



ABN 43 059 457 279

**HALF-YEAR FINANCIAL REPORT  
FOR THE SIX MONTHS ENDED  
31 DECEMBER 2011**

**LATIN GOLD LIMITED**

**ABN 43 059 457 279**

**CORPORATE DIRECTORY**

**DIRECTORS**

Howard Dawson (Non-Executive Chairman)  
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 2011.

#### 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)
- Jim Malone (Non-Executive Director)
- Michael Higginson (Non-Executive Director - appointed 31 August 2011)

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

Mr Peter McAleer was in office from the beginning of the half-year until his resignation on 4 July 2011.

Messrs Ian Middlemas and Mark Pearce were in office for the period commencing 5 July 2011 until their resignations on 31 August 2011.

#### RESULTS

The net gain of the economic entity for the half-year ended 31 December 2011 was \$659,987 (2010: loss of \$233,656).

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 2011 to 31 December 2011. It is recommended that this half-yearly report be read in conjunction with the 30 June 2011 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.

During the half year the sale of the Paron Gold project was completed and the initial cash payments received.

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.

Latin Gold is the operator of the Narracoota joint venture. Under the terms of this joint venture with the tenement holder - Richmond Mining Limited, Latin Gold can earn a 90% interest in the project by the expenditure of \$500,000.

Latin Gold has been successful in securing a grant of \$59,000 for a jointly funded drilling programme over the Narracoota Project under the West Australian Government's Royalties for Regions Co-Funded Exploration scheme.

The Narracoota Project is located about 80 kilometres north of Meekatharra, Western Australia. The Project covers part of the southern section of the Palaeoproterozoic Bryah Basin (a sub-basin of the Glengarry Basin) and has been explored for epigenetic gold and VHMS-style base and precious metals by previous explorers.

The Project area lies some 75 kilometres southwest of the DeGrussa discovery which is hosted by rock units of the Narracoota Volcanics. The Narracoota Project contains extensive widths of Narracoota Volcanics which are interpreted to occur in at least three structural repetitions, providing a target zone of approximately 20 kilometres in length.

A drilling programme in 2010 by the tenement owner, Richmond Mining Limited, intersected highly anomalous gold values in an alluvial covered area described as lying over a bull's eye magnetic feature which is bounded by a number of prominent magnetic breaks and lineaments. Details are as set out below:

LATIN GOLD LIMITED

DIRECTORS' REPORT (continued)

| Hole | Interval | Description                                  | Au   | Cu  | Ni  | Zn  |
|------|----------|--|------|-----|-----|-----|
| NRC5 | 10-20m   | Mafic dyke?, highly magnetic                 | 0.33 | 105 | 74  | 107 |
| NRC5 | 20-30m   | Mafic dyke?, variably magnetic               | 0.12 | 127 | 96  | 111 |
| NRC5 | 40-50m   | Mafic dyke?, variably magnetic, minor pyrite | 0.35 | 147 | 108 | 80  |

Au results in g/t, all other results in ppm, Au assayed by FA30, Cu, Ni and Zn assayed by AAS.

An aircore drilling programme to provide a first pass test of this anomaly was carried out by Latin Gold during 2011. The drilling was designed to test across the gold anomaly to a depth of around 50 metres, or drill refusal.

In addition, holes were also drilled to refusal to the west and south east of the area to test lithologies interpreted to be ultramafic within a complex structural zone.

The drilling across the gold anomaly confirmed the previous anomalous results with a best intersection of 6 metres grading 2.35g/t. Initial petrological work suggests the host rock to this gold anomaly could be a high magnesium ultramafic rather than a mafic intrusive as originally identified.

| Hole    | Co-ordinates       | Azimuth/Inclination | Interval | Au assay (g/t) |
|---------|--------------------|---------------------|----------|----------------|
| NRC 5   | 66100mE 7133990mN  | Vertical            | 10-20m   | 0.33           |
|         |                    |                     | 20-30m   | 0.12           |
|         |                    |                     | 40-50m   | 0.35           |
| NAC 001 | 661605mE 7134004mN | 60/180              | 15-17m   | 0.41           |
|         |                    |                     | 17-23m   | 2.35           |
|         |                    |                     | 23-25    | 0.52           |
| NAC 002 | 661604mE 7134019mN | 60/180              | 18-22m   | 0.09           |
| NAC 003 | 661605mE 7134044mN | 60/180              | 20-30m   | 0.06           |
|         |                    |                     | 30-35m   | 0.05           |
| NAC 004 | 661616mE 7133979mN | 60/360              | 12-20m   | 0.06           |
|         |                    |                     | 20-30m   | 0.12           |

