



QUARTERLY ACTIVITIES REPORT for the period ending 31 December 2016

Highlights

Activities

20 October 2016 - Latin Concessions granted at Catamarca Project, Argentina

- On 31 May 2016 the Company announced it had made claim applications over 70,000 hectares in seven exploration tenements in the Catamarca Province, prospective for Lithium Pegmatites.
- The seven exploration tenements were granted for exploration rights by the Mining Authority of the Catamarca province.
- The granting of the tenements were allows for exploration work including drilling to commence on the approval of an Environmental Impact Report (EIR)

2 November 2016 - Latin claims new Lithium concessions in San Luis, Argentina

- Claim applications over 24,769 hectares in six exploration concessions and one vacant Lithium mining concession within the Conlara and Estanzuela pegmatite fields were lodged at the mining authority in the San Luis Province, Central Argentina.
- The six exploration concessions each surround pegmatites dykes known to have been mined in the past for Lithium minerals (as spodumene or lepidolite) and/or other related minerals including quartz, feldspar, beryl, tantalite (tantalum mineral) and colombite (niobium mineral).
- Latin also claimed the “Maria Del Huerto” mining concession, comprising three parallel dykes where spodumene was mined between 1936 and 1940.

16 November 2016 – Latin appoints Exploration and Development Manager

- Latin announced the appointment of Kerry Griffin Bsc (Geol), Dip Eng Geol, MAIG as their Exploration and Development Manager.

21 November 2016 – Final two concessions granted at Catamarca, Argentina

- The final two exploration tenements were granted for exploration rights by the Mining Authority of the Catamarca province in Argentina for a total of almost 76,700 hectares of exploration concessions granted.
- Analysis of three samples collected by Latin geologists of exposures of spodumene in old mine workings in two pegmatite deposits within the final two tenements granted reported grades of 7.1%, 6.3% and 4.9% Li₂O respectively (announced 14 June 2016).

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Corporate

- Contract Extension for Managing Director
- Final Settlement of Lind Partners debt
- General Meeting of Shareholders held 31 October 2016
- Issue of Options associated with \$3.4m placement completed in August 2016.

OPERATIONS

Catamarca – (Argentina)

On the 20th October 2016, Latin announced that the seven mining tenements totaling over 70,000 hectares were granted for exploration rights by the Mining Authority of Catamarca in Argentina and then on the 21st of November a further two were granted. The total landholding in Catamarca is now approximately 76,000 hectares.

The tenements host a number of well documented Lithium bearing pegmatites near the townships of Ancasti and Vilisman (Figure 2), each located on the eastern slopes of the Ancasti Ranges some 40 km from the Provincial Capital, San Fernando del Valle de Catamarca (Figure 1).

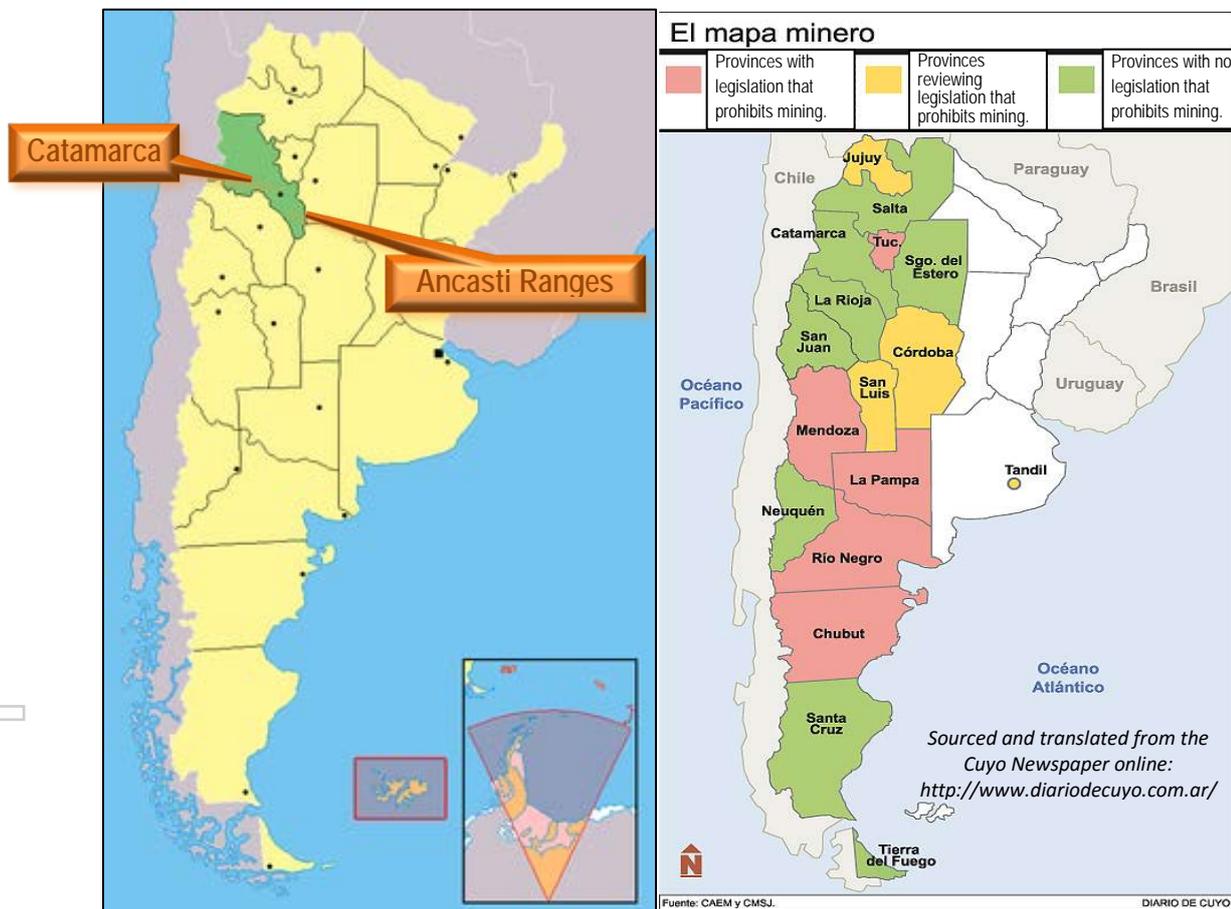


Figure 1: Location of the mining friendly Catamarca Province, its capital, and the Ancasti Ranges in NW Argentina.

