

22 March 2022

CLOUD NINE HALLOYSITE-KAOLIN DEPOSIT ADVANCING TO TRIAL MINING FOR BULK SAMPLING AND OFFTAKE QUALIFICATION TESTING

HIGHLIGHTS

- Large diameter diamond geotechnical drilling has commenced at the Cloud Nine Halloysite-Kaolin Deposit in Western Australia to provide an upgrade of the JORC resource.
- Core samples from the diamond drilling will be used to conduct bulk density test work on a number of representative units across Cloud Nine, as well as provide samples for detailed metallurgical test work.
- Detailed drone topographic survey underway for site infrastructure and other planning.
- Permits have been submitted to conduct trial mining via a small test-pit allowing Latin to:
 - collect a large sample for bulk metallurgical testing; and
 - provide product samples to a number of potential offtake partners for their qualification test work.
- The Company has previously reported its maiden JORC (2012) Inferred Mineral Resource of 207Mt of kaolinised granite including a sub-domain of 50Mt grading 6% halloysite¹ – making Cloud Nine one of the largest undeveloped kaolin-halloysite deposits in Australia.

Latin Resources Limited (ASX: LRS) (“Latin” or “the Company”) is pleased to announce the commencement of a geotechnical diamond drilling (*Figure 1*) program at the 100% owned Cloud Nine Halloysite-Kaolin Deposit (“Cloud Nine”), where the Company released its maiden Mineral Resource Estimate (“MRE”) of 207Mt Inferred Resources at Cloud Nine in May 2021¹. The Company has also submitted permitting applications to allow the excavation of a test-pit to provide further bulk samples to several potential offtake partners.



Figure 1: Diamond drilling rig setting up on site at Cloud Nine

DIAMOND DRILLING

The planned drilling of up to ten PQ (85mm) diameter drill holes aims to provide sufficient representative core samples from within the footprint of the existing JORC MRE, for detailed density and geotechnical analysis. The density data is an integral part of the ongoing resource estimate work at Cloud Nine aimed at increasing the confidence levels in the current Inferred JORC resource, while the geotechnical data is required for the mine design and scheduling work currently underway as part of the Company's Pre-Feasibility Studies ("PFS") and other studies.

TOPOGRAPHIC DRONE SURVEY

Survey contractors have mobilised to the Cloud Nine site to complete a detailed topographic and aerial imagery survey (Figure 2). The drone data will be used to generate a detailed three-dimensional Digital Terrain Model ("DTM") of the ground surface, which will be utilised in the excavation of the test-pit, detailed longer term mine design and infrastructure planning work that is currently underway as part of the technical studies.

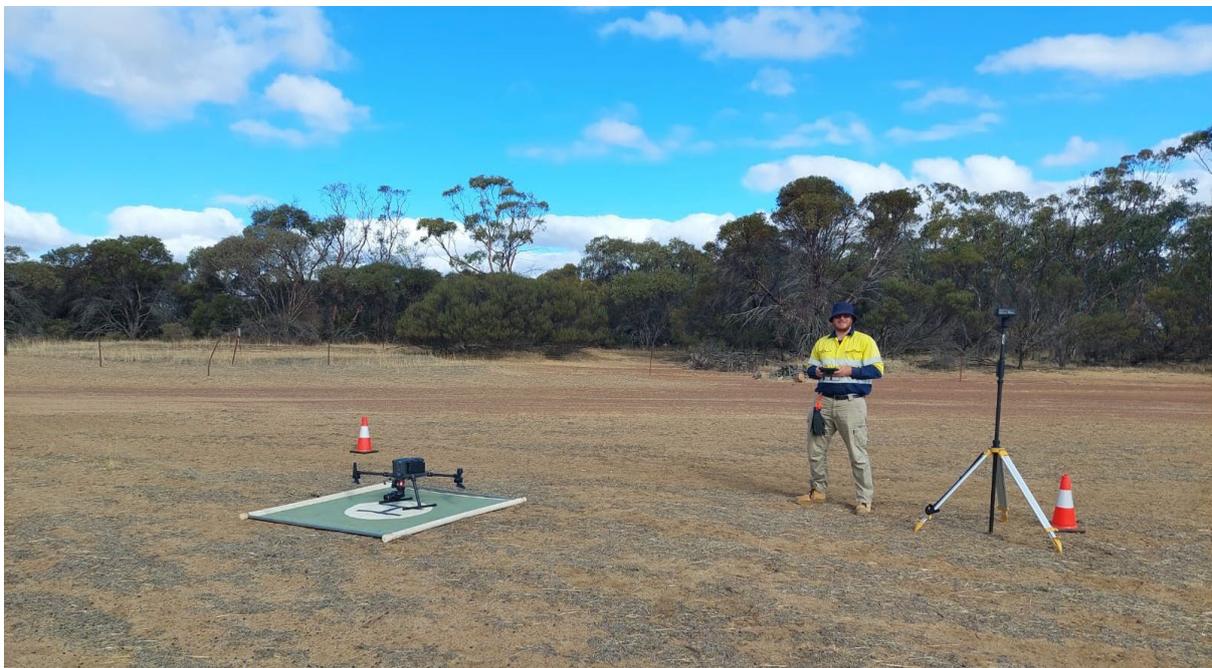


Figure 2: Detailed drone survey underway at Cloud Nine

TECHNICAL STUDIES & PROJECT PERMITTING

In parallel with the ongoing resource estimation work at Cloud Nine, the Company has commenced the permitting and approvals process. This has included: the submission of a Program of Work ("POW") application under the Company's current Exploration Licence, to the Department of Mines, Industry Regulation and Safety ("DMIRS"), to enable the excavation of a trial mining test-pit at Cloud Nine; applications to convert the current Exploration Licence to a full Mining Licence; and scheduling for the commencement of baseline environmental studies.

