



Quarterly report December 2015

About Latin Resources Limited

Latin Resources Limited is a mineral exploration company focused on creating shareholder wealth through the identification and definition of mineral resources in Latin America, with a specific focus on Peru.

The company has a portfolio of projects in Peru and is actively progressing its two main project areas: Guadalupito (Andalusite & Heavy mineral sands) and Ilo (Copper and Gold).

Corporate summary

ASX: LRS

Shares issued: 892.6 M

Options issued: 214.8 M

Rights issued: 24.4 M

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Highlights

Operations

Ilo Copper Projects – Ilo Este (Peru)

Zahena commences drilling and completes first two holes at the Ilo Este Porphyry Copper Project:

- Drilling commenced early November with two rigs drilling simultaneously.



- The first two holes were completed at Ilo Este, third and fourth holes underway during December 2015.
- First hole, IN-DDH-010-15 completed to 561.8 m contains visible copper bearing minerals (oxides and sulphides) through much of the hole:



IE-DDH-010-15, 77.35 m – 77.50 m, green copper oxides (malachite).



IE-DDH-010-15, 471.4 m - 471.7 m, yellow copper sulphides (chalcopyrite - CPY).

- Third and fourth holes expected to be completed early 2016.
- Latin assigned the rights and an earn-in option to transfer 70% ownership of its Ilo Este Project to Zahena for a total consideration of US\$1.0 million cash over 3 years and minimum exploration work commitments totalling 11,000 m of diamond drilling over 18 months valued at approximately US\$3.0 million.
- PLR will receive an “exploration success” payment of US\$5 Million in the event that a successful definitive feasibility study is produced to exploit mineral resources from the Ilo Este either during the option period or following the formation of newco.

Ilo Copper Projects – Southern Concession Block (Peru)

New Copper Targets Resulting From MOU Exploration in Southern Peru:

- Latin received the final interpretive report under March 2015 MOU between Latin Resources Limited's Peruvian subsidiary, Peruvian Latin Resources S.A.C. ("PLR") and Minera Antares Perú S.A.C., ("Antares"), Peruvian subsidiary of First Quantum Minerals Ltd.
- Antares recommended immediate follow up of one of six targets ("Pachamanca/MT-03") identified within Latin's Ilo concessions, and considers that potential exists for a Porphyry Copper Deposit of significant scale (>5Mt contained copper).
- Antares are now undertaking geochemical analysis of selected soil samples collected by Latin in July 2015 over the "Pachamanca/MT-03" target, (reported 29 July 2015), and have undertaken an advanced geophysical survey to evaluate depth of cover over the target in December 2015 with results expected early 2016



Geophysical Survey Team at work over the "Pachamanca/MT-03" target area.

- One of the other targets is associated with Latin's Ilo Norte IOCG project, which Antares suggests may also be associated with a causative porphyry system.
- All target areas are between 400 m and 1,200 m altitude in uninhabited desert, with excellent access and less than 80 km from the port of Ilo.

Ilo Copper Projects – Ilo Norte (Peru)

- Data and core was reviewed by potential JV partners during the quarter.
- Discussions with potential joint venture partners ongoing.

Guadalupito (Peru)

- PCF Capital Group (appointed last quarter) continued discussions with potential investors for Guadalupito.

Filipina (Chile)

Latin Signs Exclusive MOU to Evaluate Copper Production Joint Venture in Chile:

- Potential to earn up to 100% of a Copper-Gold project in Chile through a joint venture.
- Existing Measured, Indicated and Inferred Foreign Resource Estimate (NI 43-101) of 9.3Mt @ 0.80% Cu and 0.23 g/t Au done by GeoEstima in September 2014.

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- 36,957 meters of drilling completed from 1990 to 2013 by current and previous project owners.
- Major upside potential for increasing resources through further exploration.
- Project has mining permits with potential for immediate small scale production.
- Project has excellent location in one of Chile's premium Copper Districts with copper mines of Anglo America, Freeport, Antofagasta and Australian listed company Hot Chilli.
- Joint Venture Agreement is currently being drafted and expected to be completed after due diligence which has been extended to 6 March 2016.

Borborema (Brazil)

- As a cost-cutting initiative, Mineracao Ferro Nordeste Ltda (LRS's Brazilian subsidiary) will be de-registered.

Corporate

- During the quarter a total of \$0.9 million (before costs) was received by the Company from the Shortfall Offer resulting in the completion of the Non-renounceable Entitlement Offer.
- A total of \$1.0 million of liabilities were paid during the quarter in cash (\$0.4 million) and shares (\$0.6 million).
- Mr Frankie Li resigned from the Board in December 2015.

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<p>Operations</p>	
<p>Guadalupito (Peru, Andalusite)</p>	<p>PCF Capital Group (appointed last quarter) continued discussions with potential investors for Guadalupito.</p>
<p>Ilo Este (Peru, Copper)</p>	<p><u><i>Zahena commences drilling and completes first two holes at the Ilo Este Porphyry Copper Project:</i></u></p> <p>Latin announced on 11 November 2015 the commencement of drilling by Zahena at Ilo Este, with two rigs drilling simultaneously, supported by substantial camp infrastructure.</p> <div data-bbox="522 592 1412 1045" data-label="Image"> </div> <p style="text-align: center;"><i>Zahena's Camp infrastructure at Ilo Este.</i></p> <div data-bbox="493 1121 1052 1856" data-label="Image"> </div> <div data-bbox="984 1205 1391 1333" data-label="Caption"> <p><i>First Drill Hole at Ilo Este testing the North Eastern extension of the Porphyry system.</i></p> </div>

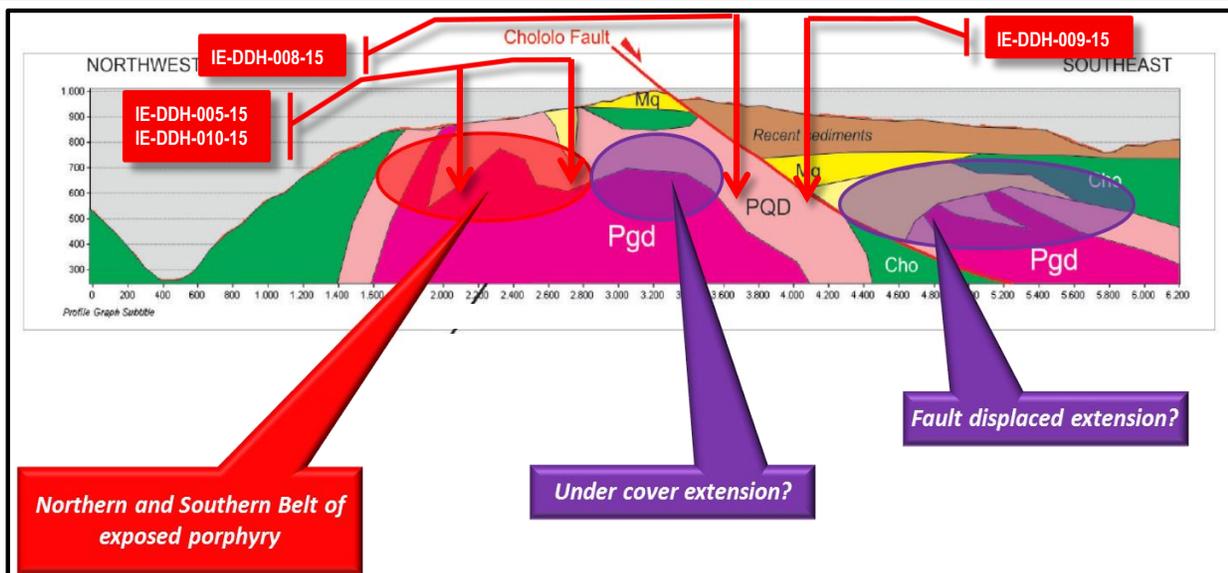
On 15 December the Company announced that earn-in operator Compañía Minera Zahena SAC (Zahena) had completed the first two drill holes at Latin’s Ilo Este Porphyry Copper Project, and that the next two holes were well underway (Table 1).

