

16 March 2022

## DRILLING CONFIRMS THICK SPODUMENE BEARING PEGMATITES, OPEN IN ALL DIRECTIONS

### HIGHLIGHTS

- Six diamond drill holes completed, on four sections covering 500m of strike, with all holes intersecting multiple spodumene bearing pegmatites.
- Cumulative pegmatite intersections of up to 36.1m true thickness encountered in one hole, with individual pegmatites up to 21.1m true thickness. All pegmatites are open along strike and down dip.
- Samples for the first four holes have been dispatched to the laboratory for analysis, with the first assay results anticipated in the next few weeks.
- Drilling focus has moved approximately 500m to the north to drill Priority 1 drill holes in the northern target area.

Latin Resources Limited (ASX: LRS) (“Latin” or “the Company”) is pleased to provide an update on the maiden diamond drilling campaign at the Company’s Salinas Lithium Project in Brazil (“Salinas” or the “Project”), where drilling continues to intersect wide, shallow dipping spodumene rich pegmatites (*Figure 1*).

Drilling of the initial six Priority 1 drill holes across four drill sections in the southern target area (*Figure 2*) is nearing completion, with all six holes intersecting a series of stacked spodumene pegmatites. Logging has confirmed that the individual pegmatites range in true thickness to a maximum of 21.1m, with a cumulative intersection of over 36m in hole SADD004 (*Figure 2, Table 1*).