Pegmatites of the Ancasti Ranges:

Various studies of pegmatites in the Ancasti Ranges have been reviewed: Herrera (1964), Rossi (1965), Fernández Lima et al. (1970), Marconi (1972), Balmaceda (1982), Balmaceda and Kaniefsky (1982), Lottner (1983), Acosta et al. (1988) and Galliski (1992a, 1994a, 1994b).

Acosta *et al* (1988) grouped a series of lithium-bearing pegmatites occurrences in the Ancasti Ranges into two groups, geographically located within several kilometres of each of the Vilisman and Ancasti townships.

The Vilisman group:

- La Culpable
- Reflejos del Mar
- La Herrumbra
- Loma Pelada
- Campo el Abra
- Juan Carlos
- Joyita
- Pampa El Coco

The Ancasti group:

- Ipizca I
- Ipizca II
- Santa Gertrudis
- Flor Morada

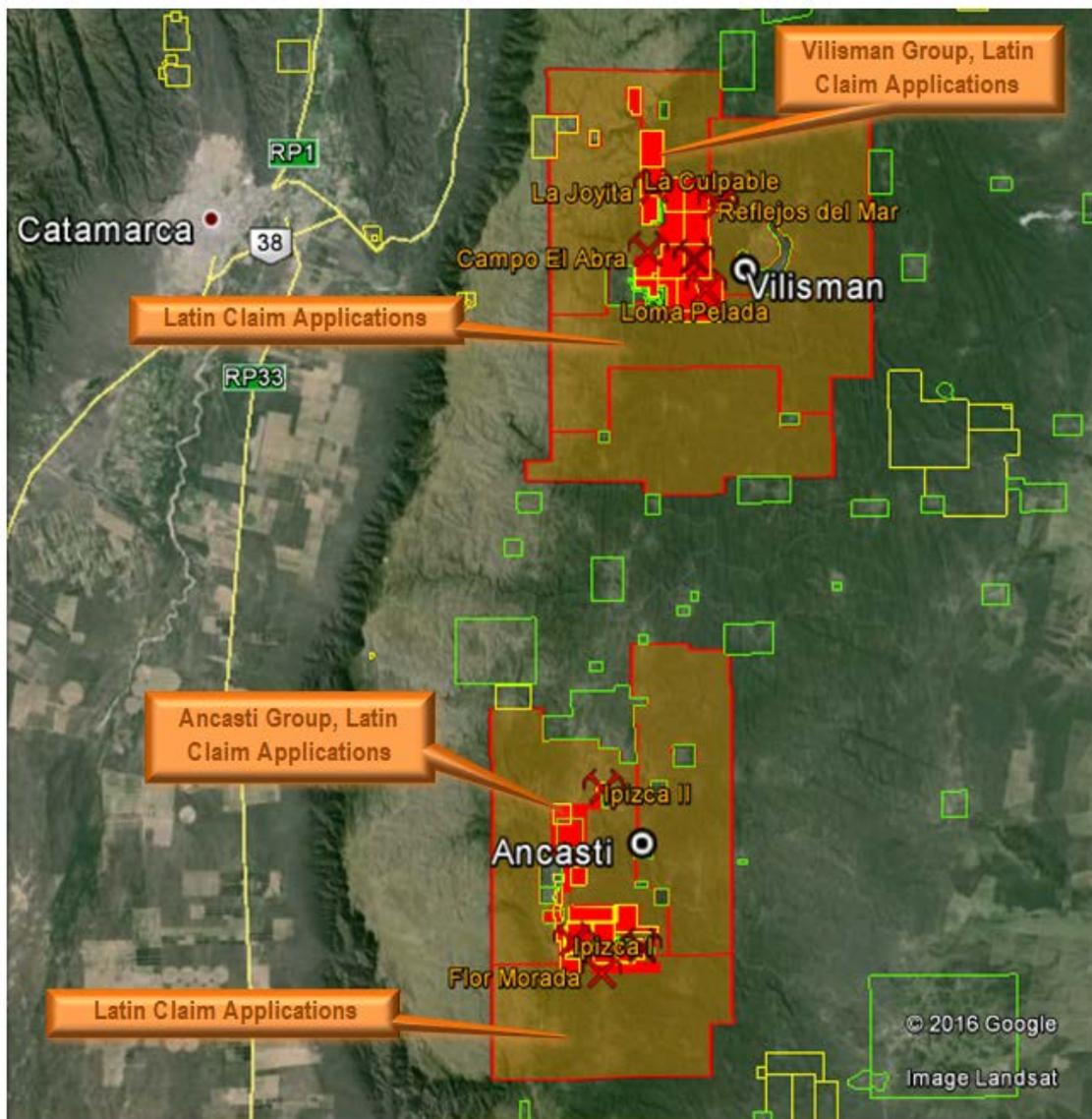


Figure 2: Location of the Vilisman and Ancasti Lithium Pegmatite Groups, (Solid red areas), with old mines marked. Latin's claim applications now cover the orange shaded areas extending outwards from, and also including the known Lithium deposits.