The first hole, IE-DDH-010-15, intersected 522 m of mineralised Quartz Diorite Porphyry and Porphyritic Andesite with dominantly potassic alteration (secondary biotite) and with lesser amounts of propylitic and phyllic alteration. There is localised brecciation. Mineralisation is present as a mixture of copper oxides with some sulphides to the depth of oxidation at 193 m. Sulphides continue from 193 m to 522 m where after passing through a fault zone, weakly propylitic altered and apparently unmineralised granodiorite was intersected to the end of hole at 561.8 m.

Table 1 – Collar information of the first four holes being drilled at Ilo Este by Zahena (as at 15 December 2015).

Hole ID	Easting (m) WGS84	Northing (m) WGS84	Elevation (m)	Azimuth (degrees)	Declination (degrees)	Depth (m)
IE-DDH-010-15	270705	8057861	902	45	-70	561.80
IE-DDH-008-15	270899	8056796	883	0	-90	512.80
IE-DDH-005-15	268831	8057041	864	0	-70	217.80*
IE-DDH-009-15	269993	8055994	796	0	-90	133.40*

The second hole, IE-DDH-008-15 was drilled from a platform 135 m to the South East of the Chololo Fault and intersected 342.6 m of unmineralised Tertiary and Quaternary sediments overlying weakly propylitic altered and unmineralised granodiorite intersected through to the end of hole at 512.8 m. The inferred low angle listric Chololo Fault was apparently intersected in the sedimentary sequence at around 105 m. In this scenario, the targeted fault offset phyllic zone of the Ilo Este porphyry would be further to the SE:



Interpreted location of the four holes by Zahena on the conceptual section displaying the potential fault displaced extension of the Ilo Este Porphyry System.

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The third hole, IN-DDH-005-15, at the date of the announcement was underway in the southern extremity of the exposed part of the mapped Porphyry System:



IN-DDH-005-15, underway, had reached 217 m in December 2015.

Hole IE-DDH-005-15 had reached 217 m by mid-December 2015, intersecting potassic altered quartz micro-diorite porphyry. Copper oxides had become visible from 200 m in line with the targeted subsurface extension of anomalous surface geochemistry:



Hole IE-DDH-005-15 at 217 m depth displaying copper oxides at the southern extension of the mapped Porphyry system.

Green Copper Oxides

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By Mid-December, the fourth hole, IE-DDH-009-15, had advanced 133 m into sedimentary cover approximately 450 m SE of the Chololo Fault again testing for the inferred fault offset extension of the Ilo Este Porphyry:



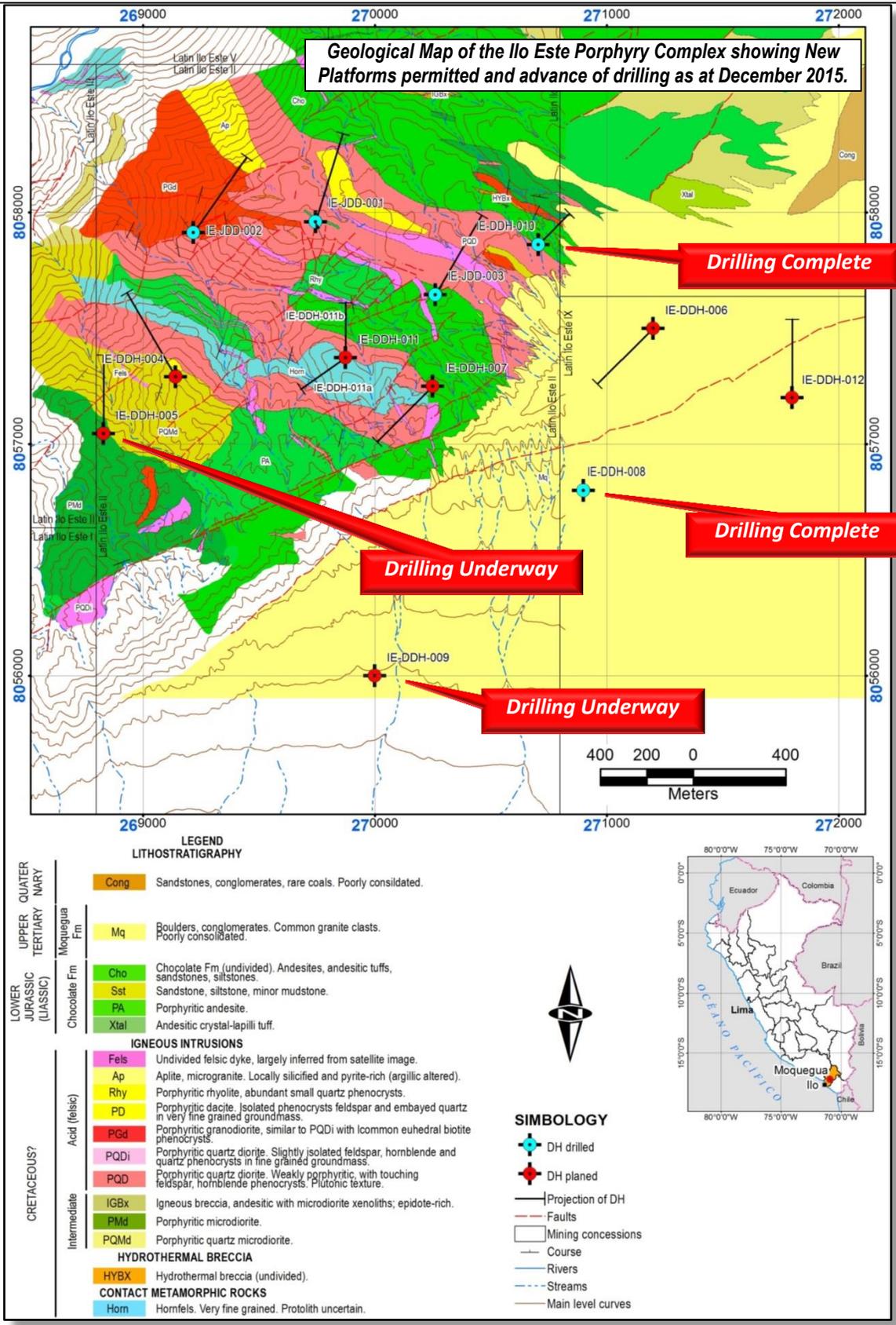
Ilo Este's Special Location

The Ilo Este mineralised system is located at less than 1000 m above sea level, 6 km from the Pan-American Highway, a Railway Line and an Electrical Substation, and from there 32 km to the Port of Ilo. The project area is also located within uninhabited desert lands owned by the Peruvian State.

Such magnificent infrastructure located so close to the project would significantly reduce development capital compared with other large porphyry deposits located higher in the Andes.