*Figure 1: SADD005 – large, fresh green spodumene crystals in drill core*

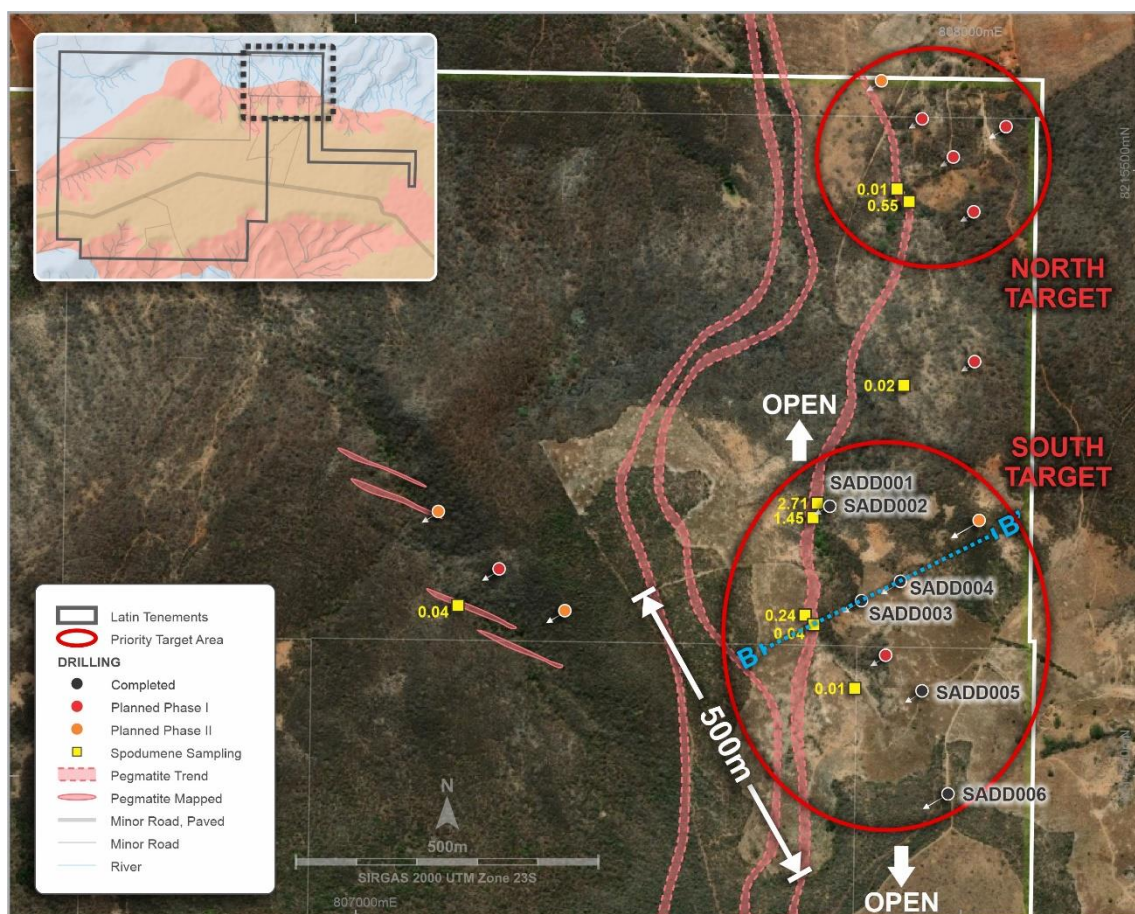


Figure 2: Bananal Valley Project – completed drill collars and planned Phase I and Phase II drill sites and spodumene sampling results<sup>1</sup>

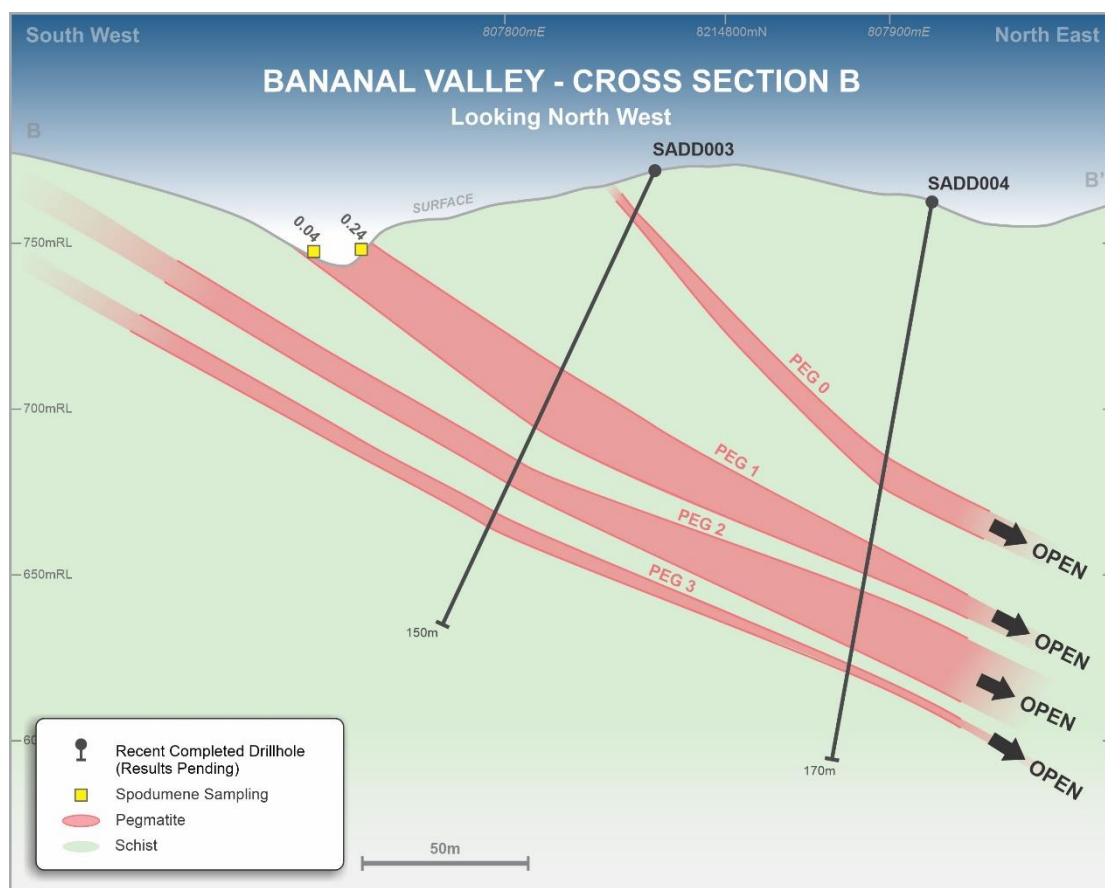
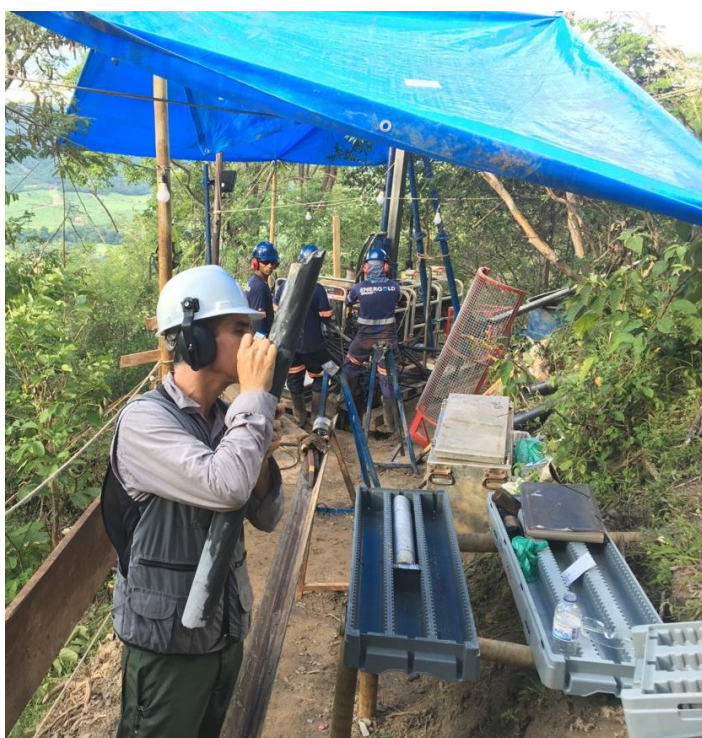


