



ABN 43 059 457 279

**HALF-YEAR FINANCIAL REPORT  
FOR THE SIX MONTHS ENDED  
31 DECEMBER 2012**

**LATIN GOLD LIMITED**

**ABN 43 059 457 279**

**CORPORATE DIRECTORY**

**DIRECTORS**

Howard Dawson (Non-Executive Chairman)  
John Macdonald (Non-Executive Director)  
Jim Malone (Non-Executive Director)  
Michael Higginson (Non-Executive Director)

**COMPANY SECRETARY**

Michael Higginson

**REGISTERED OFFICE & PRINCIPAL  
PLACE OF BUSINESS**

103 Abernethy Road,  
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**AUDITORS**

Stantons International  
Level 2  
1 Walker Avenue  
West Perth WA 6005

**SHARE REGISTRY**

Advanced Share Registry Services Limited  
150 Stirling Highway  
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**STOCK EXCHANGE LISTING**

Australian Securities Exchange Ltd  
ASX Code: LAT

## LATIN GOLD LIMITED

### DIRECTORS' REPORT

The Directors present their report together with the financial statements of Latin Gold Limited and its controlled entities ("Latin Gold"), for the half-year ended 31 December 2012.

#### DIRECTORS

The following persons held office as a director of Latin Gold Limited at the end of the half-year:

- Howard Dawson (Non-Executive Chairman)
- John Macdonald (Non-Executive Director - appointed 19 November 2012)
- Jim Malone (Non-Executive Director)
- Michael Higginson (Non-Executive Director)

Other than Mr Macdonald, all the Directors shown above were in office from the beginning of the half-year until the date of this report.

#### RESULTS

The net loss of the economic entity for the half-year ended 31 December 2012 was \$123,283 (2011: gain of \$659,987).

No dividends were paid or declared by the company during the half-year.

#### REVIEW OF OPERATIONS

The following is a summary of the activities of Latin Gold during the period 1 July 2012 to 31 December 2012. It is recommended that this half-yearly report be read in conjunction with the 30 June 2012 Annual Report and any public announcements made by the Company during the half-year. In accordance with the continuous disclosure requirements, readers are referred to the announcements lodged with the Australian Securities Exchange regarding the activities of the Company.

In addition to the Narracoota Project, Latin Gold is actively seeking additional commodity based projects with a focus on advanced brown fields to existing mining operations.

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 largely 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 overly 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 (14m @ 0.70g/t, 10m @ 0.65g/t, 8m @ 1.01g/t for example) with occasional higher grades intersections within the mineralised envelope (6m @ 2.35g/t for example).

All drilling results have been previously reported.

Late in the December quarter a review of the entire project was 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 has been completed and results are being collated.

Initial conclusions are that the project area contains a number of untested gold and poly metallic targets. These will be prioritised and tested during the 2013 field season.

**LATIN GOLD LIMITED**

**DIRECTORS' REPORT (continued)**

**SIGNIFICANT CHANGES**

On 19 November 2012, Mr John Macdonald was appointed as Director of the Company.

There have been no other changes in the state of affairs of the economic entity that occurred during the half-year under review not otherwise disclosed in this report.

**SUBSEQUENT EVENTS**

There has not been any matter or circumstance that has arisen since 31 December 2012, which has significantly affected, or may significantly affect the operations of the economic entity, the result of those operations, or the state of affairs of the economic entity in the subsequent financial year.

**AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

Signed in accordance with a resolution of the Board of Directors:



Howard Dawson  
Chairman  
Date: 15 March 2013  
Perth, Western Australia

15 March 2013

Board of Directors  
Latin Gold Limited  
103 Abernathy Road  
Belmont, Western Australia

Dear Sirs

**RE: LATIN GOLD LIMITED**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Latin Gold Limited.

As the Audit Director for the review of the financial statements of Latin Gold Limited for the period ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED**  
**(Trading as Stantons International)**  
**(An Authorised Audit Company)**



**John P Van Dieren**  
**Director**

**LATIN GOLD LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF**  
**FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2012**

	Notes	Consolidated 31 December 2012 \$	Consolidated 30 June 2012 \$
<b>Current Assets</b>			
Cash and cash equivalents		3,037,069	3,331,414
Trade and other receivables		22,830	11,249
<b>Total Current Assets</b>		<b>3,059,899</b>	<b>3,342,663</b>
<b>Non Current Assets</b>			
Exploration and evaluation expenditure	10	252,082	85,523
Investments	11	347,636	377,139
<b>Total Non Current Assets</b>		<b>599,718</b>	<b>462,662</b>
<b>Total Assets</b>		<b>3,659,617</b>	<b>3,805,325</b>
<b>Current Liabilities</b>			
Trade and other payables		29,926	45,983
<b>Total Current Liabilities</b>		<b>29,926</b>	<b>45,983</b>
<b>Total Liabilities</b>		<b>29,926</b>	<b>45,983</b>
<b>Net Assets</b>		<b>3,629,691</b>	<b>3,759,342</b>
<b>Equity</b>			
Issued capital	3	13,269,603	13,269,603
Reserves		537,032	543,400
Accumulated losses		(10,176,944)	(10,053,661)
<b>TOTAL EQUITY</b>		<b>3,629,691</b>	<b>3,759,342</b>