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Ilo Projects – Southern Concession Block (Peru, Copper-Gold)

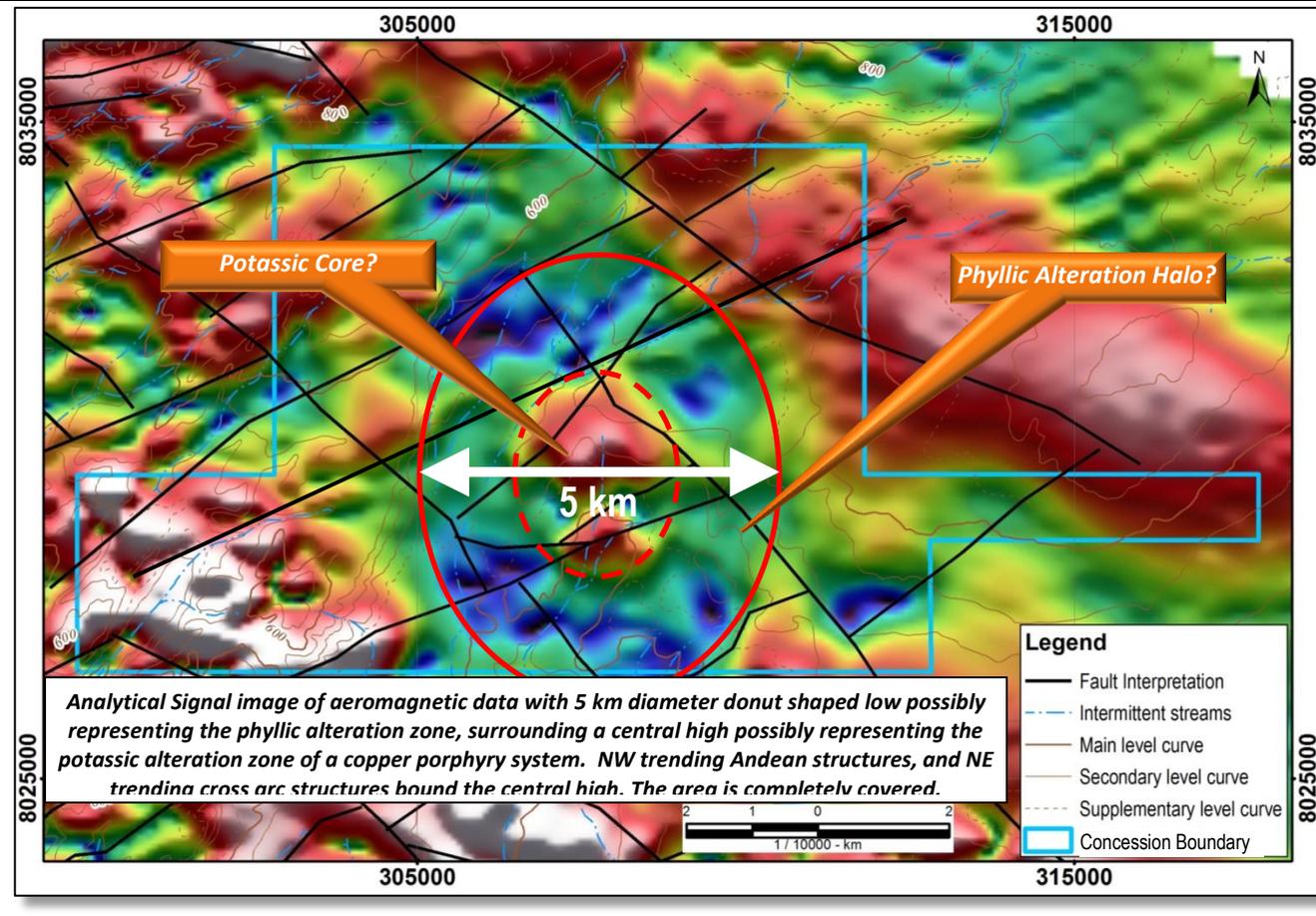
New Copper Targets Resulting From MOU Exploration in Southern Peru:

During the quarter, Latin announced further positive advances from collaborative exploration activities between the Company’s Peruvian subsidiary, Peruvian Latin Resources S.A.C. (“PLR”), and Minera Antares S.A.C. (“Antares”), the Peruvian Subsidiary of First Quantum Minerals Ltd. PLR and Antares signed an MOU announced 16 March 2015.

The objective is for the two companies to collaborate together under the terms of the MOU with the aim of discovering mineral deposits worthy of further exploration and development, with Antares having exclusive rights (with PLR) to undertake exploration for 12 months within 36,430 hectares of PLR’s 100% owned mining concessions in Southern Peru, considered prospective by both companies for porphyry copper deposits of significant scale.

Antares has provided PLR with a final report of interpretations of integrated PLR/Antares datasets including 6 target areas recommended for follow up. The first of these, “Pachamanca/MT-03”, is considered by Antares to be of most interest, and was the subject of a previous announcement made 29 July 2015.

“Pachamanca/MT-03” is a covered porphyry copper target based on a 5 km diameter circular feature interpreted from aeromagnetic data (see Figure following): A donut shaped low (possibly representing a phyllic alteration zone) surrounds a central high (possibly representing a potassic alteration zone). Andean and cross arc structures interpreted from the data also intersect in the target area which would be favourable for emplacement of a porphyry system.

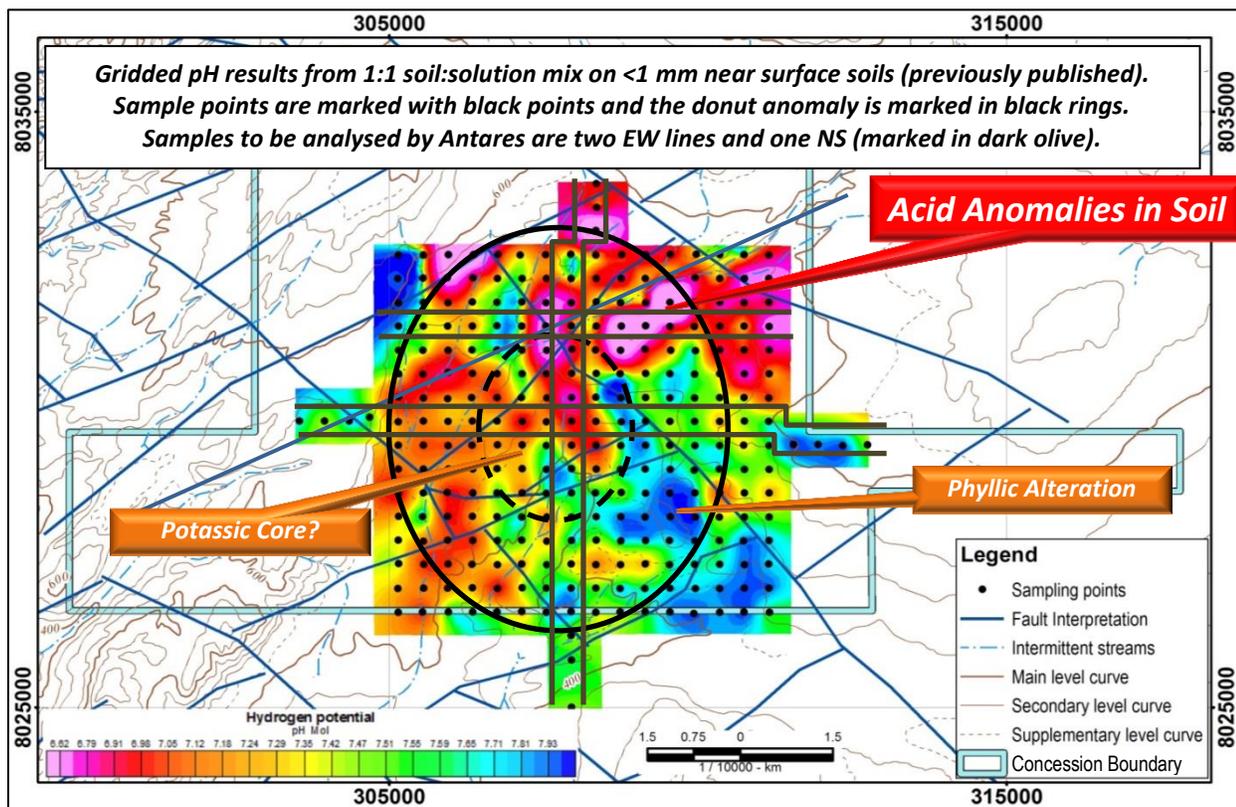


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Immediate Follow-up

As previously reported, PLR has been trialling advanced geochemical methods in covered terrains in Southern Peru, and in particular acid anomalies were generated through pH measurements of 271 samples over Pachamanca/MT-03. Sixty three of these samples have been selected by Antares for immediate geochemical analysis (4 acid digestion and multi-element analysis) to measure overall chemical composition before a decision is taken to continue with partial extraction techniques. (see Figure following:).

