



QUARTERLY ACTIVITIES REPORT for the period ending 30 March 2018

Highlights

Operations

San Luis - Argentina

- Additional 44,000 hectares of highly prospective Condor concessions acquired through Term Sheet with the Kontrarian Fund No 1
- Maria del Huerto drilling program updated and awaiting issuance of DIA
- High-value Las Cuevas mine where the main pegmatite is 70m thick and 400m long and additional concessions acquired through the signing of a Binding Letter of Intent

Catamarca - Argentina

- MDA conversion applications completed
- Airborne geophysics scheduled for 2nd quarter

Salta - Argentina

- Due Diligence samples show high Tantalum grades

La Rioja - Argentina

- Initial field work completed

Ilo Copper Project - Peru

- Sale Agreement with Westminster completed and initial instalment of USD\$150,000 received

Pachamanca/MT-03 - Peru

- Drill location planning and permitting in progress

Technology

- UnCuyo University pilot plant construction has commenced.

Corporate

- General Meeting held 19 February 2018 with resolutions passed on show of hands. One resolution was defeated on a show of hands.
- Discussions continuing with interested parties in relation to potential joint venture agreements or offtake arrangements in respect of its lithium assets in Argentina

OPERATIONS

Lithium and Cobalt Projects, Argentina

Since acquiring the initial lithium projects in Argentina during mid-2016, the Company's total landholding within Argentina's hard rock lithium concessions has rapidly expanded to total approximately 266,000 hectares over three main areas within the Catamarca, San Luis and Salta provinces.

In addition, the Company has acquired over 28,000 hectares in three cobalt concessions within the La Rioja province in Argentina's North West.

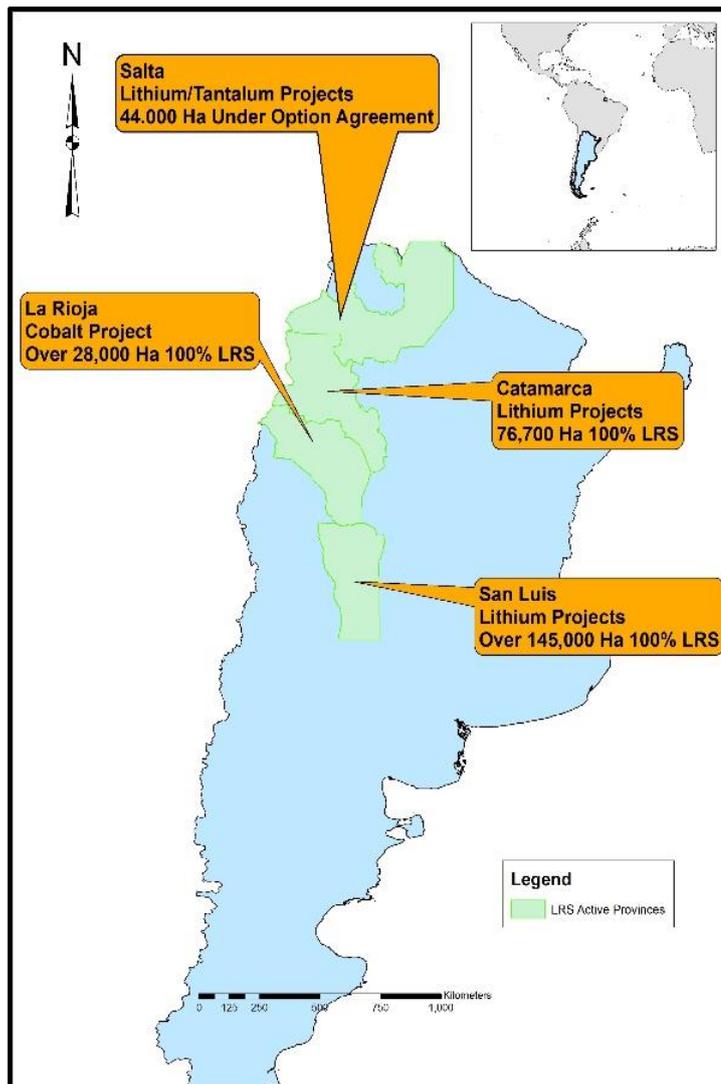


Figure 1 Location map of Latin Resources lithium and cobalt projects in Argentina

San Luis Lithium Project, Argentina

Maria del Huerto EIR

The company received notification in October 2017 that the Environmental Impact Report submitted in March 2017 for its wholly owned Maria del Huerto project had been accepted and approved by the San Luis Minería Department.