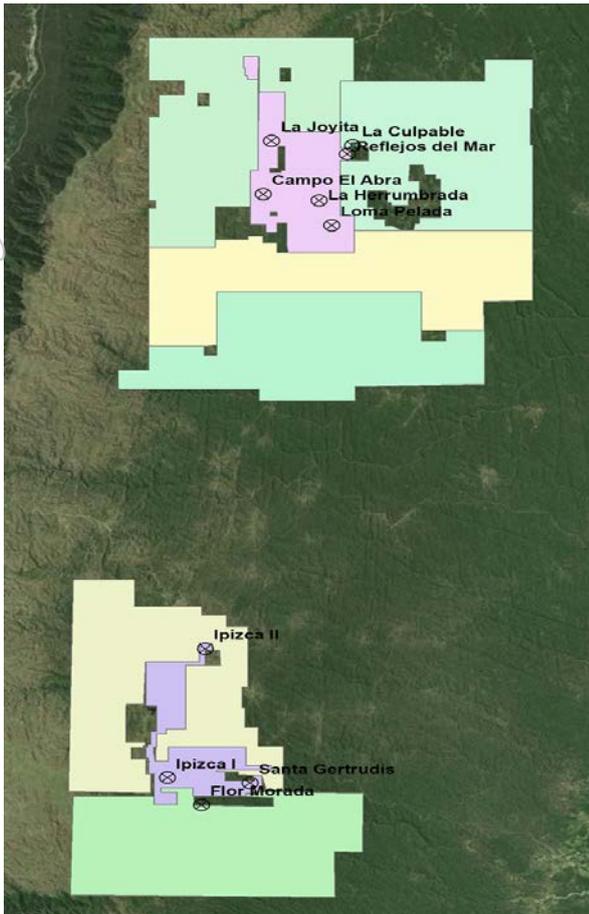
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The Vilisman Group hosts at least 8 pegmatite deposits that have evidence of past mining activity. Six of these are individual dykes emplaced along structures in banded mica schists, while two are formed as multiple dykes. Most of the dykes outcrop over at least 100 m of strike length with thicknesses of between 1 m and 5 m (Announced 14 June 2016). Acosta et al (1988) mentions 11 other deposits in the Vilisman Group that were visited as part of this work, but cites insufficient data preventing their inclusion in the tabulated list, despite having observed good mineralisation and workings.

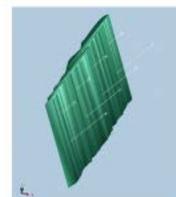
The Environmental Impact Assessment (EIA) report, which is required before drilling can commence, was submitted on the 23rd of November. On the 12th of December we were advised that our EIA required a separate archeological section before being approved. An approved archaeologist completed this work and submitted the report before the end of the year.

Fieldwork in both Ancasti and Villisman areas was undertaken from the 29th November until the 8th of December. The aim of this work was to carry out mapping and sampling of the main prospects in order to assist in prospect ranking and drill hole design.

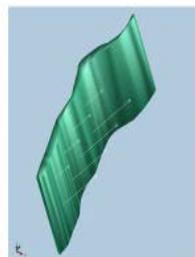
Following the approval of the EIA it is proposed to start drilling immediately at the 3 top ranked drill ready prospects. Each of the prospects will have 6-8 holes drilled using reverse circulation drilling technique. Drilling is now expected to commence in February with assays being processed throughout February and March. (Figure 3).



Projects – Catamarca
Drill Targets – Reflejo del Mar



Projects – Catamarca
Drill Targets – Campo El Abra



Projects – Catamarca
Drill Targets – Santa Gertrudis



Figure 3: Location of the Vilisman and Ancasti Lithium Pegmatite Groups, with old mines marked. The initial drill targets will be Reflejo's del Mar, Campo el Abra, San Gertrudis.

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San Luis, Argentina

On the 2nd November 2016, Latin announced that claim applications for 24,769 hectares of exploration concessions were lodged at the San Luis Province mines office. A total six exploration concessions were claimed within the Conlara and Estanzuela pegmatite fields. Each claim surrounds documented lithium bearing pegmatite deposits that have been mined in the past for Lithium bearing minerals (spodumene or lepidolite) and/or other related minerals including quartz, feldspar, albite, beryl, tantalite (tantalum ore) and colombite (niobium ore).

Table 1: Details of Latin’s new claim applications in San Luis Province, Argentina.

Claim No.	Reference Name	Pegmatite Province	Area
63-C-2016	La Meta	Conlara	5,000 ha
64-C-2016	La Estanzuela	La Estanzuela	7,976 ha
65-C-2016	El Portazuelo	La Estanzuela	1,988 ha
66-C-2016	Tilisarao	La Estanzuela	3,838 ha
84-C-2016	San Francisco	Conlara	3,977 ha
85-C-2016	Puerta Colorada	Conlara	1,990 ha
134-Q-1936	Maria del Huerto	Conlara	18 ha*
		TOTAL	24,789 ha

* The Maria del Huerto mine is located with the bounds of the 1,990 ha Puerta Colorada exploration tenement, thus does not add to the total area claimed.

A number of smaller mineral rights are enclosed by, (but excluded from), the six exploration claims made: one of which, the “Maria del Huerto” mining concession, is enclosed by the Puerta Colorada exploration claim and was claimed for the Company after being declared vacant by the Provincial mining authority. The Maria Del Huerto deposit was mined between 1936 and 1940 and was one of the first spodumene producers in the San Luis Province to have good grades. (Roquet et.al. 2006).

There are three pegmatite fields in San Luis, and each with an important past record of producing mica, beryl, spodumene (Lithium), tantalite, and lastly, K-feldspar, albite and quartz. El Totoral and Conlara fields are placed in the Sierra Grande de San Luis and La Estanzuela is situated in the La Estanzuela, El Portezuelo, and Tilisarao mountain ranges (Galliski & Marquez-Zavalía, 2011). The Company’s claims focus on the Estanzuela and Conlara fields as well as the western margin of the Totoral field (Figure 2).