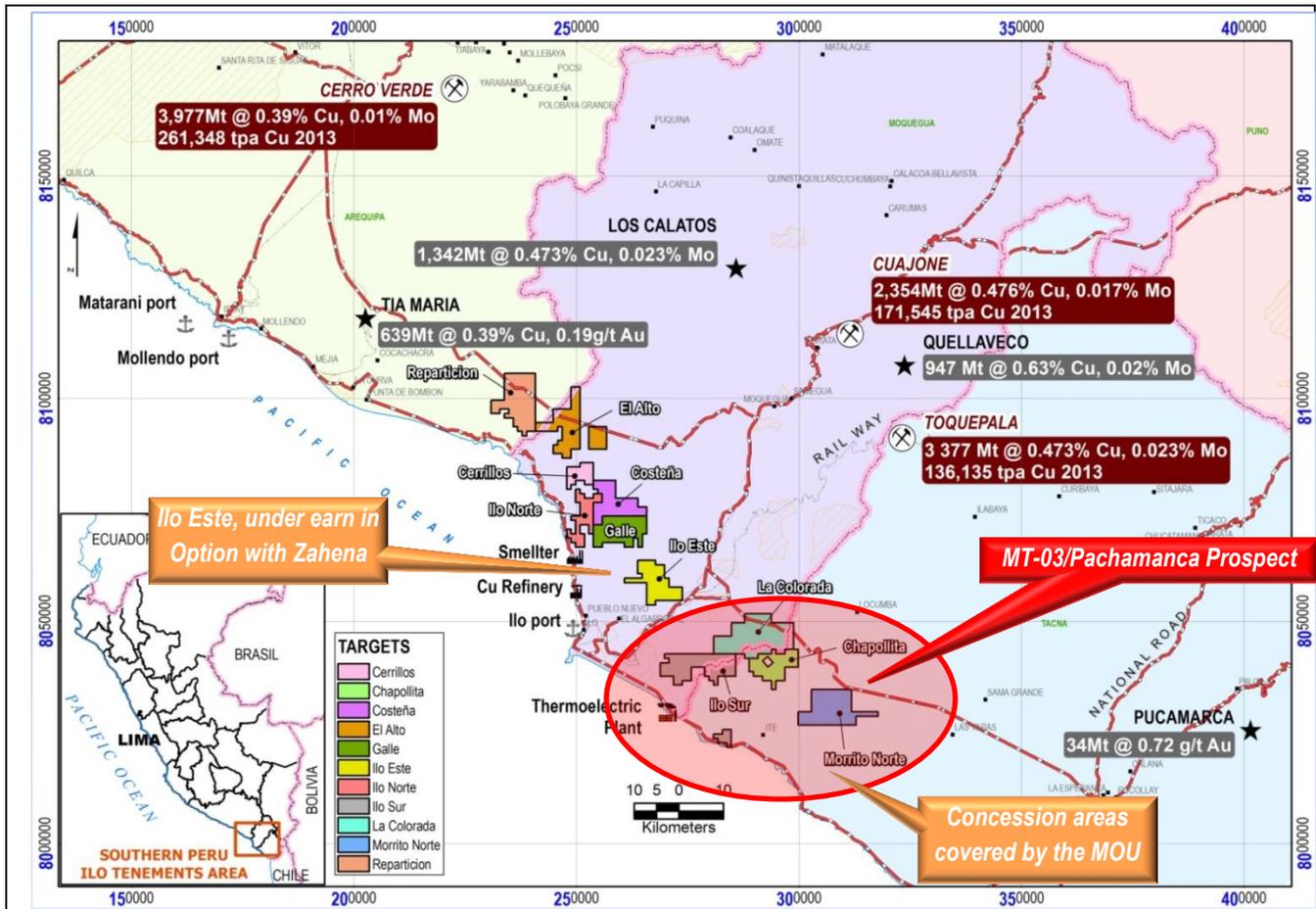
At the same time, Antares undertook an advanced geophysical survey over the prospect area in December 2015 that will provide data that will aid in the interpretation of the depth of alluvial/colluvial cover that is hiding the underlying, potentially mineralised rocks. Results of this survey are expected in early 2016 and will aid in selection of techniques for further exploration and evaluation of the prospect.



Other Targets:

Five other targets were identified in the Antares report, one of which was Latin’s Ilo Norte IOCG project, considered by Antares to potentially host causative porphyry intrusions. The four remaining targets are predominantly covered, and in concurrence with Antares recommendation, will be progressively followed up by Latin with initial surface soil sampling programs and pH determinations as was undertaken previously at Pachamanca/MT-03.

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Location of concessions under the MOU (36,830 ha) within Latin’s 81,530 hectare holding in Southern Peru.

<p>Ilo Norte (Peru, Copper-Gold)</p>	<p>Exploration to date by Latin and previous earn-in partner Zahena suggests there is good potential for a moderate tonnage high grade copper-gold deposit at Ilo Norte, which given the proximity to infrastructure and favourable topography, would likely be an attractive mine development.</p> <p>Discussions continue with prospective exploration partners for Ilo Norte to unravel the complex structural setting required to deliver exploration success.</p>
<p>Filipina (Chile, Copper-Gold)</p>	<p><u>Latin Signs Binding Term Sheet For Copper Joint Venture In Chile:</u></p> <p>On November 19th the Company announced it has signed a binding terms sheet (TS) with Chilean company Minera Activa to enter into a Joint Venture agreement on Minera Activa’s Filipina Copper Project in Chile, South America.</p> <p>The Joint Venture allows Latin to earn into the project by payments over a 4 year period to potentially earn up to 100% of the project.</p> <p>The key terms of the Joint Venture are as follows (to be recorded in a formal Joint Venture agreement);</p> <ul style="list-style-type: none"> • An investment into the project of US\$2m over a 18 month period to earn 25%. • An option to invest a further US\$5m to Bankable Feasibility Stage (BFS) to earn a further 24% for a total of 49% in the following 18 months (36 months). Latin must exercise this option to maintain its 25% interest.

