

23 February 2017

DRILLING CONFIRMS CONTINUITY AND EXTENSION OF LITHIUM PEGMATITES AT IPIZCA II AND REFLEJOS DEL MAR DEPOSITS, CATAMARCA, ARGENTINA



Figure 1. Spodumene bearing pegmatite from hole number RDMRC002

HIGHLIGHTS

- **First pass exploration drilling nearing completion at two of the first four targets**
- **Pegmatites intercepts of up to 9m apparent thickness encountered**
- **Geological logging shows visible spodumene evident in intercepted pegmatites**
- **Preliminary interpretation shows extensions to the north and depth at both Ipizca II and Reflejos del Mar prospects**
- **Assay results from the first batch of samples to be released by end of February**

Latin Resources Limited (ASX: LRS) (“Latin” or “the Company”) is pleased to announce that reverse circulation drilling at its lithium project in Catamarca, Argentina (Figure 1) is continuing and progressing well.

First pass exploration reverse circulation drilling at Ipizca II was completed last week and is nearing completion at Reflejos del Mar with a total of thirteen holes for approximately 800m having been drilled to a range of final depths of between 24m to 126m. All drill holes thus far except for two contain significant spodumene bearing pegmatite intercepts with apparent thicknesses ranging of 1m to 9m. Intercepts range in depth from 9m to 47m (Table 1). Visible spodumene is evident in all pegmatite intercepts.

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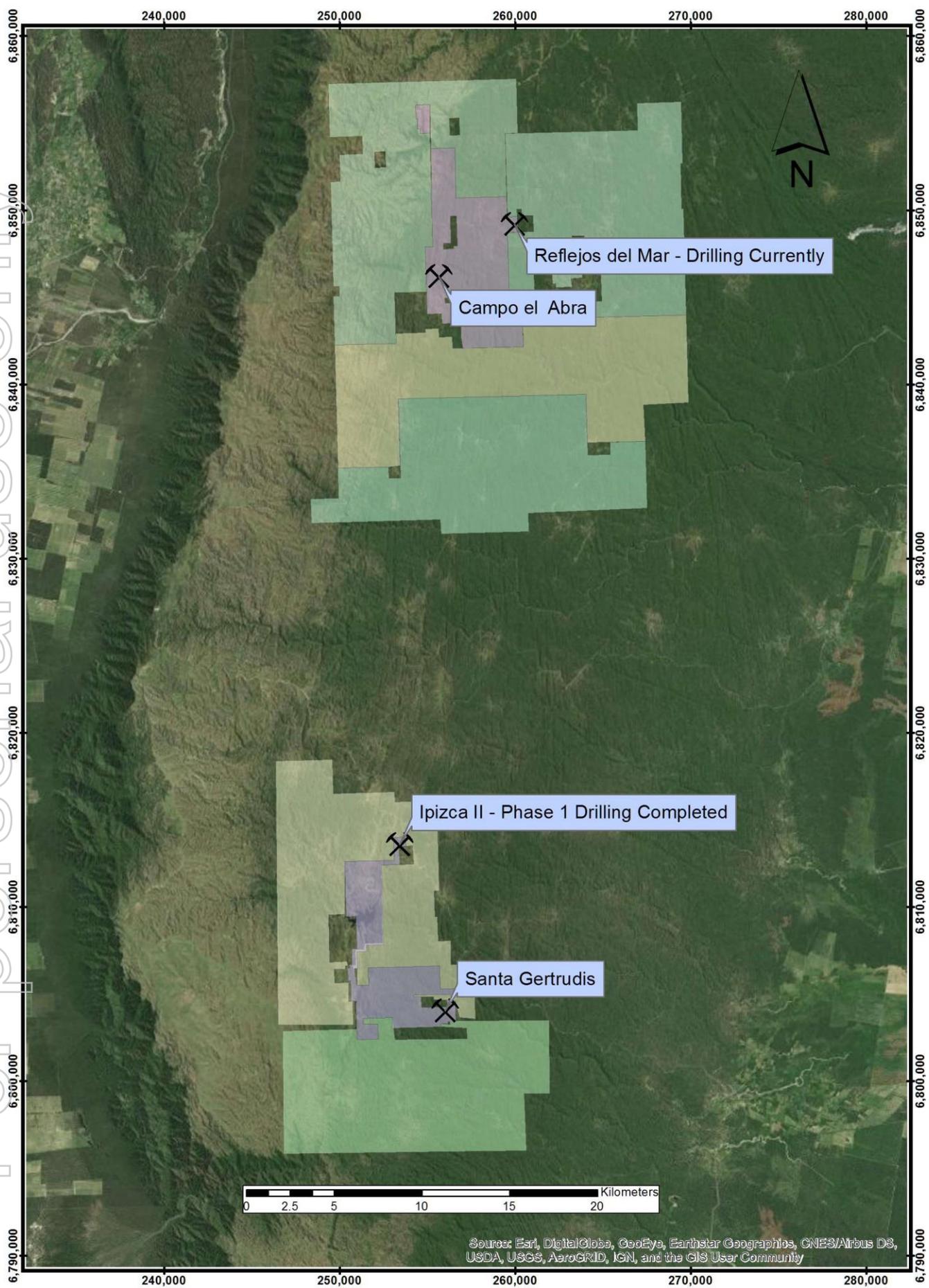