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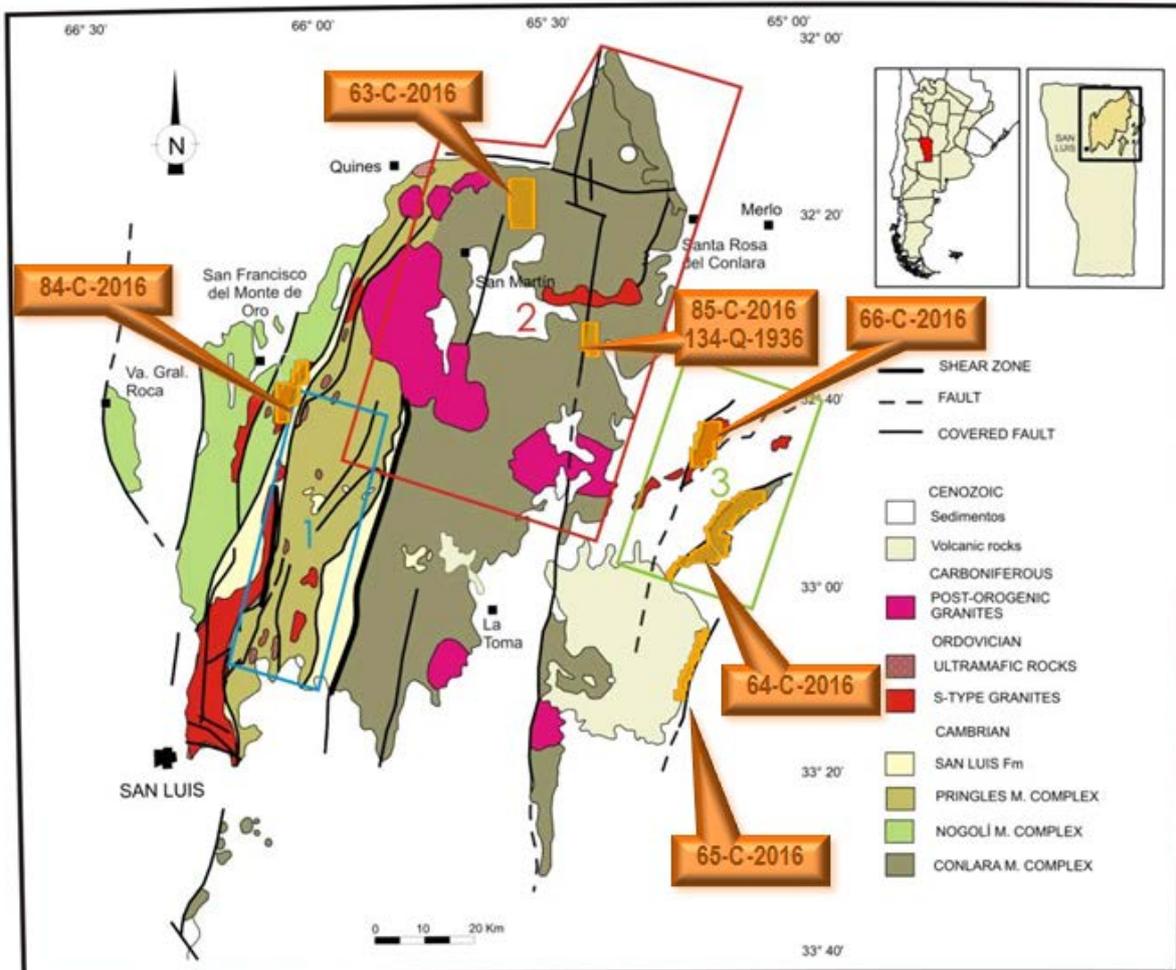


Figure 4: Location of the Latin's new Exploration and Mining Claims (orange polygons) prospective for Lithium bearing Pegmatites in North Eastern San Luis Province, Argentina. The base map is a schematic geological map of the San Luis ranges showing the location of the 1: El Totoral, 2: Conlara and 3: La Estanzuela pegmatite fields. (After Galliski & Márquez-Zavilía, 2011).

The pegmatites of the three fields in Figure 4 are hosted in metamorphic complexes of medium grade, intruded by orogenic and postorogenic granites. The medium-sized pegmatites are representative of several types and subtypes as beryl-columbite-phosphate, spodumene, albite-spodumene and albite (Galliski & Marquez-Zavalía, 2011).

The Puerta Colorada Exploration Claim and the Maria del Huerto Mining Concession.

The Puerta Colorada Claim (Figure 5) is located in the Conlara pegmatite field, and encloses a number of mining concessions including the Maria del Huerto mining concession, also claimed by the Company after it was declared vacant by the Provincial mining authority.

The majority of the enclosed third party mining rights are expected to be excluded from the exploration claim and are predominantly pegmatites mined intermittently at a small scale for quartz and feldspar. The remainder is considered prospective for Lithium bearing pegmatite dykes and will be explored once the claim is granted and permits are in place.

The Maria del Huerto mining concession has been claimed for Latin, and is located 20 km west of the town of Concarán along the sealed Provincial Route 6 road. The concession hosts three parallel pegmatite dykes located only 300-400 m from the road.

The dykes are tabular to lenticular outcropping over 370 m, each with a strike NE-SW (Figure 6). While all three dykes show evidence of past workings, the central dyke has the most significant open pit being 105 m long, 15 m wide and excavated to a depth of almost 10 m. Zonation is well developed and asymmetric, with clearly developed zones defined as border, external, intermediate external, intermediate internal and nucleus. The Lithium mineral Spodumene occurs as prismatic crystals from a few centimetres to over a metre in length, in various colours from pale green through white to pink and lavender, occurring predominantly in the intermediate zones and nucleus of the dyke. (Roquet et.al. 2006).