*The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.*

**LATIN GOLD LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

	Consolidated 31 December 2012 \$	Consolidated 31 December 2011 \$
<b>Revenue</b>	55,412	1,453,845
Project costs	(4,312)	-
Corporate costs	(75,519)	(96,088)
Occupancy costs	(17,747)	(13,207)
Employee costs	(6,000)	(38,000)
Administration costs	(12,960)	(19,783)
Diminution in investments	(22,291)	-
Foreign exchange gains / (losses)	(39,866)	33,263
Loss on deconsolidation of subsidiary companies	-	(660,043)
<hr/>		
<b>Gain/(Loss) from continuing activities before income tax expense</b>	(123,283)	659,987
Income tax expense relating to continuing activities	-	-
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<b>Net gain/(loss) for the period</b>	(123,283)	659,987
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<b>Other comprehensive income for the period</b>		
Items that may subsequently be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(6,368)	818,821
Net fair value loss on available for sale assets	-	(739,837)
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	(6,368)	78,984
Items that will not be reclassified to profit or loss	-	-
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<b>Total comprehensive income/(loss) for the period</b>	(129,651)	738,971
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Net gain/(loss) attributable to the parent entity	(123,283)	659,987
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Total comprehensive income/(loss) attributable to the parent entity	(129,651)	738,971
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Basic earnings/(loss) per share (cents per share)	(0.04)	0.20
Diluted earnings/(loss) per share (cents per share)	(0.04)	0.20

Diluted earnings per share are the same as basic earnings per share as none of the options on issue are considered dilutive.

*The above condensed consolidated statement of profit or loss and other comprehensive income should be read in accordance with the accompanying notes.*

**LATIN GOLD LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

	Contributed equity	Reserves	Accumulated losses	Total Equity
	\$	\$	\$	\$
As at 1 July 2011	13,269,603	(914,566)	(8,413,050)	3,941,987
Net gain for the period	-	-	659,987	659,987
Other comprehensive gain for the period	-	78,982	-	78,982
Total comprehensive gain for the period	-	78,982	659,987	738,969
Issue of shares	-	-	-	-
Share issue costs	-	-	-	-
Equity based payments	-	-	-	-
<b>As at 31 December 2011</b>	<b>13,269,603</b>	<b>(835,584)</b>	<b>(7,753,063)</b>	<b>4,680,956</b>
As at 1 July 2012	13,269,603	543,400	(10,053,661)	3,759,342
Net loss for the period	-	-	(123,283)	(123,283)
Other comprehensive loss for the period	-	(6,368)	-	(6,368)
Total comprehensive loss for the period	-	(6,368)	(123,283)	(129,651)
Issue of shares	-	-	-	-
Share issue costs	-	-	-	-
Equity based payments	-	-	-	-
<b>As at 31 December 2012</b>	<b>13,269,603</b>	<b>537,032</b>	<b>(10,176,944)</b>	<b>3,629,691</b>

*The above condensed consolidated statement of changes in equity should be read in accordance with the accompanying notes.*

**LATIN GOLD LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

	Consolidated 31 December 2012 \$	Consolidated 31 December 2011 \$
<b>Cash flows related to operating activities</b>		
Payments to suppliers, contractors and employees	(168,401)	(197,466)
Interest received	20,112	7,857
Other receipts	24,815	-
<b>Net cash flows (used in) operating activities</b>	<u>(123,474)</u>	<u>(189,609)</u>
<b>Cash flows related to investing activities</b>		
Proceeds from sale of Paron gold project	-	1,444,948
Proceeds from conversion of financial asset into cash	-	1,651,751
Payments for exploration and evaluation	(170,871)	(78,420)
<b>Total cash flows from (used in) investing activities</b>	<u>(170,871)</u>	<u>3,018,279</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	-	-
Share issue costs	-	-
<b>Net cash flows from financing activities</b>	<u>-</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	(294,345)	2,828,670
Effect of exchange rate changes on cash and cash equivalents	-	33,263
Cash and cash equivalents at beginning of the period	3,331,414	565,660
<b>Cash and cash equivalents at end of the period</b>	<u>3,037,069</u>	<u>3,427,593</u>

*The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

**LATIN GOLD LIMITED**  
**CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

**1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS**

The half-year financial report is a general purpose financial report that has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

It is recommended that this report be read in conjunction with the annual financial report for the half-year ended 30 June 2012 and any public announcements made by Latin Gold Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

A summary of the material accounting policies adopted by the Company in the preparation of the financial report can be found in the annual financial report for the year ended 30 June 2012.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2012 annual financial report for the financial year ended 30 June 2012, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

In the half-year ended 31 December 2012, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2012.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies. The Company has adopted AASB 2011-9 "Amendment to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income" which requires items of other comprehensive income to be grouped into two categories in the other comprehensive income section;

- a) Items that will not be reclassified to profit or loss; and
- b) Items that may be reclassified subsequently to profit or loss when specific conditions are met.