Kaolinite extracted from the test-pit will be used in bulk scale metallurgical testing, and importantly will be used to prepare bulk product samples which will be sent to two separate groups currently in discussion with the Company in respect to potential offtake agreements to allow them to undertake their own product qualification testing.

The Company has provided multiple small scale samples from Cloud Nine to the two parties. Preliminary discussions with both groups have included options to supply short term Direct Shipping Ore ("DSO") products, as well as supplying value-added processed kaolinite and halloysite products in the longer term.

Latin Resources Exploration Manager, Tony Greenaway commented: "It is an exciting time for the project, with the first diamond drill core coming out of ground this week, work underway in the background to upgrade the current Inferred JORC resource, and multiple study pathways advancing."

"The submission of the POW application for the trial mining test-pit and commencement of other approvals-based work is a key milestone for the project.

"We have been in detailed discussions with a number of potential offtake partners for both Cloud Nine kaolinite and halloysite products, and the shipment of bulk product samples from the planned test-pit will be a significant step forward."

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

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About Latin Resources

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

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

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

Forward-Looking Statement

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

Competent Person Statement

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

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

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APPENDIX 1

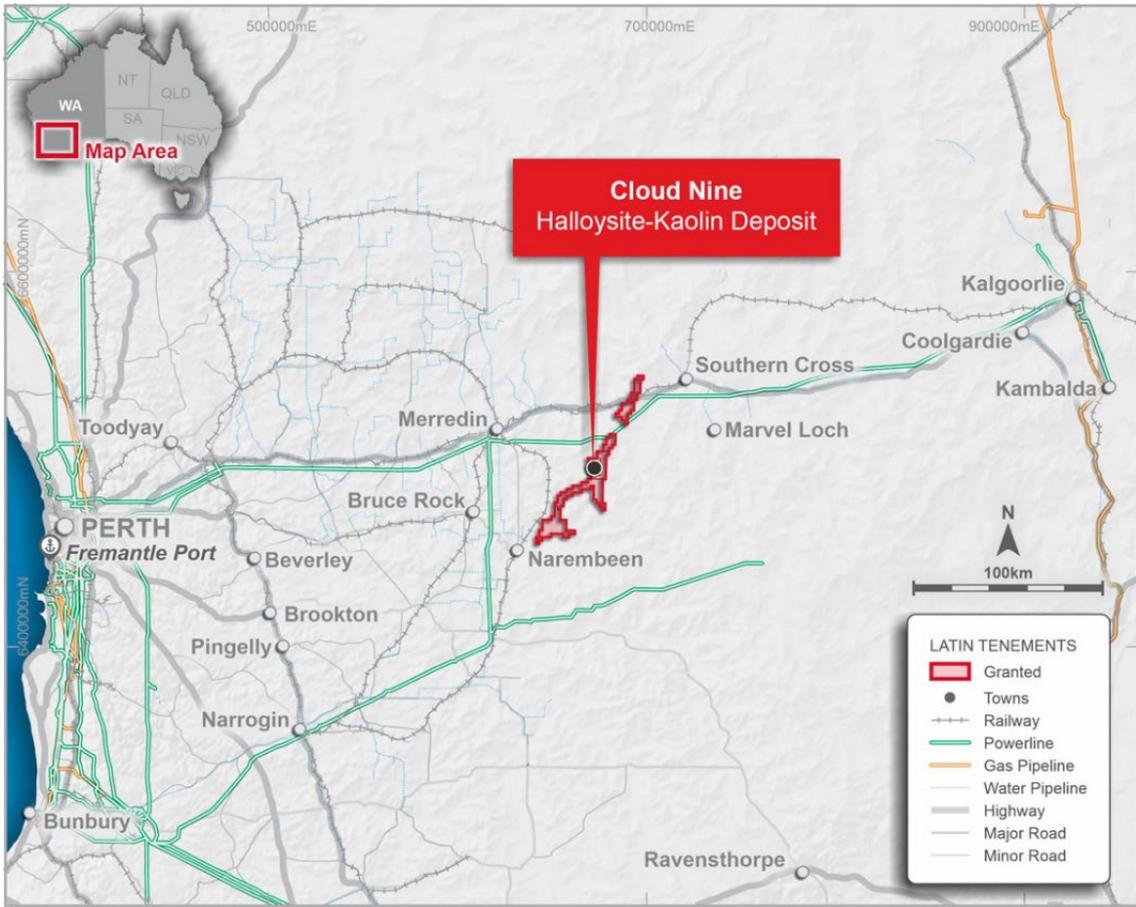


Figure 3: Cloud Nine regional location and infrastructure

¹ Refer to ASX announcement dated 31 May 2021