Figure 3: Oblique drill section B – B' SADD004 showing a significant thickening of the pegmatites along strike and down dip (Table 1) (see Figure 2 for section location)





*Figure 4: Bananal Valley Project – Latin Resources Senior Geologist with spodumene rich pegmatite core, and core logging on site*

Drilling has continued to show strong continuity of the logged pegmatites both along strike and down dip, with the emerging pegmatite swarm remaining open in all directions. Detailed logging, core cutting and sampling of the first four drill holes is now complete with samples dispatched to the laboratory for analysis. Initial assay results from holes SADD001 and SADD002 are anticipated in the next few weeks.

With the completion of the final Priority 1 drill hole in the southern target area anticipated this week, drilling will move focus to the next target area some 500m to the north (*Figure 2*). Initial mapping and outcrop sampling has confirmed the extensive pegmatites encountered in the diamond drilling to the south, extend into and through this northern target area. An initial five Priority 1 drill holes on three drill sections are planned.

**Latin Resources’ Managing Director, Chris Gale, commented:**

*“The whole team at Latin Resources is ecstatic about the continual positive drilling results from our Salinas Lithium Project. The growing thickness along with the rich spodumene pegmatites is further indication that Latin may have a very compelling lithium project on its books.*

*“We look forward to receiving the assay results from these spodumene pegmatites in the next few weeks. The companies market cap is approximately \$60m, and much lower than our lithium peers, which we expect offers strong potential for re-rating as positive assay results confirm the strength of the Salinas Project.”*