These drill results are very encouraging as the intersection in NAC 001, which bulks out at 10 metres grading 1.6g/t, is open along strike and down dip. It also appears to be surrounded by a wide but low grade halo which could indicate a larger mineralised zone is present.

A large part of the 25 hole aircore programme was also directed towards providing stratigraphic information in areas of transported alluvial cover. In the central part of the Narracoota Project area there is zero outcrop over the interpreted and prospective Narracoota Volcanics.

As a first pass regional test of this area and prospective lithologies, vertical aircore holes to blade refusal were drilled across 2.5 kilometres of strike, focusing on areas where the magnetic suggested significant structural dislocation and/or possible magnetite destruction.

Subject to final petrological examination, the large majority of these regional holes bottomed in ultramafic rocks with a number of intersections returning highly anomalous nickel values. These values ranged as high as 3113 ppm Ni (0.31%) and were all in the saprolite zone or weathered basement rocks where there were no obvious signs of any secondary enrichment.

| Hole    | Interval | Description                            | Nickel assay (ppm) |
|---------|----------|--|--------------------|
| NAC 006 | 23-33m   | Saprolite clay, minor ultramafic chips | 1003               |
|         | 33-43m   | Saprolite clay, minor ultramafic chips | 1026               |
| NAC 010 | 40-47m   | Saprolite clay, minor ultramafic chips | 3009               |
| NAC 011 | 37-54.5m | Saprolite clay, minor ultramafic chips | 1313               |
| NAC 024 | 40-50m   | Saprolite clay, minor ultramafic chips | 1091               |
|         | 50-60m   | Saprolite clay, minor ultramafic chips | 1965               |
|         | 60-63m   | Saprolite clay, minor ultramafic chips | 1346               |
| NAC 025 | 20-30m   | Saprolite clay, minor ultramafic chips | 1369               |
|         | 30-35m   | Saprolite clay, minor ultramafic chips | 3113               |

From the assay data, the background nickel values for the ultramafic lithologies in this part of the Project area are in the range 250-300ppm.

It is planned to undertake additional drilling programmes during 2012.

**LATIN GOLD LIMITED**

**DIRECTORS' REPORT (continued)**

**SIGNIFICANT CHANGES**

On 4 July 2011, Mr Peter McAleer resigned as a Director of the Company.

On 5 July 2011, Messrs Ian Middlemas and Mark Pearce were appointed as Directors of the Company.

On 31 August 2011, Mr Michael Higginson was appointed as a Director of the Company following the resignations of Messrs Middlemas and Pearce.

On 22 November 2011, the Company announced the receipt of US\$1,500,000 from Coronet Metals Inc being the balance of the consideration for the sale of the Paron Gold Project.

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 2011, 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 5.

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



Howard Dawson  
Chairman  
Date: 15 March 2012  
Perth, Western Australia

15 March 2012

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 2011, 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 2011**