The acceptance/approval of the EIR allows the Department to then issue the DIA required for drilling at the property. Recent provincial elections have delayed Department process and the DIA remains to be issued to the Company.

While it is our understanding that no concessions or permits for any companies have been issued since the Provincial elections, the Company is continuing a dialogue with the San Luis authorities to breach the impasse and progress departmental approvals to achieve the Company's project development plan.

Further work on the drill hole designs has resulted in an optimised drilling plan which will achieve both a JORC resource estimate within 4 months from the commencement of drilling and provide feedstock to Primero to conduct necessary metallurgical test work.

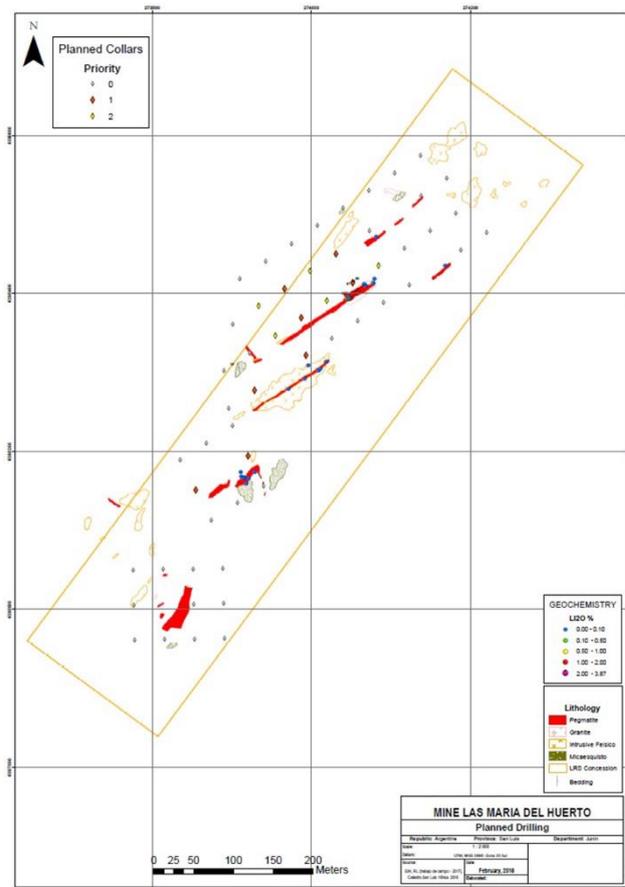


Figure 2. Maria del Huerto Planned Initial Drill Holes

Kontrarian Resource Fund Concessions Acquisition

On the 16 February 2018, the company announced that it had secured the 100% ownership of Condor concessions in the North East part of San Luis, Argentina through the signing of a Terms Sheet with Kontrarian Resources Fund No 1.

The Condor Concession applications are within the same very prospective pegmatite zones of the Sierra de San Luis district, within the Sierras Pampeanas geological province in Argentina. This zone contains nearly all the known Argentine pegmatites and has been the source of spodumene, beryl, quartz,



Figure 3. Close spaced outcropping thick pegmatites as mapped by LRS staff on Condor's SNL02 concession

feldspar, muscovite and tantalite.

The pegmatites occur in swarms of lenticular sills and dykes with thicknesses of 5 to over 40m and strike lengths mapped by satellite imagery interpretation often of more than a kilometre. They can contain lithium mineralisation mostly in the form of spodumene but also as the high-grade amblygonite and lepidolite. The Latin Resources technical team has visited SNL02, 03, and 04 and were able to verify the presence of abundant prospective pegmatites.