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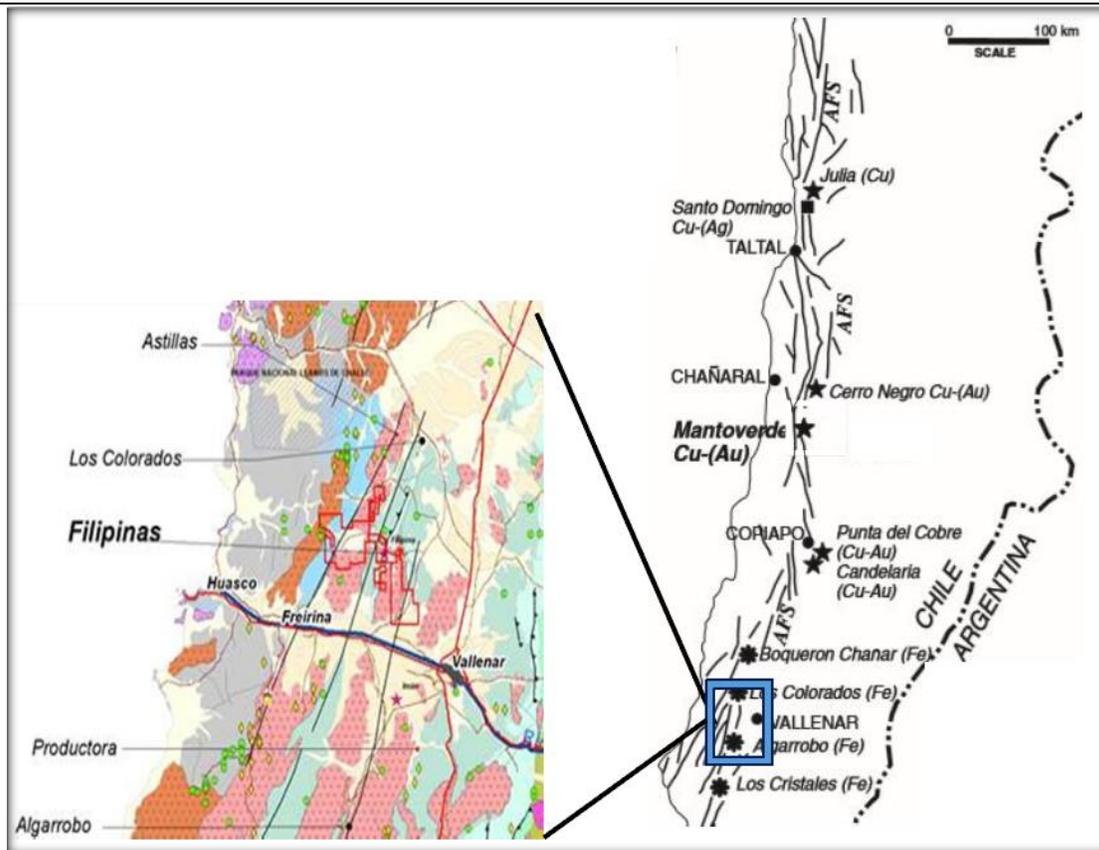
	<ul style="list-style-type: none"> • An option to acquire the remaining 51% by paying US\$2m to Minera Activa by month 36 (to earn a further 6% share to take Latin to 55%) and a further payment of US\$10m to Minera Activa by month 48 for the remaining 45% to take Latin to 100% ownership. • On signing the JVA, Latin may appoint 4 nominees to a Joint Venture management committee and will have control of operations on the projects. • Latin may, at its election, bring in a third party to assist with funding investment in the projects. <p>Each investment stage is subject to all necessary shareholder and regulatory approvals. Latin does not intend seeking Shareholder approval under ASX Listing Rule 11.1.2 to make the initial US\$2m investment but will apply to ASX for confirmation that approval is not required. A further announcement will be made on ASX’s decision in due course. Before it exercises any further investment options, Latin will consider whether shareholder or regulatory approvals are required and consult with ASX as appropriate.</p> <p>The Joint Venture Agreement is currently being drafted with a view to being signed after due diligence has been completed by the Company. The vendors have agreed to extend the due diligence period to 6 March 2016.</p> <p>The Company is in discussions with a number financial institutions and funds in New York, London, Chile and Australia regarding the funding structure for the Filipina project which may include equity or debt or a combination of equity and debt.</p> <p>Latin’s Managing Director, Mr. Chris Gale commented <i>“We are extremely pleased that we have secured a project that has a reported and current NI 43-101 resource that has the potential to take Latin Resources into copper production. The Filipina project also shows great exploration upside and also located in the northern part of Chile which has exceptional infrastructure including copper toll processing plants, power, smelters and refineries with a well-developed mining community. Chile is the world’s largest copper producer which therefore has well defined mining jurisdiction and laws Australia has a Free Trade Agreement with Chile along with a double tax treaty agreement”</i>.</p> <p><i>“The Filipina Project represents a tremendous value creating opportunity for Latin Resources with a potential near term production and cash flow generator for the Company”</i>.</p>
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Filipina Project

The Filipina Project is a 10,122 ha property owned 100 % by Mineria Activa, the mining branch of Larrain Vial, a local financial institution. Larrain Vial acquired the property in 2010 and from 2011 – 2013 performed exploration works in the central part of the property. The mining property comprises 6,500 hectares of exploitation concessions or mining claims and 3,622 hectares of applications for exploitation concessions in process of being constituted.

The project contains Cu-IOCG deposits located 38 NW of Vallenar City in a zone known for its mining activities since the XVI century. Among other mines and projects currently in the same area, the CMP’s Los Colorados iron ore mine producing some 7 Mt of Fe concentrate per annum; Anglo’s Manto Verde Cu/Au project which in 2013 produced 56,800 Mt of fine copper; Freeport’s Candelaria Cu/Au project which in 2014 produced more than 180,000 t of fine copper.

Other projects in the area are developed by Pucobre (Mina Punta de Cobre, Mina Manto de Cobre), Hot Chili (Productora Copper Project, Frontera Copper Project, and Banderas Copper Project) and Antofagasta Mineral’s Astillas.



Location of the Filipina Project in Chile

Historical Background

From October 1990 to October 1992 RTZ Mining and Exploration Chile Ltd. worked in the Filipina area, performing geological, geochemical and geophysical studies. Within the Filipina area, the major focus of RTZ drillings was the Caminada area. After RTZ, the property passed through Teck and LAC until 2010 when Minería Activa acquired the concession.

Minería Activa – Filipina Project

Between 2011 and 2013, Minería Activa developed a drilling campaign in the central part of the concession, i.e. Caminada and Compania. The campaign defined three mineralized IOCG deposits: Caminada, Filipina Norte and Filipina Sur.

Filipina - Caminada

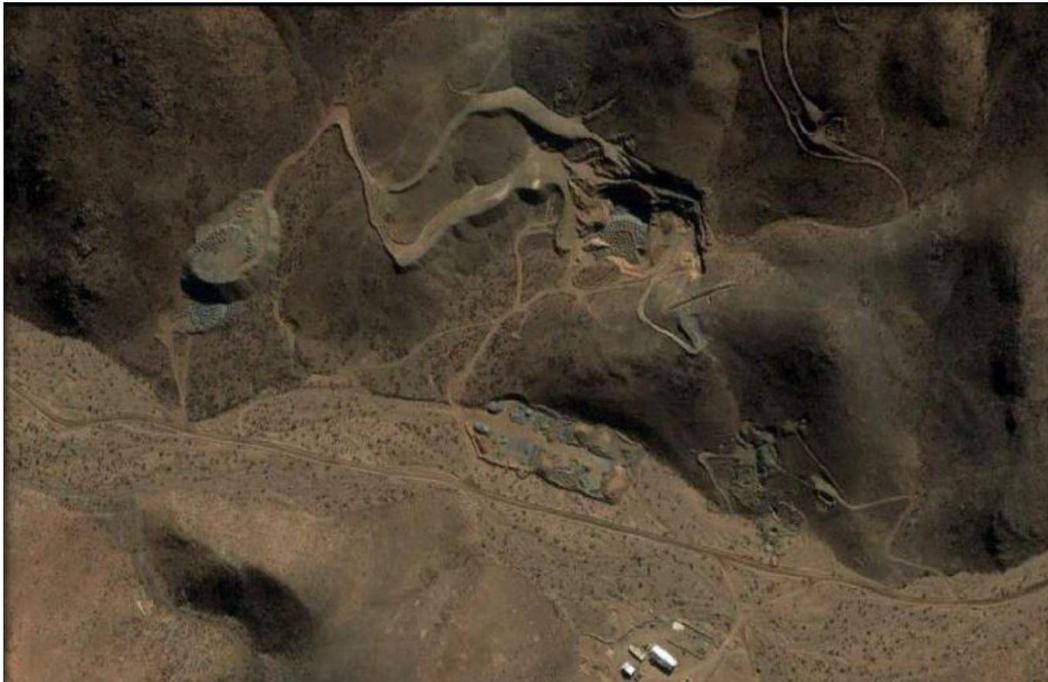
The Filipina project with the Caminada area is the most promising area to start production in the next 2 to 2.5 years.