**TABLE 2**  
**VISUAL ESTIMATES OF SPODUMENE MINERALISATION**

Hole ID	From (m)	To (m)	Int (m)	Description	Visually Estimated Spodumene %
SADD001	23.45	26.90	3.45	Coarse grained pegmatite with partially weathered elongate light green spodumene crystals.	5-7%
SADD001	83.86	89.10	5.24	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	18-20%
SADD001	94.28	95.56	1.28	Coarse grained pegmatite with sparse fresh elongate light green spodumene crystals.	<5%
SADD002	48.55	54.94	6.39	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	5-10%
SADD002	110.23	119.42	9.19	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	15-20%
SADD002	144.00	146.37	2.37	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	<5%
SADD003	11.50	13.77	2.32	Coarse grained pegmatite with partially weathered elongate light green spodumene crystals.	5-7%
SADD003	65.60	81.77	16.17	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	10-15%
SADD003	81.77	84.20	2.43	Coarse grained pegmatite with elongate light green spodumene crystals, with intercalated schistose host rock.	<5%
SADD003	95.90	103.48	7.58	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	10-15%
SADD004	78.50	89.50	11.00	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	10-15%
SADD004	106.1	112.6	6.50	Coarse grained pegmatite with partially weathered elongate light green spodumene crystals.	<5%
SADD004	119.8	137.18	17.38	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	15-20%
SADD004	141.15	142.35	1.20	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	10-15%
SADD005	125.42	129.65	4.23	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	10-15%
SADD005	159.10	165.45	6.35	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	10-15%
SADD006	169.84	182.20	12.36	Coarse grained pegmatite with sparse fresh elongate light green spodumene crystals.	<5%
SADD006	208.80	229.50	21.1	Coarse grained pegmatite with abundant fresh elongate light green spodumene crystals.	15-20%

**Cautionary note:**

The Company stresses that the reported visually estimated percentages in Table 2 above, relate specifically to the abundance of spodumene crystals logged in the drill core and is not estimated lithium grade for the interval.

In relation to the disclosure of visual results, the Company cautions that visual estimates of mineral abundance should never be considered a proxy or substitute for a laboratory analysis. Assay results are required to determine the widths and grade of the visual mineralisation in preliminary geological logging. The Company will update the market when laboratory results become available.

## ABOUT LITHIUM IN MINAS GERAIS, BRAZIL

Latin Resources' neighbour Sigma Lithium discovered the Grota do Cirilio lithium deposit in 2017 and is listed on the TSX-V exchange in Toronto. Sigma currently has a market capitalisation of CAD\$1.3 billion.

**Sigma Lithium Resources (TSXV: SGMA)** is the most active lithium explorer in the region with a world-class lithium resource base which currently stands at 45.7Mt @1.38% Li<sub>2</sub>O<sup>1</sup>. Sigma is focused on 10 high-grade hard-rock lithium pegmatites, nine of which were past-producing lithium mines, yet have reported over 200 pegmatites within their tenure. Sigma is now in pre-construction of its large-scale lithium concentration commercial production plant in Minas Gerais. Based on the Feasibility Study Report<sup>2</sup> the Commercial Production Plant will contemplate a capacity of 220,000 tonnes annually of battery-grade "green" lithium concentrate and Sigma will be amongst the lowest-cost producers of lithium concentrate globally.

Whilst not far away, Brazilia company **Companhia Brasileira de Lítio (CBL)** is actively mining spodumene pegmatites, producing a spodumene concentrate which is then transferred to a chemical plant in Divisa Alegre, Minas Gerais, where it is transformed into industrial grade lithium hydroxide.

Latin Resources is particularly excited by the opportunities this may present in the future for battery grade lithium hydroxide production.