Latin had confirmed the presence of pink coloured, weathered spodumene in the main pit exposure (Figure 6 & 7).

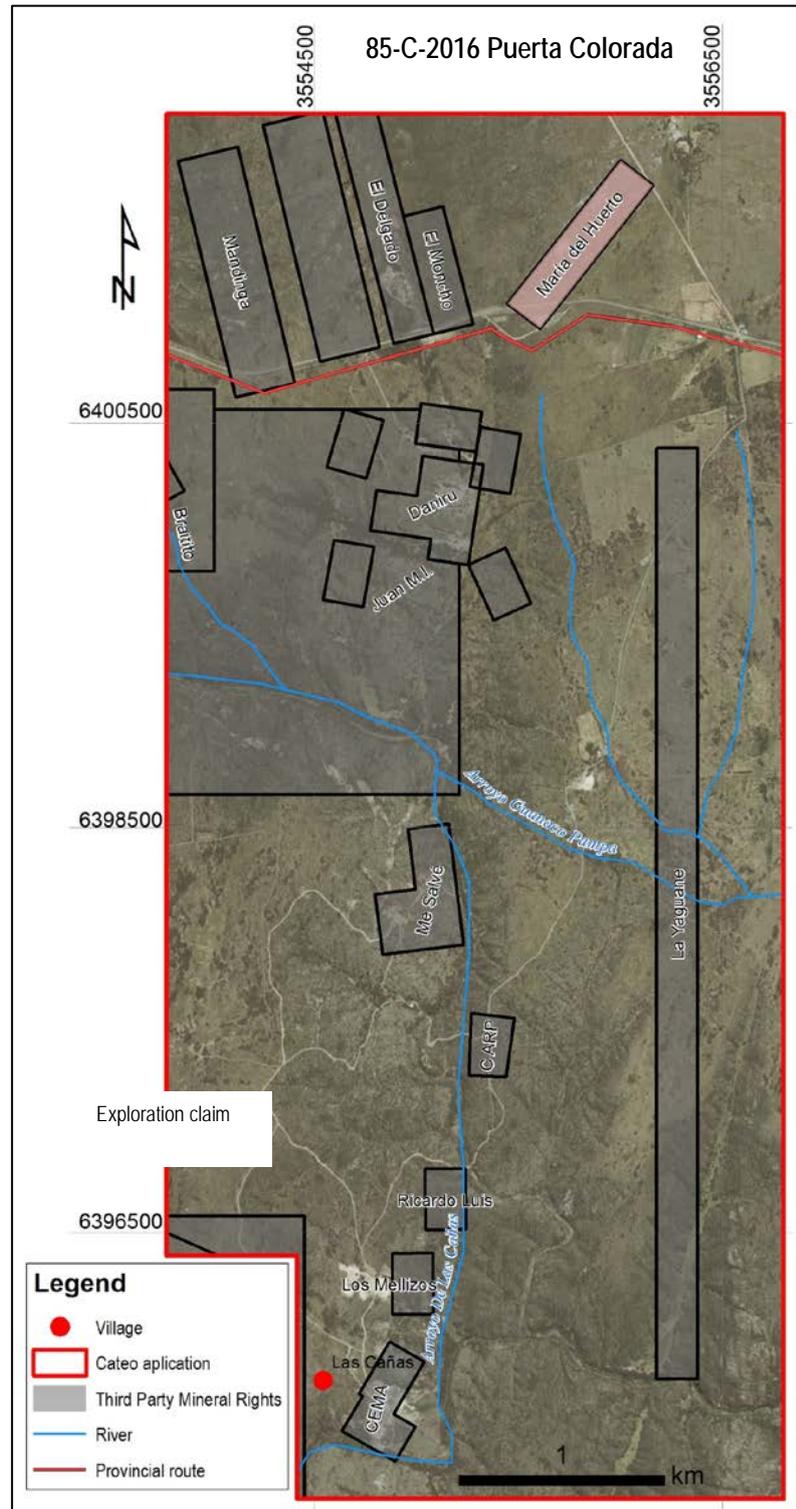


Figure 5 – Plan of the Punta Colorada Exploration Claim, including the Maria del Huerto Mining Concession.