Potential Early Stage Operation

Minería Activa has informed that there are mining permits in place that would allow an immediate small scale operation producing Cu-rich ores that could potentially be sold to ENAMI’s plant in Vallenar, located 38 km away from the project area. ENAMI is a Chilean state company that processes copper ore, refines and smelts copper concentrates for Chile’s small producers, aiming to support their growth. Therefore, as part of the due diligence, LRS is evaluating the opportunity as a possible near term production and cash flow for the Company.

Minería Activa also has an option agreement over the surface property for mine and tailings and additional permits for camp, magazine store, underground diesel storage, laboratory and other mining activities.

Overview of the Filipina Project, Vallenar, Chile



Aerial photograph of the Filipina Project showing historical works.

Foreign Mineral Resource Estimate

A NI 43-101 Technical Report for the Filipina Project was prepared on September 2014 by GeoEstima, a Chilean consultancy company. That report estimated measured, indicated and inferred resources of 9.29 Mt @ 0.80% Cu, 0.23% Au and 18.8% Fe, as shown on Table 1. The information provided in the NI 43-101 Technical Report was initially included by the Company in the announcement titled “LRS signs MOU for Copper Joint Venture in Chile” on 16 July 2015 and continues to apply and has not materially changed.

Table 1 - Filipina Project – Foreign Mineral Resource Estimate (NI 43-101 Mineral Resources)				
		Tonnes	Cu (%)	Au (g/t)
Oxide Ore	Sub-Total	1.284.623	0,86	0,24
	Measured	342.148	0,83	0,21
	Indicated	570.576	0,91	0,26
	Inferred	371.899	0,82	0,25
Sulphide Ore	Sub-Total	8.005.540	0,79	0,23
	Measured	10.045	0,66	0,06
	Indicated	1.811.024	0,80	0,23
	Inferred	6.184.471	0,79	0,23
Total Resource	Total	9.290.163	0,80	0,23
	Measured	352.193	0,83	0,21
	Indicated	2.381.600	0,83	0,23
	Inferred	6.556.370	0,79	0,23

Units are in metric tons; 0.4% copper cut-off grade

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National instrument 43-101 (“NI 43-101”) is a national instrument for the Standards of Disclosure for Mineral Projects within Canada and as such this estimate is a foreign estimate. NI 43-101 is broadly comparable to the Joint Ore Reserves Committee Code (JORC Code) which regulates the publication of mineral exploration reports on the Australian Securities Exchange (ASX). The reporting codes are, however, not entirely congruent in practice, in that NI 43-101 is more prescriptive in terms of the manner in which mineral exploration reporting is presented, although the content of the technical reports, and the scientific rigors to which the mineral resource classifications within them are out, are often very similar.

The foreign resource estimate referred to in this release was sourced from the “NI 43-101 Technical Report - Filipina Project” prepared by Orlando Rojas, Principal Geologist of Consultoria Geológicas Geoestima Ltda – GeoEstima, dated 12 September 2014 on behalf of Minería Activa. Orlando Rojas is independent from Minería Activa as independence is described by Section 1.5 of the Canadian NI 43–101. Mr. Rojas is also a Qualified Person within the meaning of such terms under NI 43-101 and a member of the Australian Institute of Mining and Metallurgy (#301402) and of the Australian Institute of Geoscientists (#5543).

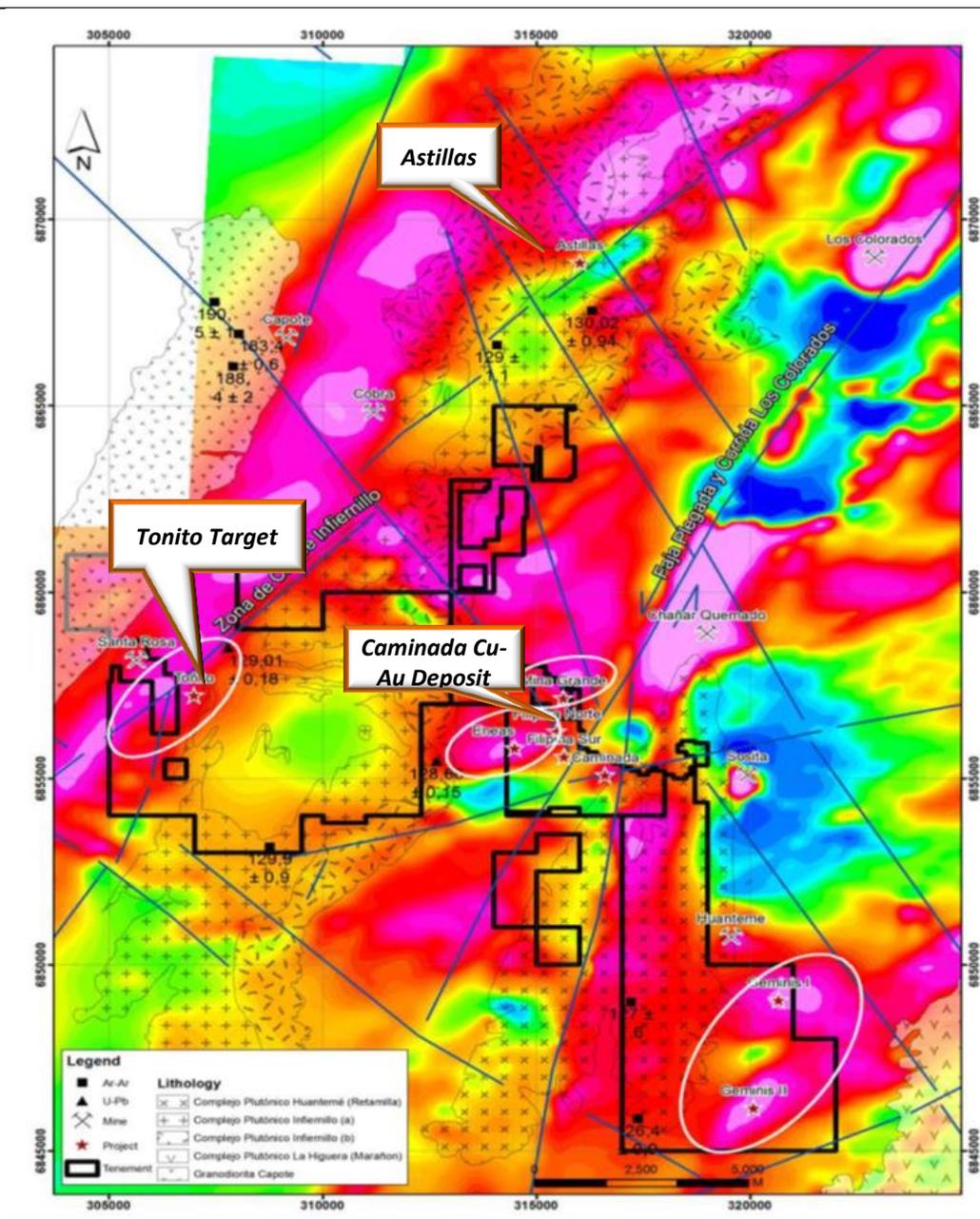
Cautionary Statement – The mineral resource estimates are regarded as a foreign estimate and are not reported in accordance with the JORC Code. The Competent Person for this market release has not done sufficient work to classify the foreign estimates as mineral resources in accordance with the JORC Code; and it is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as mineral resources in accordance with the JORC Code.