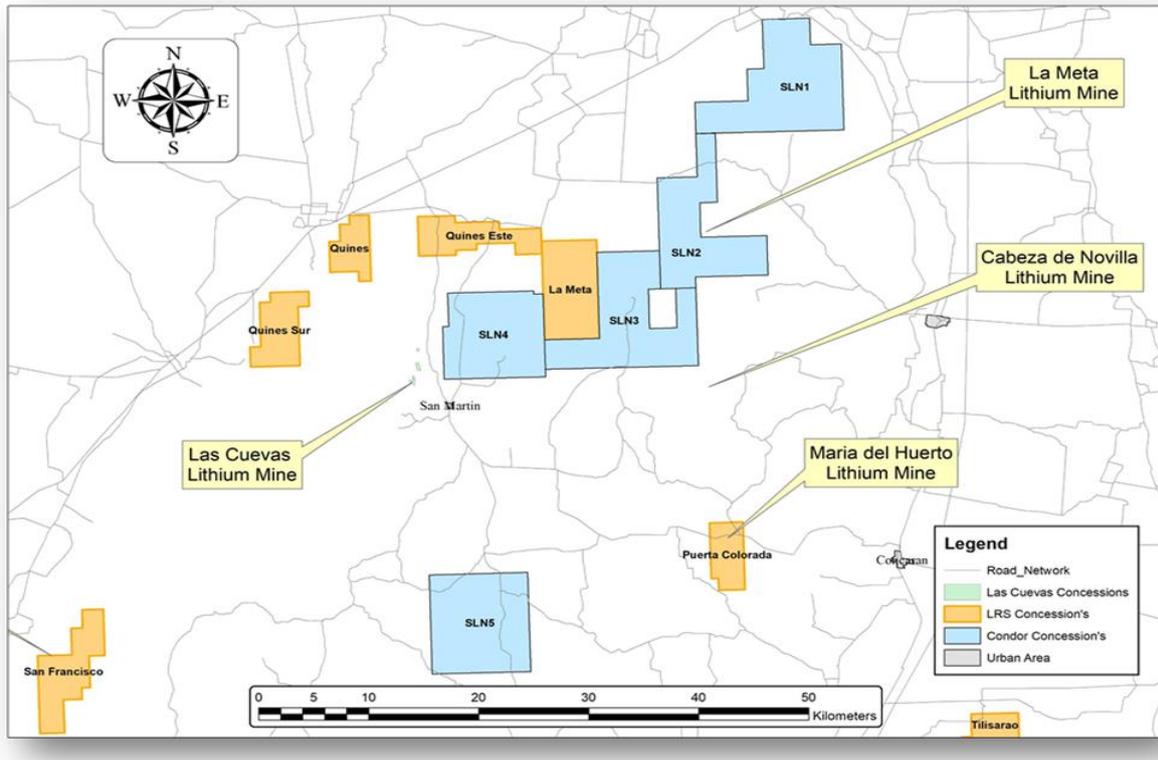


Figure 4. The Condor Concessions Location

The Condor Concession applications are located approximately 100km to 150km from the provincial capital of San Luis are close to major roads, water sources and power supply. All but one (SNL05) of the tenements are contiguous and are very close to Latin Resources existing La Meta and Quines group concessions. This provides logistical advantages during exploration activities. The additional area of the five concessions is 44,177 hectares which result in a total of 145,000 hectares now under Latin Resources control within the prospective San Luis region.

Application Number	Application Name	Hectares
95-H-2016	SLN 1	9,883
96-H-2016	SLN 2	7,798
97-H-2016	SLN 3	9,698
98-H-2016	SLN 4	7,800
99-H-2016	SLN 5	8,998
Total		44,177

Table 1. The Condor Concessions Details

The timing of the consideration payments under the Term Sheet requires exploration success before payment. The conditions of purchase under the Term Sheet consist of three stages with the following terms and conditions;

Due Diligence: Upon execution of the Binding Terms Sheet, LRS shall have an exclusive thirty (30) days period from the date on which LRS gains access to the Projects to conduct its due diligence on the Projects.