Figure 2. Ancasti Project Locations

Sources: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

At Ipizca II five holes were completed for approximately 400m. All holes intercepted the pegmatite dyke that is exposed at surface within and old open pit and tunnel system and it appears to continue at depth dipping to the east and extends to the north beyond the mineralised outcrop that was mapped in the November/December field work. It does not extend substantially to the south passed the known outcrop toward the concession boundary (see figure 3 for 3D conceptualisations). In addition to this main pegmatite body, a thinner (2m apparent thickness) 'blind' pegmatite was intercepted from 9m to 11m in hole number IPIIRC003. Follow up drilling is necessary to define the northern and down dip extents of mineralisation.

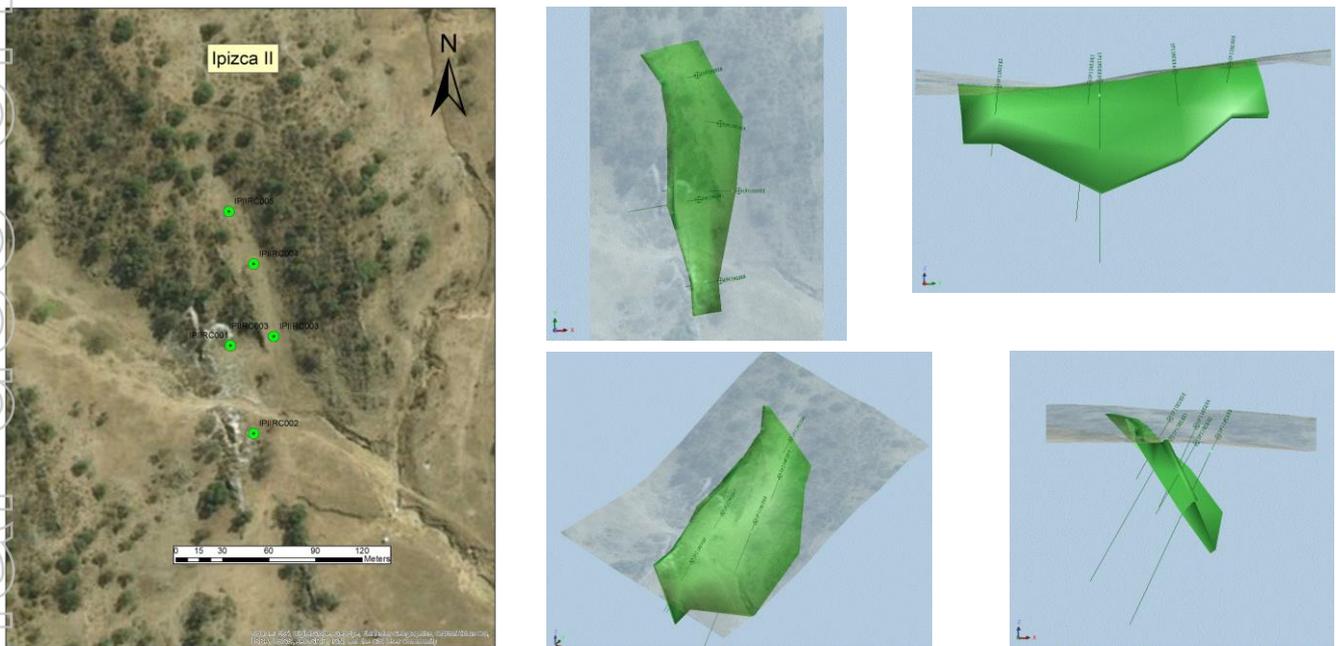


Figure 3. Collar plan, oblique, plan, north looking and west looking 3D conceptual views of Ipizca II pegmatite