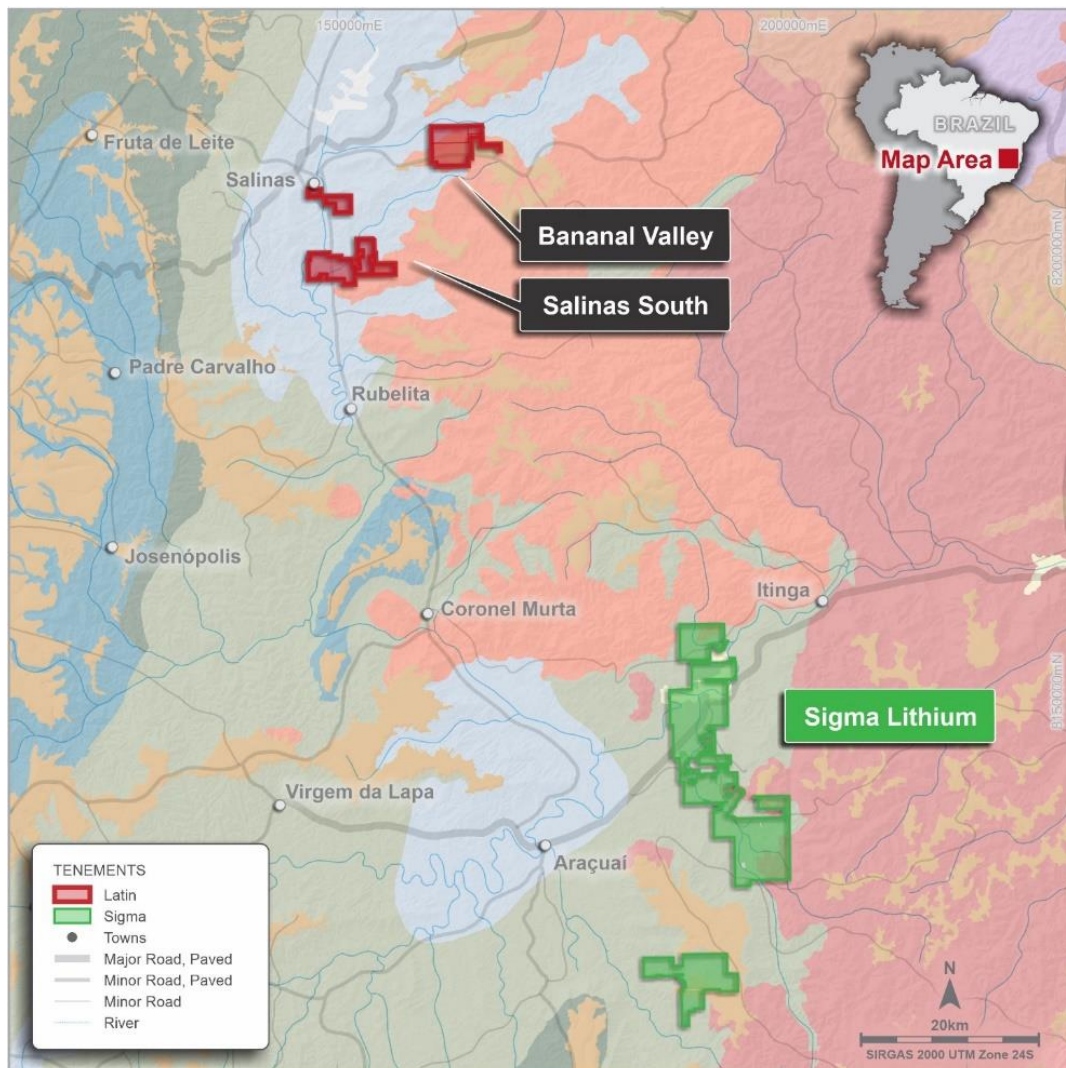


Figure 5: Salinas Lithium Project location, Jequitinhonha Valley district of Minas Gerais Province of eastern Brazil

<sup>1</sup> Refer to Sigma Lithium TSX announcement "Sigma Lithium Triples Measured and Indicated Mineral Resources at Grota do Cirilo" - Dated 10.01.2019.