Sale Agreement: Upon the expiry of the Due Diligence Period (30 days) LRS and Vendor will have an exclusive period of thirty (30) days to execute a sale agreement to record in more detail the terms of the acquisition of the Projects by LRS from the Vendor and the transfer of ownership of the Projects from the Vendor to LRS or its nominee.

Approvals: The acquisition of the Projects under the Binding Terms Sheet shall be subject to any applicable shareholder and regulatory approvals as maybe required by LRS. The concessions must be fully granted by the San Luis mining authorities before any payment of the consideration is made.

CONSIDERATION

Date	Consideration AUD\$
Completion of Sale Agreement, Due Diligence and subject to shareholder approval	\$100,000 in cash \$500,000 of LRS shares @ \$0.012 (representing 41,666,666 shares)
6 months	\$1,000,000 worth of LRS shares * 10,000,000 \$0.03 options(expiry 2 years)
12 months	\$1,900,000 worth of LRS shares *
18 months	\$1,000,000 of exploration expenditure within 18 months
TOTAL	AUD \$3,500,000 in cash and shares

Table 2. The Consideration of the Term Sheet with the Kontrarian Fund No 1

* Latin Resources shares will be valued at 30 day VWAP at time of issue

** Issue of shares is subject to sale Agreement being executed and necessary regulatory approvals

*** Each tranche of shares issued will be subject to a 6 month escrow period

Las Cuevas Mine and Concessions Acquisition

On the 20th of April the company announced that it has secured the 100% ownership of the Las Cuevas mine and four additional concessions in the province of San Luis, Argentina through the signing of a Binding Letter of Intent (LOI).

The Las Cuevas Mine has been operating intermittently via since 1952 when it first went into production. Over its life, it has been one of the largest producers of spodumene, beryl and tantalite in Argentina. Feldspar and quartz has also been recently produced from Las Cuevas.

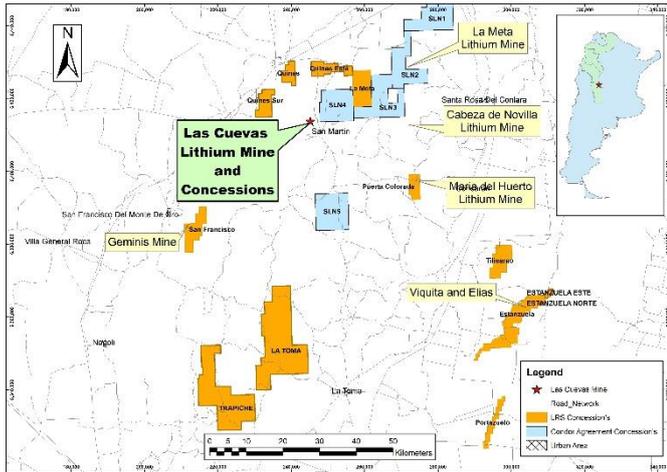


Figure 5. Las Cuevas Mine Location

The additional four licenses included in the agreement are all granted mining concessions are also highly prospective for lithium and tantalum minerals. The San Roque concession, for example, has had historical quarrying activity where spodumene has been reportedly extracted.

The mine is located approximately 133km to the north east from the Provincial Capital, San Luis and only 4.2km from the mining friendly centre of San Martin which has an operating small scale feldspar and quartz mill.

Access to the mine is via good paved road to the mine gate with electricity and water supply in the near vicinity.

