

29 January 2014

Acquisition of mig33 social entertainment platform

We refer to the Company's announcement dated 23 January 2014 and provide additional information in the form of:

- an indicative timetable;
- post-acquisition capital structure (indicative); and
- unaudited post-acquisition pro forma balance sheet (as at 31 December 2013)

The Company confirms that the proposed acquisition of the mig33 social entertainment platform will constitute a significant change in the nature and scale of the Company's activities (as contemplated within Chapter 11 of the ASX Listing Rules). Accordingly, ASX Listing Rule 11.1.3 applies to the transaction and the Company will need to obtain shareholder approval for the transaction. In addition, completion of the transaction is subject to the Company satisfying ASX's reinstatement conditions and complying with Chapters 1 and 2 of the ASX Listing Rules.

Mig33 is a social entertainment platform featuring miniblog, chat, chatrooms, virtual gifts and games, is available on Android, WAP and Web, and has over 3 million monthly active users. The platform is tailored for emerging markets across South East Asia, South Asia, Middle East and Africa which represent a population of over 3.5 billion people, and monetises not through advertising but primarily through the sale of virtual gifts and games. Part of this business model was developed to build on the success of the Chinese based Tencent Holdings (700:HK), which now has a market capitalisation of over USD\$120 billion.

Early results indicate that artists and celebrities using mig33 in Indonesia and South Asia are achieving levels of engagement comparable to and exceeding that of their equivalent presence on Facebook and Twitter. With these results, the mig33 team is currently focused on broadening and polishing the service offering and growing the user base in 2014.

A significant attraction of the mig33 business model to Latin Gold was that, even in this early stage of commercialisation, income is being generated

through the company's monetisation model which is based around surety of payment through the purchase of mig33 prepaid credits.

The Company intends to convene a general meeting of shareholders to approve the acquisition of mig33 and will send a notice of meeting to all shareholders in the coming weeks. It is anticipated that the ASX will suspend trading of the Company's securities on the date of the general meeting and will remain suspended pending re-compliance with the ASX Listing Rules.

As part of the re-quotations of the Company's securities, the Company may need to complete a prospectus. It is, however, intended that no additional equity capital will be raised.

Indicative Timetable

Event	Date
Despatch of Notice of General Meeting.	24 March 2014
Prospectus open	25 March 2014
Date of General Meeting to approve transaction	22 April 2014
Suspension of securities	22 April 2014
Prospectus close	29 April 2014
Re-compliance with Chapters 1 & 2 of ASX Listing Rules	6 May 2014
Reinstatement to Official Quotation	13 May 2014

Post-Acquisition Capital Structure (Indicative)

Current shares on issue	323,152,868
Acquisition of mig33	735,006,836
Total	1,058,159,704

Notes

1. The Company currently has no options on issue; and
2. It is intended that no new equity will be raised, either pursuant to a prospectus (if required) or otherwise.

Unaudited Post-Acquisition Pro Forma Balance Sheet (as at 31 December 2013)

	Latin	mig33	Consolidated
Current Assets			
Cash and cash equivalents	2,741,768	3,773,901	6,515,669
Trade and other receivables	19,787	24,995	44,782
Prepaid expenses	-	62,639	62,639

Total Current Assets	2,761,555	3,861,535	6,623,090
Non Current Assets			
Property & equipment	-	135,834	135,834
Investments	480,627	-	480,627
Other	-	87,659	87,659
Goodwill on acquisition of mig33 ¹	-	-	19,042,743
Total Non Current Assets	480,627	223,493	19,746,863
Total Assets	3,242,182	4,085,028	26,369,953
Current Liabilities			
Accounts payable	41,046	373,969	415,015
Accrued expenses	-	551,962	551,962
Deferred revenue	-	151,635	151,635
Total Current Liabilities	41,046	1,077,566	1,118,612
Total Liabilities	41,046	1,077,566	1,118,612
Net Assets	3,201,136	3,007,462	25,251,341
Equity			
Issued capital ¹	13,269,603	54,501,365	35,319,808
Reserves	646,894	(573,529)	(18,395,849)
Accumulated losses ²	(10,715,361)	(50,920,374)	(10,715,361)
Total Equity	3,201,136	3,007,462	6,208,598

Notes

1. Assumes the issue of 735,006,836 shares at an issue price of \$0.03 per shares (ie the current market price) on a pre-consolidation basis; and
2. mig33 and its operating entities have expensed all development capital.

Michael Higginson
Company Secretary