This only affects disclosure.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2012. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

**LATIN GOLD LIMITED**  
**CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

**2. DIVIDENDS**

No dividends were paid or declared by the company during the half-year.

	31 December 2012 \$	30 June 2012 \$
<b>3. ISSUED CAPITAL</b>		
<i>Ordinary fully paid shares</i>		
As at 1 July 2012 – 323,152,868 shares	13,269,603	13,269,603
Movement	-	-
As at 31 December 2012 – 323,152,868 shares	13,269,603	13,269,603

**4. CONTINGENT LIABILITIES**

The economic entity does not have any contingent liabilities at balance date and none have arisen in the interval between balance date and the date of this financial report.

**5. SEGMENT REPORTING**

The Company now operates only in the mining industry in Australia and has a Bahamas registered company holding an investment in Coronet Metals Inc. All information relating to this is contained throughout this report.

Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker which, for the Group, is the Board of Directors. In this regard, such information is provided using similar measures to those used in preparing the statement of profit or loss and other comprehensive income and statement of financial position.

**Geographical segments:**

	Australia \$	Bahamas \$	Consolidated \$
<b>December 2012</b>			
Segment Revenue	55,412	-	55,412
Segment Result	(100,699)	(22,584)	(123,283)
Segment Assets	3,309,022	350,594	3,659,616
<b>December 2011</b>			
Segment Revenue	8,634	1,445,211	1,453,845
Segment Result	(748,081)	1,408,068	659,987
Segment Assets	3,520,218	1,230,831	4,751,049

**LATIN GOLD LIMITED**  
**CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2012**

**6. EVENTS SUBSEQUENT TO REPORTING DATE**

There has not been any matter or circumstance that has arisen since 31 December 2012, which has significantly affected, or may significantly affect the operations of the economic entity, the result of those operations, or the state of affairs of the economic entity in subsequent financial year.

**7. COMMITMENTS**

The consolidated entity does not have any commitments as at 31 December 2012.

**8. EQUITY-BASED PAYMENTS**

The Company has entered into an Employee Share Option Plan that allows for share options to be granted to eligible employees and officers of the Company. The number of share options that can be issued under the plan cannot exceed 5% of the total number of shares on issue. The terms and conditions of the share option issued under the plan are at the discretion of the Board however, the maximum term of the share option is five years. No options were issued under the Employee Share Option Plan in the current period.

During the half-year no share options were granted to subscribe to fully paid ordinary shares.

During the half-year no share options expired and lapsed.

**9. RELATED PARTY TRANSACTIONS**

Arrangements with related parties continue to be in place. For details of these arrangements, please refer to the 30 June 2012 annual financial report.

Key management personnel continue to receive compensation in the form of short term employee benefits, post employment benefits and share based payments.

	31 December 2012 \$	31 December 2011 \$
<b>10. EXPLORATION AND EVALUATION EXPENDITURE</b>		
Opening balance 1 July 2012	85,523	-
Additions	166,559	78,420
Closing balance 31 December 2012	252,082	78,420
	<b>31 December 2012 \$</b>	<b>30 June 2012 \$</b>
<b>11. INVESTMENTS</b>		
Investments at fair value	347,636	377,139

The investments comprise 6,522,366 shares in Coronet Metals Inc. 3,261,183 of these shares are escrowed until 2 October 2013.

The fair market value of the Coronet Metals Inc shares as at 11 March 2013 is \$310,352.

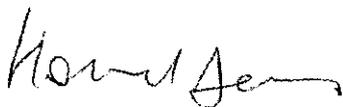
**LATIN GOLD LIMITED**  
**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Latin Gold Limited, we state that:

The directors of the company declare that:

1. The financial statements and notes thereto set out on pages 5 to 11 are in accordance with the Corporations Act 2001, and:
  - (a) comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the financial position of the consolidated entity as at 31 December 2012 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Howard Dawson  
Chairman

DATED: 15 March 2013  
Perth, Western Australia

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
LATIN GOLD LIMITED**

**Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Latin Gold Limited, which comprises the condensed statement of financial position as at 31 December 2012, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity, and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Latin Gold Limited (the consolidated entity). The consolidated entity comprises both Latin Gold Limited (the Company) and the entities it controlled during the half year.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of Latin Gold Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Latin Gold Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Latin Gold Limited on 15 March 2013.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Latin Gold Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(Trading as Stantons International)**  
**(An Authorised Audit Company)**

*Stantons International Audit and Consulting Pty Ltd*  


**John P Van Dieren**  
**Director**

West Perth, Western Australia  
15 March 2013