The Las Cuevas deposit and the additional 4 licenses are situated within the Conlara pegmatite field which is the central of the three pegmatite fields in San Luis that are all part of the Pampean pegmatite province (the others being Totoral and Estanzuela). This is the same pegmatite field that hosts the company’s Maria del Huerto mine and other locally significant historical lithium mines Cabeza de Novilla, La Meta, La Boca and La Puntillosa. The pegmatites are hosted within the Conlara metamorphic complex which is a series of late Neoproterozoic quartz mica schists and gneisses which have been intruded by Ordovician age granites (Martinez et al 2011).

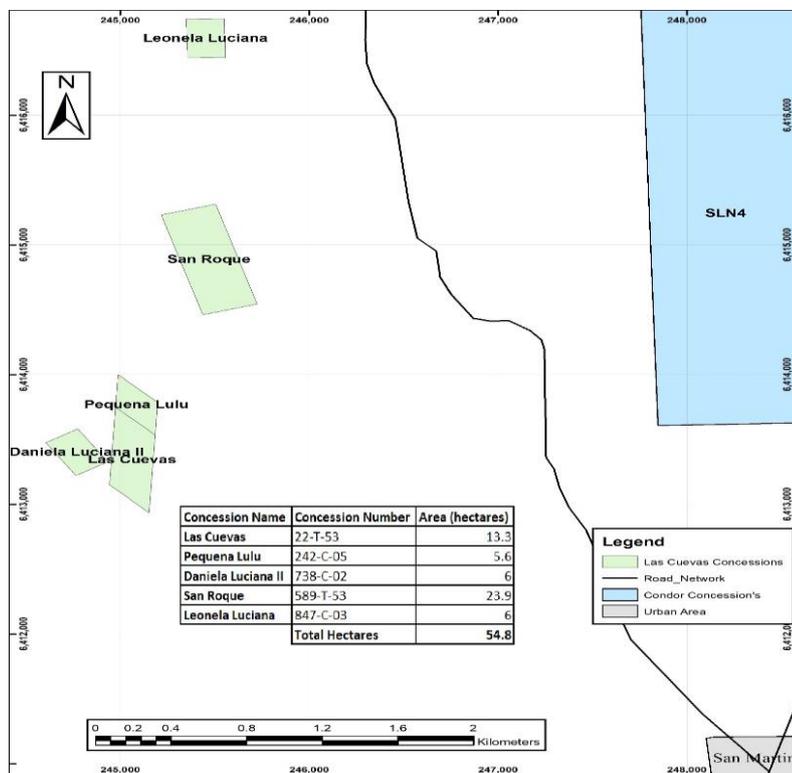


Figure 6. Las Cuevas Concessions

Locally, the Las Cuevas mine concession contains several exposed pegmatites. The main pegmatite, which has been the focus of the historical mining activity, has an exposed strike length of more than 400m, an apparent thickness of up to 70m in the central zone and a gentle dip to the west of 30 degrees making it a good target for drilling and potentially low strip quarrying. There are possible strike extensions to this pegmatite to the north and south that require drilling to delineate.



The western portion of the main pegmatite is exposed along its length by quarrying. The mineralised zones in the southern part of the quarry contain large spodumene crystals intergrown with quartz up to 2.5m in length. In the north the lithium mineralisation occurs as large spodumene crystals and lepidolite associated with tourmaline. There are multiple underground workings on the northeastern flank of the main pegmatite that reportedly were developed to access the concentrated tantalum minerals.

Figure 7. LRS geologist for scale next to very large spodumene crystals at the Las Cuevas Mine.

The Latin Resources geological team has designed a preliminary 2,500m diamond drilling program to be completed as soon as the required permits are in place to delineate the broad structure of the deposit before a resource definition drill programme to feed into a JORC resource estimate.

The legal and permitting requirements including the Environmental Impact Reports and the reactivation of Las Cuevas mining concession are underway.