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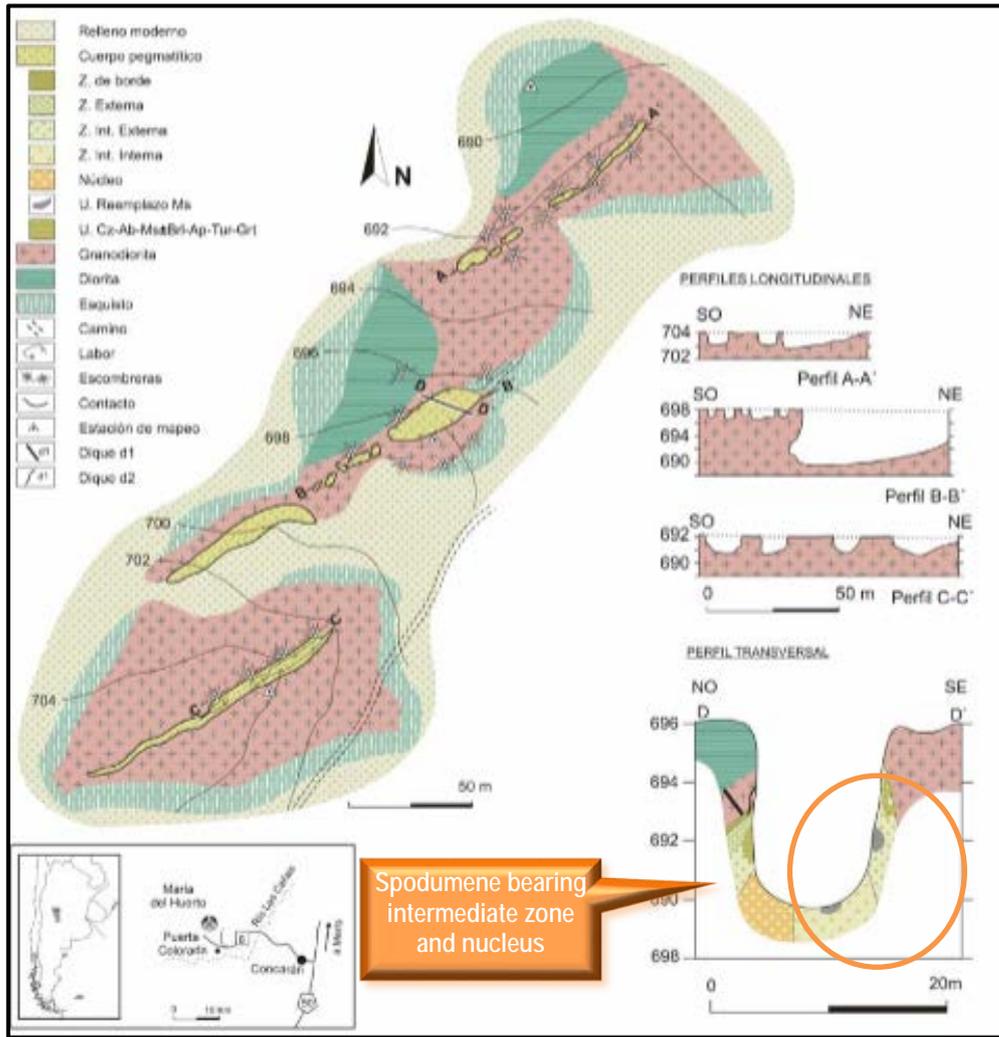


Figure 6 – Geological Mapping of the Maria del Huerto Pegmatite showing the spodumene bearing intermediate zones and nucleus exposed over the entire width of the open pit (Roquet et.al. 2006).



Figure 7 – Examples of pink coloured weathered spodumene in the Maria del Huerto open pit (Intermediate Zone).

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Figure 8 – View to the South Western end of the main pit at Maria Del Huerto.

La Estanzuela Pegmatite Field: Tilisarao, Estanzuela and Portezuelo Exploration Claims

Three exploration claims have been made over the “La Estanzuela” pegmatite field, the Eastern most occurrences of lithium bearing pegmatites in the San Luis Province. This pegmatite field was defined by Galliski (1994a) as comprising the pegmatites of the Tilisarao, La Estanzuela and El Portezuelo ranges and the claims cover all available outcrop in these ranges (Figure 9).

Most of the pegmatites of this district include representatives of the Lithium-Caesium-Tantalum (LCT) petrogenetic family, rare-element class (REL), REL-Lithium subclass, with complex types of spodumene and lepidolite-subtypes, and of albite-spodumene type. In general, the pegmatites are irregular lens-shaped bodies, tens to hundreds meters long, and besides the usual rock-forming minerals, the pegmatites carry spodumene (lithium), beryl, tourmaline, lepidolite (lithium), colombite group minerals (tantalum), wodginite group minerals (tin/tantalum) in one pegmatite, amblygonite-montebrazite (lithium), triphylite-lithiophilite (lithium) and the array of secondary phosphate species. (Galliski & Marquez-Zavalía, 2011).

The Viquita and San Elias mines boast significant past production of the lithium bearing minerals spodumene and lepidolite respectively. While excluded from the Company’s claims, these deposits highlight the prospectivity of the Estanzuela field for Lithium pegmatites.