At Reflejos del Mar in the Vilisman Group of concessions there has been eight holes completed for approximately 400m. All holes except two Drilling is also showing that the pegmatites continue at depth to the east and extend further along strike to the north beyond the mapped outcrop in the old open pit workings. Drilling is continuing to extend the mineralisation to the north and to the east down dip.

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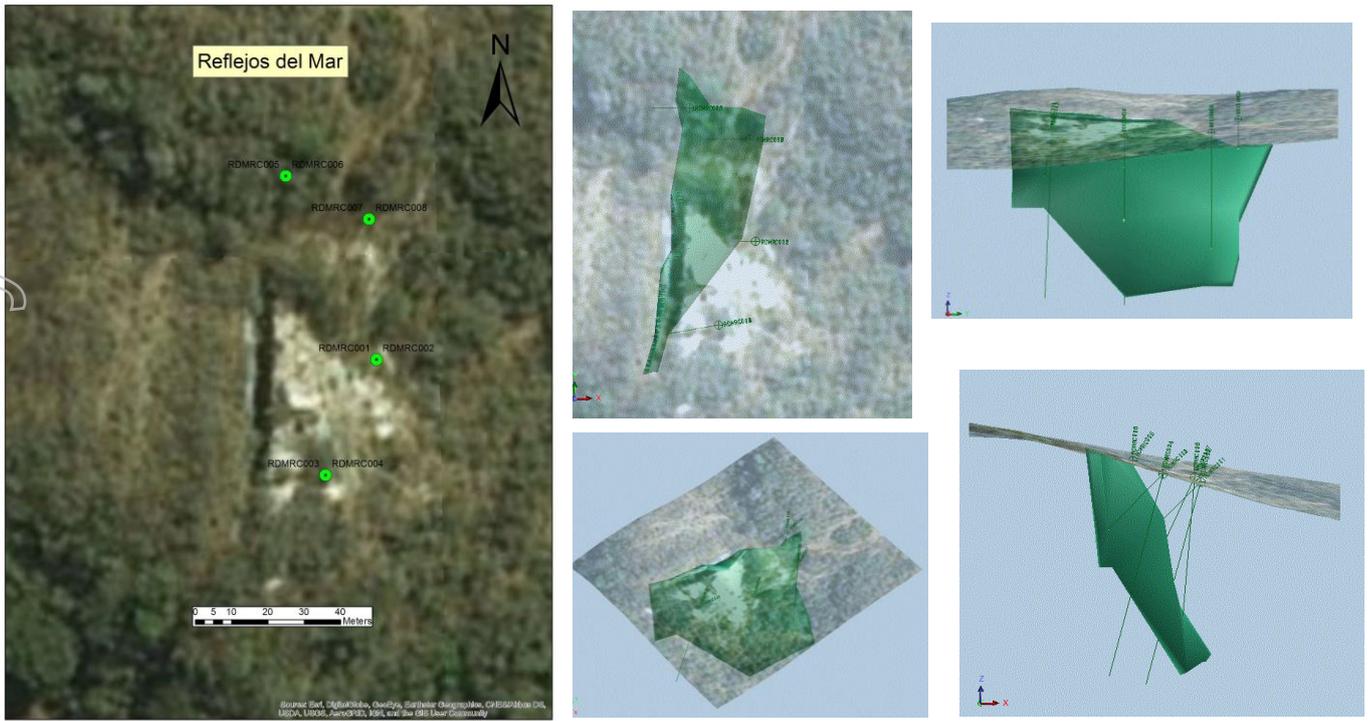


Figure 4. Collar map, oblique, plan, north looking and west looking 3D conceptual views of Reflejos del Mar pegmatite

A total of 58 samples in two batches have now been despatched to the internationally recognised laboratory ALS in Mendoza for sample preparation followed by analysis by ALS in Vancouver using Multi-Element Analysis by Sodium Peroxide Fusion and ICP-MS and Li Analysis by Sodium Peroxide Fusion and ICP-ES for sample over 2.5% lithium.