|  | Notes | Consolidated<br>31 December<br>2011<br>\$ | Consolidated<br>30 June<br>2011<br>\$ |
|--|-------|---|---------------------------------------|
| <b>Current Assets</b>                  |       |   |                                       |
| Cash and cash equivalents              |       | 3,427,593                                 | 565,660                               |
| Other financial assets                 |       | -   | 1,651,751                             |
| Trade and other receivables            |       | 19,077                                    | 14,552                                |
| <b>Total Current Assets</b>            |       | <b>3,446,670</b>                          | <b>2,231,963</b>                      |
| <b>Non Current Assets</b>              |       |   |                                       |
| Exploration and evaluation expenditure | 10    | 78,420                                    | -                                     |
| Investments                            | 11    | 1,225,958                                 | 1,887,683                             |
| <b>Total Non Current Assets</b>        |       | <b>1,304,378</b>                          | <b>1,887,683</b>                      |
| <b>Total Assets</b>                    |       | <b>4,751,048</b>                          | <b>4,119,646</b>                      |
| <b>Current Liabilities</b>             |       |   |                                       |
| Trade and other payables               |       | 70,092                                    | 177,659                               |
| <b>Total Current Liabilities</b>       |       | <b>70,092</b>                             | <b>177,659</b>                        |
| <b>Total Liabilities</b>               |       | <b>70,092</b>                             | <b>177,659</b>                        |
| <b>Net Assets</b>                      |       | <b>4,680,956</b>                          | <b>3,941,987</b>                      |
| <b>Equity</b>                          |       |   |                                       |
| Issued capital                         | 3     | 13,269,603                                | 13,269,603                            |
| Reserves                               |       | (835,584)                                 | (914,566)                             |
| Accumulated losses                     |       | (7,753,063)                               | (8,413,050)                           |
| <b>TOTAL EQUITY</b>                    |       | <b>4,680,956</b>                          | <b>3,941,987</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**  
**COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

|   | <b>Consolidated<br/>31 December<br/>2011<br/>\$</b> | <b>Consolidated<br/>31 December<br/>2010<br/>\$</b> |
|---|---|---|
| <b>Revenue</b>  | 1,453,845   | 26,578  |
| Project costs   | -   | (92,196)  |
| Corporate costs   | (96,088)  | (62,880)  |
| Occupancy costs   | (13,207)  | (9,835)   |
| Employee costs  | (38,000)  | (28,333)  |
| Administration costs  | (19,783)  | (47,933)  |
| Depreciation  | -   | (4,521)   |
| Foreign exchange gains / (losses)   | 33,263  | (14,536)  |
| Loss on deconsolidation of subsidiary companies                                 | (660,043)   | -   |
|   |   |   |
| <b>Gain/(Loss) from continuing activities before<br/>income tax expense</b>     | 659,987   | (233,656)   |
| Income tax expense relating to continuing activities                            | -   | -   |
|   |   |   |
| <b>Net gain/(loss) for the period</b>   | 659,987   | (233,656)   |
|   |   |   |
| <b>Other comprehensive income for the period</b>                                |   |   |
| Exchange differences on translation of foreign<br>operations                    | 818,821   | (465,045)   |
| Net fair value loss on available for sale assets                                | (739,837)   | -   |
|   |   |   |
| <b>Total comprehensive income/ (loss) for the<br/>period</b>                    | 738,971   | (698,701)   |
|   |   |   |
| <b>Net gain/(loss) attributable to the parent entity</b>                        | 659,987   | (233,656)   |
|   |   |   |
| <b>Total comprehensive income/ (loss)<br/>attributable to the parent entity</b> | 738,971   | (698,701)   |
|   |   |   |
| Basic earnings per share (cents per share)                                      | 0.20  | (0.07)  |
| Diluted earnings per share (cents per share)                                    | 0.20  | (0.07)  |

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 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 2011**

|  | <b>Contributed<br/>equity</b> | <b>Reserves</b>  | <b>Accumulated<br/>losses</b> | <b>Total<br/>Equity</b> |
|--|-------------------------------|------------------|-------------------------------|-------------------------|
|  | <b>\$</b>                     | <b>\$</b>        | <b>\$</b>                     | <b>\$</b>               |
| As at 1 July 2010                          | 13,269,603                    | 415,270          | (9,114,575)                   | 4,570,298               |
| Net loss for the period                    | -                             | -                | (233,656)                     | (233,656)               |
| Other comprehensive loss<br>for the period | -                             | (465,045)        | -                             | (465,045)               |
| Total comprehensive loss for<br>the period | -                             | (465,045)        | (233,656)                     | (698,701)               |
| Issue of shares                            | -                             | -                | -                             | -                       |
| Share issue costs                          | -                             | -                | -                             | -                       |
| Equity based payments                      | -                             | (46,040)         | -                             | (46,040)                |
| <b>As at 31 December 2010</b>              | <b>13,269,603</b>             | <b>(95,815)</b>  | <b>(9,348,231)</b>            | <b>3,825,557</b>        |
| 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<br>for the period | -                             | 78,982           | -                             | 78,982                  |
| Total comprehensive gain<br>for the period | -                             | 78,982           | 659,987                       | 738,971                 |
| 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>        |