Filipina’s foreign resource estimate is relevant to Latin Resources as it provides some guidance as to the possible potential and value of the Filipina project. If the negotiations are completed successfully and LRS enter into an agreement with the vendor, LRS will carry out the works required to convert the present foreign resource estimate to a compliant JORC estimate.

Exploration Upside of the Filipina Project, Vallenar, Chile

The Filipina Project comprises a large property package consisting of 10,122 hectares over several tenements. The major exploration work has been carried out at Caminada. The remaining concessions have had some minor exploration work completed, with the Tonito block showing the greatest potential for exploration upside. The Tonito block is located along the western boundary of the Filipina property, within a major regional structure (Infiernillo shear zone).

Antofagasta Minerals Astillas copper project is located 18 km northeast of Tonito, also along the Infiernillo shear zone. Several artisanal Cu-Au operations are located along this major structure, highlighting its significance in the control of the copper mineralization in the region.



Airborne magnetic survey showing the location of the Tonito exploration along the highly Cu-potential Infiernillo shear zone.

Exploration works carried by Minería Activa and previous project’s owners in the Tonito block have identified outcrops of copper mineralization coincident with magnetic and IP anomalies. The presence of known high grade copper mineralization within the Infiernillo shear zone and the limited exploration carried in the area, in particular drilling, highlight the significant exploration upside for the Tonito prospect in particular and for the Filipina project as a whole. It’s the aim of the JV partners to fully define the exploration targets for the Tonito block on the first year of the JV agreement.

While Latin is pleased to have this exclusive opportunity to evaluate the Project and negotiate terms in good faith, there can be no assurance that terms will ultimately be agreed.

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<p>Borborema (Brazil Iron Ore)</p>	<p>All exploration licenses for iron ore in the Borborema Project were dropped during the September 2015 quarter. The company does not own any other mining rights in Brazil.</p> <p>Considering that there are no plans to invest in Brazil in the short or medium term and in order to safe costs, the company will de-register its Brazilian subsidiary Mineracao Ferro Nordeste Ltda.</p>
<p>Corporate</p>	
	<p><i>Completion of Entitlement issue and Shortfall</i></p> <p>During the quarter \$0.9 million (before costs) in cash was received via the Shortfall Offer resulting in the completion of the Non Renounceable Entitlement Offer.</p> <p>This resulted in the Company issuing during the quarter a total of 107.4 million shares at \$0.008 per share 53.7 million free attaching options exercisable at \$0.02 each on or before 9 March 2017.</p> <p><i>Reduction of liabilities</i></p> <p>A total of \$1.0 million of liabilities were paid during the quarter in cash (\$0.4 million) and from the issue of shares (\$0.6 million).</p> <p>The \$0.6 million reduction of liabilities from the issue of shares at prices ranging from \$0.012 to \$0.005 per share.</p> <p><i>Director resignation</i></p> <p>During the month of December Mr. Frankie Li resigned from the Board.</p>
<p>Appendix 5B</p>	
	<p>The Appendix 5B for the Quarter is attached</p>
<p>Competent persons statement</p>	
	<p><i>The information in this report that relates to Exploration Results from Projects in Peru is based on information compiled by Mr Andrew Bristow, a Competent Person who is a Member of the Australian Institute of Geoscientist and a full time employee of Latin Resources Limited’s Peruvian subsidiary.</i></p> <p><i>Mr Bristow has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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’.</i></p> <p><i>Mr Bristow consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.</i></p> <p><i>The information in this report that relates to sampling techniques and data, exploration results and mineral resources in Chile is based on information extracted by Carlos Spier from the “Filipina Project – NI 43-101 Technical Report” issued by Minería Activa on 12/09/2014”. Carlos Spier is a Fellow of The Australasian Institute of Mining and Metallurgy (# 302771) and a full time employee of Latin Resources Ltd.</i></p> <p><i>Dr Spier has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity being undertaken 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’.</i></p>

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	<i>Dr Spier consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.</i>	
Enquiries		
	Chris Gale Managing Director Latin Resources Limited +61 8 6181 9798	David Tasker Professional Public Relations Perth +61 8 9388 0944

Latin Resources Limited
Report on cash flows – December 2015

1.13	Total operating and investing cash flows (brought forward)	(581)	(2,360)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	810	2,087
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	774
1.17	Repayment of borrowings	(315)	(790)
1.18	Dividends paid	-	-
1.19	Other	-	-
	Net financing cash flows	495	2,071
	Net increase (decrease) in cash held	(86)	(289)
1.20	Cash at beginning of quarter/year to date	108	308
1.21	Exchange rate adjustments to item 1.20	10	13
1.22	Cash at end of quarter	32	32

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	180
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

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Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

A total of approximately \$0.6 million (YTD: \$2.6 million) of liabilities were repaid during the quarter via the issue of 79.6 million shares at prices ranging from \$0.012 to \$0.005 per share (YTD: 294.5 million at prices ranging from \$0.026 to \$0.005 per share).
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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	4,483	2,483
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	187
4.2 Development	-
4.3 Production	-
4.4 Administration	337
Total	524

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	32	108
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	32	108

Changes in interests in mining tenements

See Schedule 1 for the current full list of tenements

Tenement reference Name/Code	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	-	-	-

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6.2	Interests in mining tenements acquired or increased	-	-	-	-
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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	-	-	-	-
7.2 Changes during quarter	-	-	-	-
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	892,568,828	892,568,828	-	-
7.4 Changes during quarter				
(a) Increases through issues	10,000,000	10,000,000	\$0.0120	\$0.0120
	149,718,085	149,718,085	\$0.0080	\$0.0080
	7,425,530	7,425,530	\$0.0073	\$0.0073
	12,985,682	12,985,682	\$0.0070	\$0.0070
	6,587,225	6,587,225	\$0.0053	\$0.0053
	15,000,000	15,000,000	\$0.0050	\$0.0050
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 *Convertible debt securities (description)	941,716	-	\$1	\$1
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	299,419	-	\$1	\$1
7.7 Options (description and conversion factor)	173,236,935	173,236,935	Exercise price \$0.0200	Expiry date 9/3/2017
	10,687,500	-	\$0.0460	1/12/2017
	11,468,643	-	\$0.0170	22/5/2018
	10,000,000	-	\$0.0100	25/12/2016
	9,375,000	-	\$0.0080	30/11/2018
	# 24,430,005	-	#	31/12/2016
7.8 Issued during quarter	58,506,495	58,506,495	\$0.0200	9/3/2017
	10,000,000	-	\$0.0100	25/12/2016
	9,375,000	-	\$0.0080	30/11/2018
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures (totals only)	-	-		
7.12 Unsecured notes (totals only)	-	-		

Share rights issued pursuant to Plans approved by shareholders. The Share rights form part of the Long Term Incentive scheme in compliance with the Company's Remuneration Policy. The Share rights have various vesting criteria.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

Date: 29/1/2016

(Company secretary)

Print name: Anthony Begovich

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* applies to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

Schedule 1 – Tenements held

Latin Resources Limited (ASX: LRS, LRSO) advises that in accordance with Listing Rule 5.3.3 the company has an interest in the following mining concessions/exploration rights.