The assay results are expected to be released before the end of February.

Managing Director Chris Gale commented, “The extension of strike and apparent thickness of intercepts of the pegmatites is extremely encouraging for our Catamarca project. The visible spodumene in all intercepts is even more encouraging this is now proving our theory that we do have lithium spodumene at depth at these historical lithium mines .”

He went on to say, “The positive drilling results in our first two target projects, Ipizca II and Reflecto de Mar, gives us great confidence moving forward with the rest of our concession holdings. We have 2 more targets, Campo el Abra and Santa de Gertrudis, yet to drill in the first pass campaign. However, if you take into consideration these 4 targets represent 8% of our total landholding of 76, 000 hectares at Catamarca there is incredible scale yet to be tested on our lithium project at Catamarca ”.

Drill Holes Details								Mineralisation		
Hole Number	Prospect	Easting	Northing	RL	Total Depth	Azimuth	Dip	Depth From	Depth To	Pegmatite Intercept Thickness*
IPIIRC001	Ipizca II	253415	6813622	988	100	260	-60	16	22	6
IPIIRC002	Ipizca II	253430	6813565	985	50	260	-60	20	22	2
IPIIRC003	Ipizca II	253443	6813628	989	126	270	-65	9	11	2
IPIIRC003	Ipizca II	253443	6813628	989	126	270	-65	47	52	5
IPIIRC004	Ipizca II	253430	6813675	995	54	280	-65	24	31	7
IPIIRC005	Ipizca II	253414	6813709	999	42	255	-60	14	19	5
RDMRC001	Reflejos del Mar	259984	6849202	1107	36	270	-45	19	26	7
RDMRC002	Reflejos del Mar	259984	6849202	1107	78	270	-75	38	47	9
RDMRC003	Reflejos del Mar	259970	6849170	1110	36	260	-45	29	30	1
RDMRC004	Reflejos del Mar	259970	6849170	1110	78	260	-75	No pegmatite Intercepts		
RDMRC005	Reflejos del Mar	259959	6849253	1115	24	270	-55	No pegmatite Intercepts		
RDMRC006	Reflejos del Mar	259959	6849253	1115	24	270	-85	13	19	6
RDMRC007	Reflejos del Mar	259982	6849241	1109	48	270	-65	38	45	7
RDMRC008	Reflejos del Mar	259982	6849241	1109	60	270	-85	52	57	5

Table 1. Drill hole list and pegmatite intercepts. * *These intercepts are down hole apparent thicknesses and do not necessarily represent the true thicknesses. It is also important to acknowledge that as the assays have yet to be returned that the presence of spodumene does not ensure that the lithium content will be economic.*

For further information please contact:

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 101,450 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.

Competent Persons Statements

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.

info@latinresources.com.au

www.latinresources.com.au



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APPENDIX

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of the above exploration results at the Maria del Huerto Lithium Mine Project in San Luis Province, Argentina. The project comprises the San Luis mining tenement number 134-Q-1936 which is within the Puerta Colorada exploration tenement number 85-C-2016.

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
<i>Sampling techniques</i>	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg 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.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘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 (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • RC chips have been sampled at 1m intervals using a two tier splitter to produce a 5-6kg sample. • The splitter was cleaned with compressed air between all samples • Reject material from the splitting has been retained in plastic bags at site
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).</i> 	<ul style="list-style-type: none"> • 5 1/2 inch Reverse Circulation
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of</i> 	<ul style="list-style-type: none"> • Sample recover was assessed visually and will be re-assessed using sample weights measured by the lab at receipt of the samples.