<sup>2</sup> Refer to Sigma Lithium TSX announcement "Sigma Lithium Announces a Positive Feasibility Study with forecast LOM Net Revenue of US\$1.4 billion and EBITDA of US\$ 690 million for the high-grade, low-cost Xuxa Deposit" - Dated 01.10.2019.



**This Announcement has been authorised for release to ASX by the Board of Latin Resources.**

For further information please contact:

Chris Gale  
Executive Director  
Latin Resources Limited  
+61 8 6117 4798

Fiona Marshall  
Senior Communications Advisor  
White Noise Communications  
+61 400 512 109

[info@latinresources.com.au](mailto:info@latinresources.com.au)  
[www.latinresources.com.au](http://www.latinresources.com.au)

## **About Latin Resources**

*Latin Resources Limited (ASX: LRS) is an Australian-based mineral exploration company, with projects in Australia and South America, that is developing mineral projects in commodities that progress global efforts towards Net Zero emissions.*

*The Australian projects include the Cloud Nine Halloysite-Kaolin Deposit. Cloud Nine Halloysite is being tested by CRC CARE aimed at identifying and refining halloysite usage in emissions reduction, specifically for the reduction in methane emissions from cattle.*

*In Latin America the Company focus is on its two Lithium projects, one in the state of Minas Gerais, Brazil and the other, the Catamarca Lithium Project in Argentina in which lithium is highly sought after as critical mineral for electric vehicles and battery storage.*

## **Forward-Looking Statement**

*This ASX announcement may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Latin Resources Ltd.'s current expectations, estimates and assumptions about the industry in which Latin Resources Ltd operates, and beliefs and assumptions regarding Latin Resources Ltd.'s future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Latin Resources Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this ASX announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Latin Resources Ltd does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.*

## **Competent Person Statement**

*The information in this report that relates to Geological Data and Exploration Results is based on information compiled by Mr Anthony Greenaway, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Greenaway 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 Greenaway 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.*

*All information relating to exploration results has been previously released to the market and is appropriately referenced in this document.*

## APPENDIX 1

**TABLE 1**  
**BANANAL VALLEY DRILL COLLAR TABLE**

Hole ID	Easting (m)	Northing (m)	Azi (deg)	Dip (deg)	Target Depth (m)	EOH Depth (m)	Hole Status	Cumulative Pegmatite Intersection <sup>3</sup>
SADD001	807785	8214946	2330	-840	120	120.68	Complete	9.97m
SADD002	807786	8214947	580	-650	120	170.42	Complete	17.90m
SADD003	807838	8214790	2400	-800	120	150.00	Complete	28.50m
	807878	8214700	2400	-800	100			
SADD005	807911	8214610	2400	-800	150	201.60	Complete	10.58m
SADD004	807903	8214822	2400	-650	135	170.00	Complete	36.08m
SADD006	807845	821444	2400	-800	200		In Progress	33.46m <sup>4</sup>
	807990	8215523	2400	-800	75			
	808024	8215432	2400	-800	80			
	807938	8215586	2400	-800	80			
	808077	8215573	2400	-800	120			
	807239	8214843	2400	-800	120			

<sup>3</sup> Cumulative Pegmatite Intersection is calculated by adding together the separate down-hole pegmatite intersection widths

<sup>4</sup> SADD006 drilling is still in progress. The calculated combined pegmatite intersection is as at the end of drilling 15/3/2022