Tenement name	Code	Location	Ownership	Status
Latin Ilo Este I	01-05005-08	Peru	100%	Concession
Latin Ilo Este II	01-05003-08	Peru	100%	Concession
Latin Ilo Este III	01-05001-08	Peru	100%	Concession
Latin Ilo Este IV	01-05007-08	Peru	100%	Concession
Latin Ilo Este V	01.05008-08	Peru	100%	Concession
Latin Ilo Este VI	01-05009-08	Peru	100%	Concession
Latin Ilo Este IX	01-01952-14	Peru	100%	Concession
Latin Ilo Sur A	01-05276-08	Peru	100%	Concession
Latin Ilo Sur B	01-06227-08	Peru	100%	Concession
Latin Ilo Sur C 1	01-05275-08	Peru	100%	Concession
Latin Ilo Sur C 2	01-05277-08	Peru	100%	Concession
Latin Ilo Sur E 2	01-06721-08	Peru	100%	Concession
Latin Ilo Norte 1	01-00828-09	Peru	100%	Concession
Latin Ilo Norte 2	01-00829-09	Peru	100%	Under Application
Latin Ilo Norte 3	01-00830-09	Peru	100%	Concession
Latin Ilo Norte 4	01-00831-09	Peru	100%	Concession
Latin Ilo Norte 5	01-02510-09	Peru	100%	Concession
Latin Ilo Norte 6	01-02511-09	Peru	100%	Concession
Latin Ilo Norte 7	01-02512-09	Peru	100%	Concession
Latin Ilo Norte 8	01-02513-09	Peru	100%	Concession
Latin Ilo Sur G	01-02514-09	Peru	100%	Concession
Latin Ilo Sur H	01-02515-09	Peru	100%	Concession
Latin Ilo Sur I	01-02516-09	Peru	100%	Concession
Latin Ilo Sur J	01-02517-09	Peru	100%	Concession
Latin Ilo Sur F	01-02824-09	Peru	100%	Concession
Latin Morrito 1	01-02827-09	Peru	100%	Concession
Latin Morrito 2	01-02828-09	Peru	100%	Concession
Latin Ilo Este VII	01-00335-10	Peru	100%	Concession
Essendon 2	01-01895-10	Peru	100%	Concession
Essendon 3	01-01896-10	Peru	100%	Concession
Essendon 4	01-01897-10	Peru	100%	Concession
Essendon 5	01-01898-10	Peru	100%	Concession
Essendon 6	01-01899-10	Peru	100%	Concession
Fremantle 1	01-02062-10	Peru	100%	Concession
Fremantle 2	01-02063-10	Peru	100%	Concession
Fremantle 3	01-02064-10	Peru	100%	Concession
Fremantle 4	01-02065-10	Peru	100%	Concession
Fremantle 5	01-02066-10	Peru	100%	Concession
Fremantle 7	01-02068-10	Peru	100%	Concession
Fremantle 8	01-02250-10	Peru	100%	Concession
Essendon 7	01-02246-10	Peru	100%	Concession
Essendon 8	01-02247-10	Peru	100%	Concession
Essendon 9	01-02248-10	Peru	100%	Concession
Essendon 10	01-02249-10	Peru	100%	Concession
Bombers 5	01-02422-10	Peru	100%	Concession

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Bombers 6	01-02423-10	Peru	100%	Concession
Fremantle 9	01-02424-10	Peru	100%	Concession
Fremantle 10	01-02425-10	Peru	100%	Concession
Fremantle 11	01-02426-10	Peru	100%	Concession
Fremantle 12	01-02427-10	Peru	100%	Concession
Fremantle 13	01-02428-10	Peru	100%	Concession
Fremantle 14	01-02429-10	Peru	100%	Concession
Fremantle 15	01-02430-10	Peru	100%	Concession
Fremantle 16	01-02431-10	Peru	100%	Concession
Fremantle 18	01-02433-10	Peru	100%	Concession
Vandals 1	01-02437-10	Peru	100%	Concession
Vandals 2	01-02438-10	Peru	100%	Concession
Essendon 11	01-01818-11	Peru	100%	Concession
Essendon 12	01-01819-11	Peru	100%	Concession
Ryan	01-01821-11	Peru	100%	Concession
Bridgette	01-01820-11	Peru	100%	Concession
Maddison	01-01822-11	Peru	100%	Concession
Essendon 13	01-01823-11	Peru	100%	Concession
Essendon 14	01-01824-11	Peru	100%	Concession
Essendon 15	01-01825-11	Peru	100%	Concession
Essendon 16	01-01826-11	Peru	100%	Concession
Essendon 17	01-01827-11	Peru	100%	Concession
Essendon 18	01-01828-11	Peru	100%	Concession
Essendon 19	01-01829-11	Peru	100%	Concession
Essendon 20	01-01830-11	Peru	100%	Concession
Essendon 21	01-01841-11	Peru	100%	Concession
Essendon 22	01-01842-11	Peru	100%	Concession
Ryan 1	01-01843-11	Peru	100%	Concession
Bridgette 1	01-01844-11	Peru	100%	Concession
Maddison 1	01-01845-11	Peru	100%	Concession
Essendon 23	01-01846-11	Peru	100%	Concession
Essendon 24	01-01847-11	Peru	100%	Concession
Essendon 25	01-01848-11	Peru	100%	Concession
Essendon 26	01-01849-11	Peru	100%	Concession
Essendon 27	01-01850-11	Peru	100%	Concession
Essendon 28	01-05116-11	Peru	100%	Concession
Essendon 29	01-05117-11	Peru	100%	Concession
Fremantle 22	01-01831-11	Peru	100%	Concession
Fremantle 23	01-01832-11	Peru	100%	Concession
Fremantle 24	01-01833-11	Peru	100%	Concession
Fremantle 26	01-01835-11	Peru	100%	Concession
Fremantle 27	01-01836-11	Peru	100%	Concession
Fremantle 29	01-01838-11	Peru	100%	Concession
Kelly 00	01-01840-11	Peru	100%	Concession
Dockers 1	01-01865-11	Peru	100%	Concession
Dockers 2	01-01866-11	Peru	100%	Concession
Dockers 3	01-01867-11	Peru	100%	Concession
Dockers 4	01-01868-11	Peru	100%	Concession
Fremantle 44	01-01874-11	Peru	100%	Concession
Auxiliadora II	01-00586-07	Peru	100%	Concession
Santa 70	6300029-08	Peru	100%	Concession

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Santa XIX	01.00590-07	Peru	100%	Concession
Santa XXII	01-00591-07	Peru	100%	Concession
Santa XXIII	01-00595-07	Peru	100%	Concession
Macarena XXII	01-00588-07	Peru	100%	Concession
San francisco XXI	01-00589-07	Peru	100%	Concession
Santa XX	63-00042-09	Peru	100%	Concession
Santa XVIII	63-00041-09	Peru	100%	Concession
San Francisco XXIII	63-00026-10	Peru	100%	Under Application
GIANDERI XXXIII	01-01560-06	Peru	100%	Concession
Mathew 1	01-01634-11	Peru	100%	Concession
Mathew 2	01.01635-11	Peru	100%	Concession
Kelly 01	01-04977-11	Peru	100%	Concession
Los Conchaes	01-02590-12	Peru	100%	Concession
Blackburn 7	01-02850-12	Peru	100%	Concession
Blackburn 8	01-02895-12	Peru	100%	Concession
Blackburn 9	01-02896-12	Peru	100%	Concession
Blackburn 10	01-02897-12	Peru	100%	Concession
Blackburn 11	01-02898-12	Peru	100%	Concession
Blackburn 12	01-02899-12	Peru	100%	Concession
Blackburn 13	01-03176-12	Peru	100%	Concession
Blackburn 14	01-03177-12	Peru	100%	Concession
Blackburn 15	01-03179-12	Peru	100%	Concession
Blackburn 16	01-03178-12	Peru	100%	Concession
Blackburn 17	01-03208-12	Peru	100%	Concession