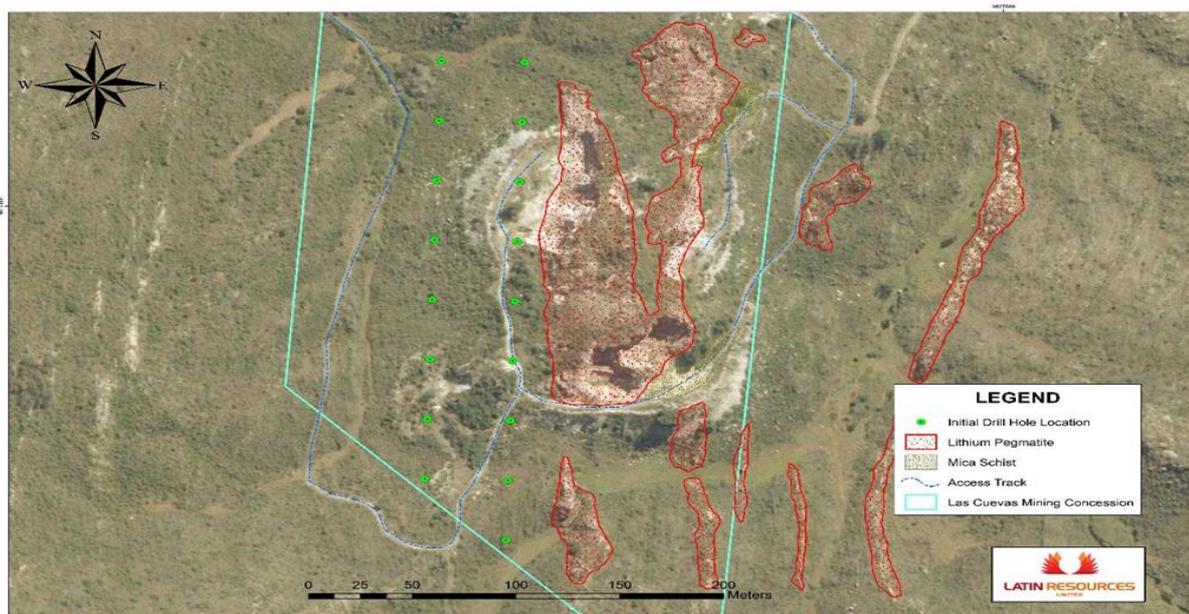


Figure 6. Las Cuevas Proposed Initial Drilling Program over Geology

The LOI requires within five days of signing the LOI Latin must pay the vendor US\$5,000. This payment has been completed and secures a binding agreement to finalise the sale agreement. The parties then have one month to finalise the signing of the final sale agreement, which is currently being prepared.

The final Sale agreement will consist of the following stages with the following terms and conditions;

1. Within thirty days of signing of the LOI and successful due diligence completed a Sale Agreement will be signed and Latin must pay the vendor US\$25,000
2. From the time of signing the Sale Agreement the owner has to meet the following milestones;
 - a. Approval of the Environmental Impact Report (EIR) for exploration and exploitation.
 - b. At the completion of the exploration and exploitation permit a payment of \$175,000
 - c. Within five days of the approval of the EIR Latin must pay the vendor US\$10,000 per month for 12 months.
3. On completion of 12 months anniversary of the EIR and to the satisfaction of Latin Resources of the project a payment of US\$2,000,000
4. At the 24 months anniversary of approval the EIR a payment of USD\$1,000,000

Catamarca Lithium Project, Argentina

Airborne Geophysical Survey

An aeromagnetic and radiometric survey has been planned and is to be flown in the 2nd Quarter for a total of 9,700km flight lines covering the Companies' complete Catamarca land package. The survey is a cost and time effective method of obtaining valuable structural/geological information and to identify unmapped pegmatite outcrops for follow up ground mapping and sampling.

La Rioja Cobalt Project, Argentina

Initial Field Work

Our exploration team has conducted initial field work which involved predominately mapping and surface sampling on the Company's La Rioja concession applications surrounding the historical King Tut cobalt mine.

The aim of the initial field programme was to undertake a broad reconnaissance survey of accessible zones of the concessions and surrounding areas.