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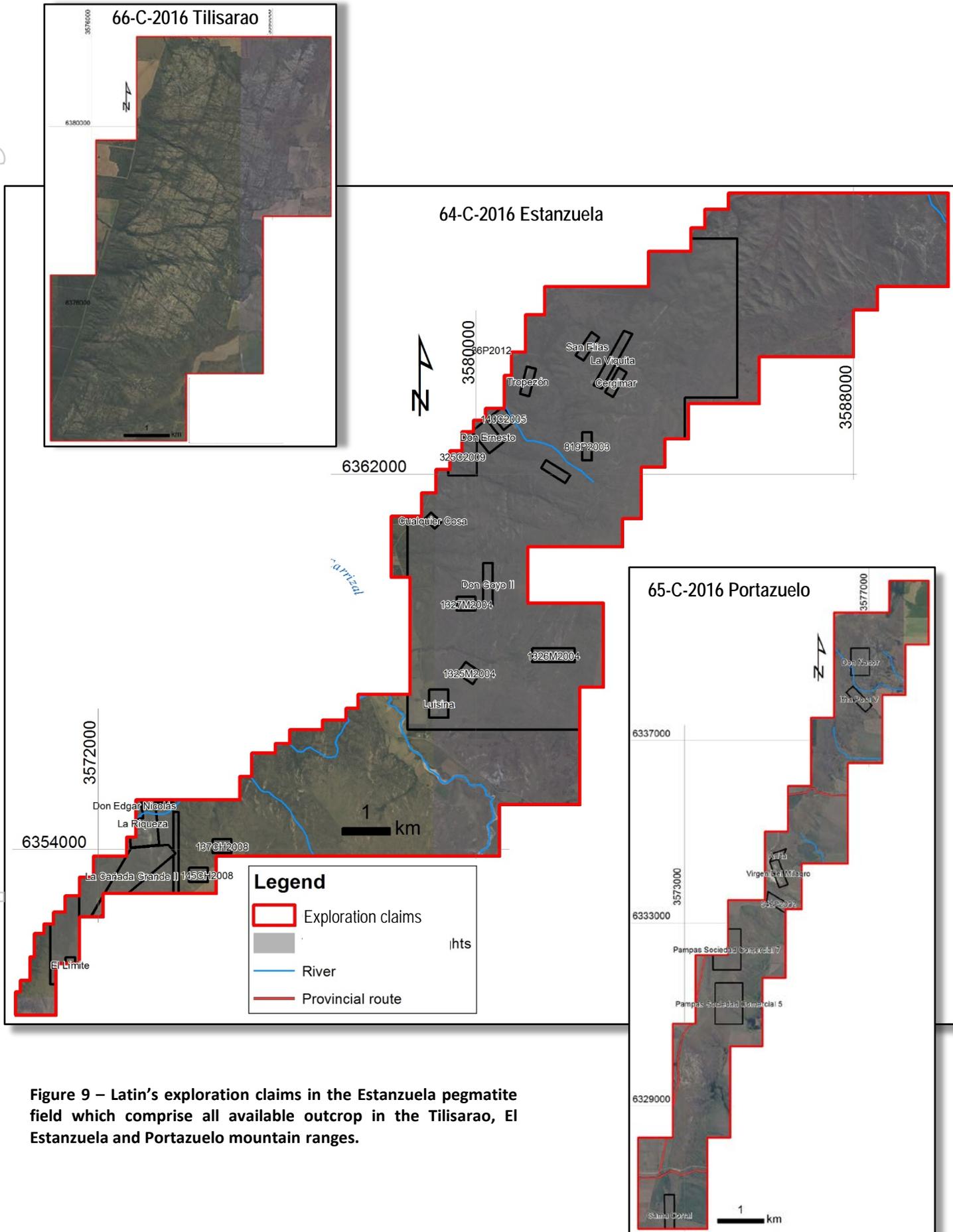


Figure 9 – Latin’s exploration claims in the Estanzuela pegmatite field which comprise all available outcrop in the Tilisarao, El Estanzuela and Portazuelo mountain ranges.

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The El Totoral Pegmatite Field: San Francisco Exploration Claim

The San Francisco exploration claim covers approximately 13 km along strike of structures interpreted to be significant for the emplacement of the Geminis pegmatite, exploited for spodumene last century. There are significant outcrops of pegmatites along the structural trend forming swarms of considerable number particularly in the North Eastern half of the claim.

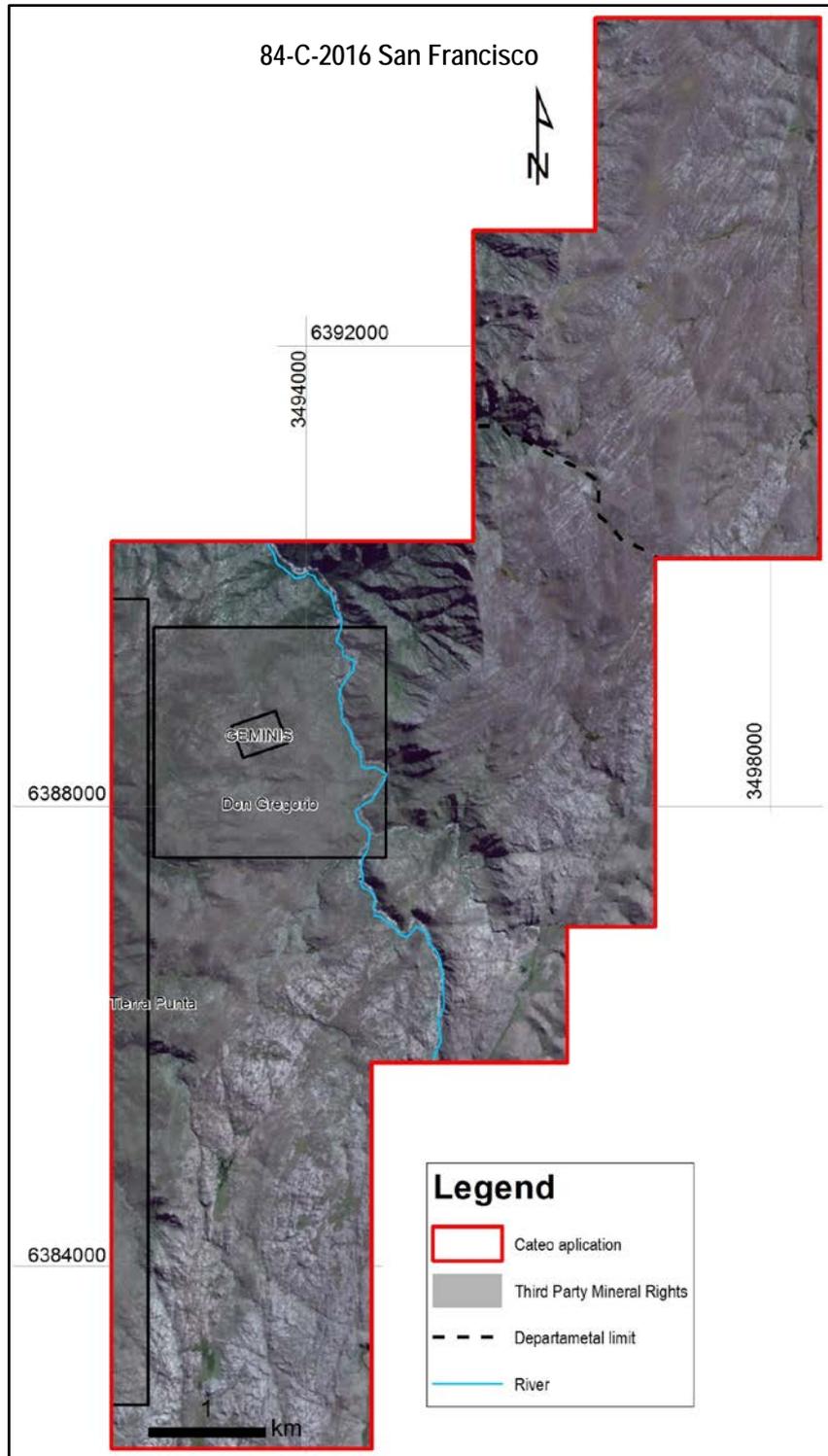


Figure 10 – Plan of the San Francisco Exploraiton Claim. The Geminis mine surrounded by the claim was exploited for spodumene last century.