Criteria	JORC Code explanation	Commentary
	<i>fine/coarse material.</i>	
Logging	<ul style="list-style-type: none"> • 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. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • All intervals from the drill chips have been logged by geologists • Logging is by nature qualitative
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • 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. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • Samples were split using a standard 2 tier splitter • All samples were dry • Samples are logged into the lab tracking system, weigh the sample as received, crush 70% <2mm, split off 1000g approx. then pulverize split to >85% -75 microns (>85% -200#). Aliquots of pulverized samples were subject Multi-Element Analysis by Sodium Peroxide Fusion and ICP-MS (ME-MS89L) and Li Analysis by Sodium Peroxide Fusion and ICP-ES for sample over 2.5% lithium (ME-ICP82b) • Sample sizes were appropriate for grain size of material sampled considering the specific targeted nature of the sampling for spodumene.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • The Peroxide Fusion digestion is a specialized and appropriate method for accurately measuring ore grade Lithium content. • Standards, blanks and field duplicates were submitted with the samples for analysis.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • Sample data were recorded on field logging sheets and data entered into a digital MS Access database. • Assays have yet to be returned
Location of data points	<ul style="list-style-type: none"> • 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. • Specification of the grid system used. 	<ul style="list-style-type: none"> • Drill hole locations were measured using hand held GPS. Coordinates of drill holes were recorded in UTM WGS 84. At the completion of the program the collars will be resurveyed by a licensed surveyor using total station equipment

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Topographic control was using handheld GPS and SRTM data. A topographic surface will be surveyed at the completion of the program
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 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. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Drill hole spacing occurs at a nominal spacing of 40-50m No sample compositing occurred. There is not currently enough data for a resource estimate.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Angled Drill holes were orientated perpendicular to the strike of the pegmatites
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Pre-assay sample security was managed by the Company using industry standard chain of custody procedure. Company geologists, directors and consultants and licensed couriers transported the samples from the field to the ALS laboratory for reception.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No external audit or review of the sampling techniques or data has been undertaken beyond that of normal internal Company procedures and that of the respective Competent Persons in the compilation of this and supporting, separate reports.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Ancasti Ranges Lithium project comprises the Catamarca Catamarca exploration tenements: 36M2016, 37M2016, 38M2016, 39M2016, 40M2016, 41M2016, 42M2016, 56M2016 and 57M2016 totalling 77,051 hectares.. The concessions are located as blocks on the map in the body of the announcement (Figure 1).

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> All claim applications have been approved
Exploration done by other parties	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Not applicable
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> Deposit types are pegmatite dykes of intrusive origin resulting in the crystallization and differentiation of a number of mineral species including Spodumene and to a lesser extent other Lithium species. These dkyes are lenticular having up to several hundred metres of strike and several metres width. They appear to have been emplaced along favorable structures within granodiorites in the vicinity (+/- km's) of larger intrusive bodies.
Drill hole Information	<ul style="list-style-type: none"> <i>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:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>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.</i> 	<ul style="list-style-type: none"> Drill hole information is presented in table 1 in the body of the report Not applicable, all available information has been provided above.
Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and 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> <i>The assumptions used for any reporting of metal equivalent values should</i> 	<ul style="list-style-type: none"> Not applicable – no weighted average grades or intersections are subject of this announcement. Not applicable – no aggregate intersections are subject of this announcement. Not applicable – no metal equivalents were mentioned in this

Criteria	JORC Code explanation	Commentary
	<i>be clearly stated.</i>	announcement.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • The true widths are not known at this early stage of drilling
Diagrams	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • Appropriate maps are included in the body of the announcement to show the location from where the samples were collected.
Balanced reporting	<ul style="list-style-type: none"> • <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 to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • The reporting of the results from 20 samples in this announcement is considered balanced.
Other substantive exploration data	<ul style="list-style-type: none"> • <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> 	<ul style="list-style-type: none"> • To the extent possible in such an announcement, the exploration data generated by Latin is meaningfully represented and has been related in an integral fashion. Relationships of the data have been made to past exploration data that is available, ie sample results corroborate the previously published occurrences of spodumene at seven old mines.
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <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> 	<ul style="list-style-type: none"> • Further mapping, surface sampling and drilling are planned to estimate resources according to JORC. • A map showing the locations of the principle studied known deposits has been included in the body of the report. Subsequent work by the company will provide more detail of each of these, and also exploration results aimed at locating more lithium bearing pegmatites within the project area.