A total of 39 rock chip samples have been taken from this campaign, and submitted for ALS analysis for base and precious metals including cobalt assays with results expected shortly. Ongoing field work continues into the June 2018 quarter.

LRS has been advised that the completion of the approval process for the issue of concession applications is imminent.

Salta Lithium Project, Argentina

Tres Teta's Due Diligence Results

The analysis results from the due diligence visit during late 2017 have been returned and are presented in the table 3 below. The samples returned high tantalum (Ta) levels indicating potential for a stand-alone economic operation independent of by-product contributions. Further results returned potassium/rubidium (K/Rb) ratios as strong indicators for a highly fractionated pegmatite system which is prospective for lithium and other rare metals.

Sample#	Easting	Northing	Elevation	Nb ppm	Ta ppm	Li ppm	Li₂O ppm	Li²O %	K/Rb Ratio
TT000201	770631	7245017	3957 m	38.0	38.6	15	32.3	0.0032	27.1
TT000202	770342	7244876	4005 m	62.3	147.5	18	38.8	0.0039	31.5
TT000203	770592	7244593	4022 m	56.6	82.5	13	28.0	0.0028	41.9
TT000204	770485	7244624	4027 m	71.2	52.1	11	23.7	0.0024	42.8
TT000205	770485	7244733	4007 m	64.5	86.2	12	25.8	0.0026	36.9
TT000206	770337	7244752	4033 m	61.3	424	17	36.6	0.0037	15.7
TT000207	770411	7244579	4051 m	97.1	209	13	28.0	0.0028	28.2
TT000208	770610	7245195	4006 m	66.7	31.9	9	19.4	0.0019	30.5
TT000209	771317	7244414	3974 m	794	519	13	28.0	0.0028	43.5

Table 3. Tres Tetas Due Diligence Assay Results

Ilo Copper Project, Southern Peru

The Sale Agreement with Westminster Resources has been finalised with WMR resuming trading on the TSXV.

Following the conclusion of the Sale Agreement Westminster also made payment of the first instalment of USD\$150,000.

LRS's Exploration and Development Manager Kerry Griffin has also joined WMR as VP of Exploration.

Pachamanca/MT-03 Project, Southern Peru (Under Joint Venture – First Quantum Minerals earning 80%)

Although nitrate layers negatively impacted the results of the induced polarisation geophysics within the overlying caliche sediments, sufficient data was obtained to identify preliminary drill targets. Completion of drill design is continuing for a diamond drilling program to be conducted once drill permits have been approved.

Technology

UnCuyo University, Mendoza, Argentina

The Universidad Nacional de Cuyo (UnCuyo) has commenced construction of the test bench process pilot plant with major items including main reactor, reagents and spodumene concentrate acquired for the initial project with the monetary contribution provided by Latin Resources.

The trials are to test the patented process to convert spodumene concentrate to lithium carbonate product for the lithium battery market.

The completion of the pilot plant build is expected in April with trials to commence shortly after.

Proposed Next Steps

The Company initially advised the ASX on the 13 November 2017 that it is in preliminary discussions with a number of different parties in relation to potential joint venture agreements or offtake arrangements in respect of its lithium assets in Argentina

The Company recently advised that negotiations are continuing with progress being made to reach suitable terms on a JV and /or an offtake agreement.

Upon completion of these negotiations, it is proposed that the JV commence an aggressive exploration program primarily on, but not limited to, the San Luis projects. The primary focus is to develop a JORC resource at Maria del Huerto and the recently acquired Las Cuevas mining concessions. It is also proposed to run in parallel the design and permitting of a spodumene plant to add to an existing operation in San Luis.

Corporate

A General Meeting of shareholders was held on 19 February 2018 with resolutions being passed on a show of hands. One resolution to issue 62,500,000 placement options, proposed in relation to a placement completed on 28 November 2017, was defeated on a show of hands.