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Exploration and Development Manager

On the 16th November 2016, Latin announced it had appointed Kerry Griffin as its new Exploration and Development Manager. Kerry has approximately 21 years professional experience in mining geology, resource development and exploration in Australia, Africa, South America and Asia including senior roles with such companies as Newcrest Mining, Sons of Gwalia, Consolidated Minerals, Ivanhoe Mines, Aspire Mining Limited, Haranga Resources Limited, Lindian Resources Limited and Altan Rio Ltd.

Kerry was Chief Geologist for two years at the Wodgina pegmatite hosted tantalum mine and recently managed a large scale Ta/Sn Greenfields pegmatite exploration project in Mashonaland, NE Zimbabwe.

Kerry is both a Competent Person under JORC and a Qualified Person for 43-101 reporting.

Corporate

Contract Extension for Managing Director

On the 7th December 2016, Latin announced that an agreement had been reached between the Company and its Managing Director Mr Chris Gale to extend his consultancy agreement with the Company for a further period of three (3) years.

The new contract which came into effect on 1 October 2016, but was only executed in November, will see Mr Gale continue in the role as Managing Director of the Company until at least October 2019.

The Company held a General Meeting of Shareholders on 31 October 2016 to approve various issues of securities and ratify previous issues under the Company's placement capacity under Listing Rules 7.1 and 7.1A. All resolutions put to the General Meeting were passed on a show of hands.

During the quarter, the Company issued 154,545,456 Listed Options (*exercisable at \$0.02 on or before 9 March 2017*) to investors who participated in the \$3.4m placement in August 2016, on the basis of 1 Option for every 2 Shares subscribed for and issued under the Placement. In addition, a total of 2,000,000 Shares and 29,500,000 Options were issued to brokers and advisors for capital raising and corporate advisory services provided.

In November, the Company issued 18,000,000 Shares in final settlement of Lind Partners debt in accordance with Funding Agreement announced 13 November 2014.

Following receipt of shareholder approval on 31 October 2016, the Company issued 60,693,609 Incentive Rights to the Managing Director in accordance with the Incentive Rights Plan approved by shareholders on 30 November 2014 and the remuneration policy of the Company.

Corporate summary

ASX	LRS
Shares Issued :	1,577.4 M
Options Issued:	344.8 M
Rights Issued:	78.1 M

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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

Chris Gale
Managing Director
Latin Resources Limited
+61 8 6181 9798

Brooke Picken
Pac Partners
Melbourne
+61 3 8633 9866

About Latin Resources

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 over 94,000 hectares of exploration concessions in the lithium pegmatite districts of Catamarca and San Luis Provinces, Argentina.

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.

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")

December 2016

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	-	149
1.2 Payments for		
(a) exploration & evaluation	(396)	(1,959)
(b) development	-	-
(c) production	-	-
(d) staff costs	(35)	(168)
(e) administration and corporate costs	(289)	(1,315)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	9	50
1.5 Interest and other costs of finance paid	-	(3)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	761
1.8 Other (R&D expenses and BAS Refund)	61	36
1.9 Net cash from / (used in) operating activities	(650)	(2,449)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	(200)

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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)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	6
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	1
2.6	Net cash from / (used in) investing activities	-	(193)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	4,730
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	100
3.4	Transaction costs related to issues of shares, convertible notes or options	(2)	(295)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(590)
3.7	Transaction costs related to loans and borrowings	-	(13)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(2)	3,932

4.	Net increase / (decrease) in cash and cash equivalents for the period	(652)	1,290
4.1	Cash and cash equivalents at beginning of period	1,974	32
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(650)	(2,449)

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(193)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	3,932
4.5	Effect of movement in exchange rates on cash held	17	17
4.6	Cash and cash equivalents at end of period	1,339	1,339

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	1,339	974
5.2	Call deposits	-	1,000
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)	1,339	1,974

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	182
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	

Amount above are inclusive of GST and exclude the reimbursement of expenses.

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	1
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	500	500
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.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	600
9.2 Development	-
9.3 Production	-
9.4 Staff costs	40
9.5 Administration and corporate costs	223
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	863

Mining exploration entity and oil and gas exploration entity quarterly report

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	-	-	-	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	63C2016, Conlara, San Luis 64C2016, La Estanzuela, San Luis 65C2016, La Estanzuela, San Luis 66C2016, La Estanzuela, San Luis 84C2016, Conlara, San Luis 85C2016, Conlara, San Luis 134Q1936, Conlara, San Luis 36,M2016, Ancasti, Catamarca 37M2016, Ancasti, Catamarca 38M2016, Ancasti, Catamarca 39M2016, Villisman, Catamarca 40M2016, Villisman, Catamarca 41M2016, Villisman, Catamarca 42M2016, Villisman, Catamarca 56,M2016, Ancasti, Catamarca 57M2016, Villisman, Catamarca	Concession Concession Concession Concession Concession Concession Concession Concession Concession Concession Concession Concession Concession Concession Concession Concession	0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0%	100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100%

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: 31 January 2017
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.

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