## APPENDIX 2

### JORC CODE, 2012 EDITION – TABLE 1

#### SECTION 1 SAMPLING TECHNIQUES AND DATA

(CRITERIA IN THIS SECTION APPLY TO ALL SUCCEEDING SECTIONS)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>The July 2021 stream sediment sampling program was completed by Latin Resources.</li> <li>Latin Resources stream sediment sampling: <ul style="list-style-type: none"> <li>Stream sediment samples were taken in the field by Latin's geologists during field campaign using pre-set locations and procedures.</li> <li>All surface organic matter and soil were removed from the sampling point, then the active stream sediment was collected from five holes spaced 2.5 m using a post digger.</li> <li>Five subsamples were collected along 25 cm depth, homogenised in a plastic tarp and split into 4 parts.</li> <li>The chosen part (1/4) was screened using a 2 mm stainless steel sieve.</li> <li>A composite sample weighting 350-400g of the &lt;2 mm fraction was poured in a labelled zip lock bag for assaying.</li> <li>Oversize material retained in the sieve was analyzed with hand lens and discarded.</li> <li>The other 3 quartiles were discarded, sample holes were filled back, and sieve and canvas were thoroughly cleaned.</li> <li>Photographs of the sampling location were taken for all the samples.</li> <li>Sample book were filled in with sample information and coordinates.</li> <li>Stream sediment sample locations were collected in the field using a hand-held GPS with +/-5m accuracy using Datum SIRGAS 2000, Zone 23 South) coordinate system.</li> <li>No duplicate samples were taken at this stage.</li> <li>No certified reference standards samples were submitted at this stage.</li> </ul> </li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Latin Resources drilling is completed using industry standard practices. Diamond drilling is completed using HQ size coring equipment.</li> <li>Core is not oriented.</li> <li>All drill collars are surveyed using handheld GPS.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> </ul>	<ul style="list-style-type: none"> <li>Latin Resources core is depth marked and orientated to check against the driller's blocks, ensuring that all core loss is taken into account. Diamond core recovery is logged and captured into the database.</li> </ul>



	<ul style="list-style-type: none"> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Zones of significant core loss may have resulted in grade dilution due to the loss of fine material.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All drill cores have been geologically logged.</li> <li>Sampling is by sawing core in half and then sampling core on nominal 1m intervals.</li> <li>All core sample intervals have been photographed before and after sawing.</li> <li>Latin's geological logging is completed for all holes, and it is representative. The lithology, alteration, and structural characteristics of drill samples are logged following standard procedures and using standardised geological codes.</li> <li>Logging is both qualitative and quantitative depending on field being logged.</li> <li>All drill-holes are logged in full.</li> <li>All cores are digitally photographed and stored.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>For the 2021 stream sediment sampling program: <ul style="list-style-type: none"> <li>All samples collected from field were dry due to dry season</li> <li>To maximise representativeness, samples were taken from five holes weighting around 3 Kg each for a total of 15 Kg to be reduced to 350-400 g.</li> <li>Samples were dried, crushed and pulverized 250g to 95% at 150#. Any samples requiring splitting were split using a Jones splitter.</li> </ul> </li> <li>For the 2022 diamond drilling program: <ul style="list-style-type: none"> <li>Samples were crushed in a hammer mill to 70% passing -2mm followed by splitting off 250gm using a Boyd rotary splitter and pulverizing to better than 85% passing 75 microns.</li> <li>Duplicate sampling is carried out routinely at a nominal frequency of 1 in 20 samples. The laboratory will carry out routine repeat assays.</li> <li>The selected sample mass is considered appropriate for the grain size of the material being sampled.</li> </ul> </li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and</li> </ul>	<ul style="list-style-type: none"> <li>For the 2021 stream sediment sampling program: <ul style="list-style-type: none"> <li>The stream sediment samples were assayed via ICM90A (fusion by sodium peroxide and finish with ICP-MS/ICP-OES) for a 56-element suite at the SGS Geosol Laboratorios located at Vespasiano/Minas Gerais, Brazil.</li> </ul> </li> </ul>