At the General Meeting, shareholders approved resolutions :

- to issue 214,285,728 listed Placement options exercisable at \$0.01 on or before 12 October 2019 relating to the Placement completed on 10 October 2017..
- to issue of 214,285,728 listed broker options exercisable at \$0.01 on or before 12 October 2019.
- to issue of 62,500,000 broker options exercisable at \$0.01 on or before 12 October 2019. These options relate to a placement completed on 28 November 2017.

Shareholders also approved the issue of incentive and deferred rights to Directors as follows:

- to Mr David Vilensky - 4,236,923 Deferred Rights,
- to Mr Brent Jones -3,269,231 Deferred Rights, and
- to Mr Christopher Gale - 4,569,231 Performance Rights and 9,276,923 Retention Rights.

All rights were issued in accordance with the Company's Incentive Rights Plan as previously approved by shareholders on 27 November 2015.

About Latin Resources	Corporate Summary
<p>Latin Resources Limited is a mineral exploration company focused on creating shareholder wealth through the identification and definition of mineral resources in Latin America. The Company has secured approximately 266,000 hectares of exploration concessions in the lithium pegmatite districts of Catamarca, San Luis and Salta Provinces, Argentina as well as 28,000 hectares prospective for Cobalt in La Rioja.</p> <p>The company also has a portfolio of projects in Peru and is actively progressing its Iron Oxide-Copper-Gold and Copper Porphyry projects in the Ilo region with its joint venture partner First Quantum Minerals Ltd.</p>	<p>ASX: LRS</p> <p>Shares Issued: 2,622.4 M</p> <p>Options Issued:</p> <p>- Listed 741.0 M</p> <p>- Unlisted 9.3 M</p> <p>Rights Issued: 65.0 M</p>

Competent persons statement

The information in this report that relates to Geological Data and Exploration Results is based on information compiled by Mr Kerry Griffin, who is a Member of the Australian Institute of Geoscientists. Mr Griffin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Griffin is the Exploration and Development Manager of Latin Resources Limited and consents to the inclusion in this report of the matters based on his information, and information presented to him, in the form and context in which it appears.

Enquires

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Appendix 5B

The Appendix 5B for the Quarter is attached.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Name of entity

LATIN RESOURCES LIMITED

ABN

81 131 405 144

Quarter ended ("current quarter")

March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(426)	(426)
(b) development	-	-
(c) production	-	-
(d) staff costs	(79)	(79)
(e) administration and corporate costs	(331)	(331)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(35)	(35)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(871)	(871)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(12)	(12)
(b) tenements (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	189	189
(c) investments	25	25
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	202	202

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(65)	(65)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(65)-	(65)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period	(734)	(734)
4.1	Cash and cash equivalents at beginning of period	995	995
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(871)	(871)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	202	202
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(65)	(65)
4.5	Effect of movement in exchange rates on cash held	2	2
4.6	Cash and cash equivalents at end of period	263	263

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	263	235
5.2	Call deposits	-	760
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	263	995

Additional Financial Assets

The Company further holds other financial assets comprising shares in ASX listed companies and held for sale. At 31 March 2018 the shares in listed companies had a market value of A\$270,000.

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	(94)
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

6.1 - Includes wages and directors fees including superannuation. Amounts above are inclusive of GST and exclude the reimbursement of expenses. Included in item 6.1 is \$17,200 paid to a related party (Bowen Buchbinder Vilensky) for legal services provided in the period.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Loan with Junefield High Value Metals Investments Limited (JHVM) was fully repaid on 9 January 2018.

Mining exploration entity and oil and gas exploration entity quarterly report

9. Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation	300
9.2	Development	-
9.3	Production	-
9.4	Staff costs	80
9.5	Administration and corporate costs	300
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	680

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Ilo Copper Project Peru in process of transfer to Westminster Resources Ltd as per Sale Agreement announced to ASX on 8 February 2018.	Concessions	100%	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Condor concessions under LOI with Kontrarian Fund	Concessions	-	-
		Las Cuevas concessions under LOI	Concessions	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 30 April 2018

Company secretary

Print name:

Sarah Smith

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.