Ltd was terminated by mutual agreement on 17 October.**
- **Exploration of the Narracoota project is continuing.**
- **The search for a brown field's exploration project or advanced development project has re-commenced.**

**Proposed Buhemba Transaction**

On the 17 October 2013 Latin Gold agreed to terminate the proposed acquisition of 100% of the issued capital of Manjaro Resources Pty Ltd.

This decision was the result of the significant deterioration in equity market conditions that prohibited the proposed capital raising to be completed within the allotted period, which was a condition precedent to the transaction.

**Narracoota Project Overview****Narracoota Project (Latin Gold earning 90%)**

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.

As a result of a detailed geological and geophysical review completed earlier this year it was considered that the Narracoota project contained a number of areas of high exploration potential.

It was proposed that these target areas be tested in a two or three phase drilling programme.

Part of these drilling programmes would be funded through an approved \$65,000 grant under the Royalties for Region Co-Funded Government-Industry Drilling Programme, which Latin Gold was successful in receiving.

The first phase of the proposed exploration programme was carried out in late July where 34 aircore holes were drilled primarily to provide stratigraphic and geochemical information across part of the lower Narracoota and sulphidic black shale target areas.

Whilst the geochemical results from this drilling were flat, the drilling did provide important stratigraphic information with regards to the geology and weathering profile of the Lower Narracoota target in particular.

Howard Dawson  
Chairman

*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.*