	<p>model, reading times, calibrations factors applied and their derivation, etc.</p> <ul style="list-style-type: none"> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>No control samples have been used at this stage. The internal laboratory controls (blanks, duplicates and standards) are considered suitable.</li> <li>For the 2022 diamond drilling program: <ul style="list-style-type: none"> <li>Core samples are assayed via ICM90A (fusion by sodium peroxide and finish with ICP-MS/ICP-OES) for a 56-element suite at the SGS Geosol Laboratorios located at Vespasiano/Minas Gerais, Brazil.</li> </ul> </li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Selected sample results which were considered to be significant will be subjected to resampling by the Company. This can be achieved by either reassaying of sample pulps, resplitting of coarse reject samples, or resplitting of core and reassaying.</li> <li>All Latin Resources data is verified by the Competent person. All data is stored in an electronic Access Database. <ul style="list-style-type: none"> <li>Assay data and results is reported, unadjusted.</li> <li>Li<sub>2</sub>O results used in the market are converted from Li results multiplying it by the industry factor 2.153.</li> </ul> </li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Stream sediment sample locations and drill collars are captured using a handheld GPS.</li> <li>Drill collars are located using a handheld GPS.</li> <li>All GPS data points were later visualized using ESRI ArcGIS Software to ensure they were recorded in the correct position.</li> <li>The grid system used was UTM SIRGAS 2000 zone 23 South.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Stream sediment samples were taken every 200m between sampling points along the drainages which is considered appropriate for a first stage, regional work.</li> <li>Every sampling spot had a composite sample made of five subsamples spaced 2.5 m each other along a channel for a 10 m length zone or a cross pattern with the same spacing of 2.5 m for the open valleys and braided channels.</li> <li>Due to the preliminary nature of the initial drilling campaign, drill holes are designed to test specific targets, with not set drill spacing.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling is preferentially across the strike or trend of mineralized outcrops.</li> <li>Drilling has been designed to intersect the mapped stratigraphy as close to normal as possible.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>At all times samples were in the custody and control of the Company's representatives until</li> </ul>

		<i>delivery to the laboratory where samples were held in a secure enclosure pending processing.</i>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li><i>The Competent Person for Exploration Results reported here has reviewed the field procedures used for sampling program at field and has compiled results from the original sampling and laboratory data.</i></li> <li><i>No External audit has been undertaken at this stage.</i></li> </ul>



## SECTION 2 REPORTING OF EXPLORATION RESULTS

(CRITERIA LISTED IN THE PRECEDING SECTION ALSO APPLY TO THIS SECTION.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration Licenses 830.578/2019, 830.579/2019, 830.580/2019, 30.581/2019 &amp; 830.582/2019 are 100% fully owned by Latin Resources Limited.</li> <li>Latin has entered in separate exclusive option agreement to acquire 100% interest in 830.691/2017.</li> <li>The Company is not aware of any impediments to obtaining a licence to operate, subject to carrying out appropriate environmental and clearance surveys.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>No historic exploration was carried out on the project area.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Salinas Lithium Project geology comprises Neoproterozoic age sedimentary rocks of Araçuaí Orogen intruded by fertile Li-bearing pegmatites originated by fractionation of magmatic fluids from the peraluminous S-type post-tectonic granitoids of Araçuaí Orogen. Lithium mineralization is related to discordant swarms of spodumene-bearing tabular pegmatites hosted by biotite-quartz schists.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high-grade results and</li> </ul>	<ul style="list-style-type: none"> <li>No weighting or averaging techniques have been applied to the sample assay results.</li> </ul>

	<p><i>longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Drilling is carried out at right angles to targeted structures and mineralised zones where possible.</i></li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>The Company has released various maps and figures showing the sample results in the geological context.</i></li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>All analytical results for lithium have been reported.</i></li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>All information that is considered material has been reported, including stream sediment sampling results, Drilling results geological context, etc.</i></li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Latin plans to undertake additional reconnaissance mapping, infill stream sediment and soil sampling at Salinas South Prospect (Salinas South Target 2).</i></li> <li>• <i>Follow-up drilling will be undertaken based on results.</i></li> </ul>