*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 2011**

|  | <b>Consolidated</b><br><b>31 December 2011</b><br>\$ | <b>Consolidated</b><br><b>31 December 2010</b><br>\$ |
|--|--|--|
| <b>Cash flows related to operating activities</b>            |  |  |
| Payments to suppliers, contractors and employees             | (197,466)  | (236,649)  |
| Interest received  | 7,857  | 26,573   |
| <b>Net cash flows (used in) operating activities</b>         | <u>(189,609)</u>                                     | <u>(210,076)</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                      | (78,420)   | (140,000)  |
| <b>Total cash flows from (used in) investing activities</b>  | <u>3,018,279</u>                                     | <u>(140,000)</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         | 2,828,670  | (350,076)  |
| Effect of exchange rate changes on cash and cash equivalents | 33,263   | (11,892)   |
| Cash and cash equivalents at beginning of the period         | 565,660  | 1,213,190  |
| <b>Cash and cash equivalents at end of the period</b>        | <u>3,427,593</u>                                     | <u>851,222</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 2011**

**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 2011 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 2011.

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 2011 annual financial report for the financial year ended 30 June 2011, 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 2011, 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 2011.

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 also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2011. 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 2011**

**2. DIVIDENDS**

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

|   | <b>31 December<br/>2011</b> | <b>30 June<br/>2011</b> |
|---|-----------------------------|-------------------------|
|   | \$                          | \$                      |
| <b>3. ISSUED CAPITAL</b>                    |                             |                         |
| <i>Ordinary shares fully paid</i>           |                             |                         |
| As at 1 July 2011 - 323,152,868 shares      | 13,269,603                  | 13,269,603              |
| Movement                                    | -                           | -                       |
| As at 31 December 2011 - 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 comprehensive income and statement of financial position.

**Geographical segments:**

|                      | <b>Australia</b> | <b>Bahamas</b>       | <b>Consolidated</b> |
|----------------------|------------------|----------------------|---------------------|
| <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           |
|                      |                  |                      |                     |
| <b>December 2010</b> | <b>Australia</b> | <b>South America</b> | <b>Consolidated</b> |
|                      | \$               | \$                   | \$                  |
| Segment Revenue      | 26,578           | -                    | 26,578              |
| Segment Result       | (156,751)        | (76,905)             | (233,656)           |
| Segment Assets       | 956,772          | 2,917,399            | 3,874,171           |

**LATIN GOLD LIMITED**  
**CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

**6. EVENTS SUBSEQUENT TO REPORTING DATE**

There has not been any matter or circumstance that has arisen since 31 December 2011, 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 2011.

**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 2011 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.

|   | <b>31 December<br/>2011</b> | <b>31 December<br/>2010</b> |
|---|-----------------------------|-----------------------------|
|   | \$                          | \$                          |
| <b>10. EXPLORATION AND EVALUATION EXPENDITURE</b> |                             |                             |
| Opening balance 1 July 2011                       | -                           | 3,405,495                   |
| Additions   | 78,420                      | 140,000                     |
| Foreign exchange movement on revaluation          | -                           | (541,431)                   |
| Closing balance 31 December 2011                  | 78,420                      | 3,004,064                   |
|   | <b>31 December<br/>2011</b> | <b>30 June 2011</b>         |
|   | \$                          | \$                          |
| <b>11. INVESTMENTS</b>                            |                             |                             |
| Investments at fair value                         | 1,225,958                   | 1,887,683                   |

The investments comprise 6,522,366 shares in Coronet Metals Inc. 3,261,183 shares are escrowed until 2 October 2012 and 3,261,183 shares are escrowed until 2 October 2013.

The undiscounted fair market value of the Coronet Metals Inc shares as at 15 March 2012 is A\$940,792.

**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 6 to 12 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 2011 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 2012  
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 2011, the condensed statement of 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 2011 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 2012.

*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 2011 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 15/3/12*  


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

West Perth, Western Australia  
15 March 2012