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MARKET UPDATE ON LATIN RESOURCES PROJECTS ARGENTINA AND PERU

HIGHLIGHTS

- **UnCuyo University spodumene to lithium carbonate pilot plant build commenced**
- **Field work completed at Lomo de Pelada, Catamarca**
- **Drilling to start at Maria del Huerto project**
- **Concession applications covering over 98,000 hectares in San Luis expected to be granted early 2018**
- **La Rioja – Cobalt Project field work to start**
- **Primero has commenced high level scoping study on lithium projects**
- **Agreement for sale of copper assets to TSXV listed Westminster Resources Ltd expected to be signed by year end**
- **Field work commenced by First Quantum on Peru copper project**
- **Negotiations commenced with buyer for Guadalupito project**
- **Negotiations continue with potential JV and offtake partner on lithium projects**

Latin Resources Limited (ASX: LRS) (“Latin” or “the Company”) is pleased to provide the following update on its various projects located in Argentina and Peru , South America .

UnCuyo University, Mendoza, Argentina.

Latin Resources has received the go-ahead to order equipment for the UnCuyo University spodumene technology first stage pilot plant. The construction of the laboratory scale pilot plant will commence in January 2018 and will require an initial investment in the vicinity of USD\$50,000 with a further investment to scale plant to full pilot plant size.

The first stage construction should be completed in February 2018 with initial test work commencing in March 2018. If proven successful the test work will lead to the building of a full scale pilot plant to further prove the process of turning a spodumene concentrate into a lithium carbonate product over which Latin Resources has secured a technology license agreement.

Loma Pelada, Catamarca.

Mapping and sampling has been completed at the Loma Pelada project in Catamarca province approximately 3km from the village of Villisman. Historical mapping and a first pass visit in early 2017 showed the likelihood of multiple sub parallel pegmatites. This has now been confirmed with drill targets currently being determined with drilling to commence in the first-quarter of 2018.

Latin Resources holds a large lithium pegmatite land package in Catamarca with over 70,000 hectares of concessions. Further follow-up exploration work will be undertaken at the Catamarca concessions including an airborne radiometric and magnetic survey in the first quarter of 2008.

Maria del Huerto EIR

Latin Resources will undertake exploration and resource development drilling at the Maria del Huerto project in San Luis commencing in late January 2018 once the drilling operator has been appointed. The drilling will be funded from existing cash resources.

Further detailed mapping and sampling has been completed at the site which has allowed the generation of targets for the initial exploration and resource development drilling. Approximately 1,200m of diamond drilling and 3,000m of reverse circulation drilling has been planned to target the sheeted pegmatite mineralisation. The target zone contains at least three ,possibly four, closely spaced pegmatites that are separated by 20 – 30 meters, dip at 50 – 60 degrees and extend over a strike length of approximately 400m (See Figure 1). Abundant spodumene is evident in the abandoned historic quarry which was the first lithium mine in San Luis, commencing operations in 1936.

The drill core will be sent to Perth to commence metallurgical test work by Primero engineers to determine a flow sheet for a stand alone processing plant.

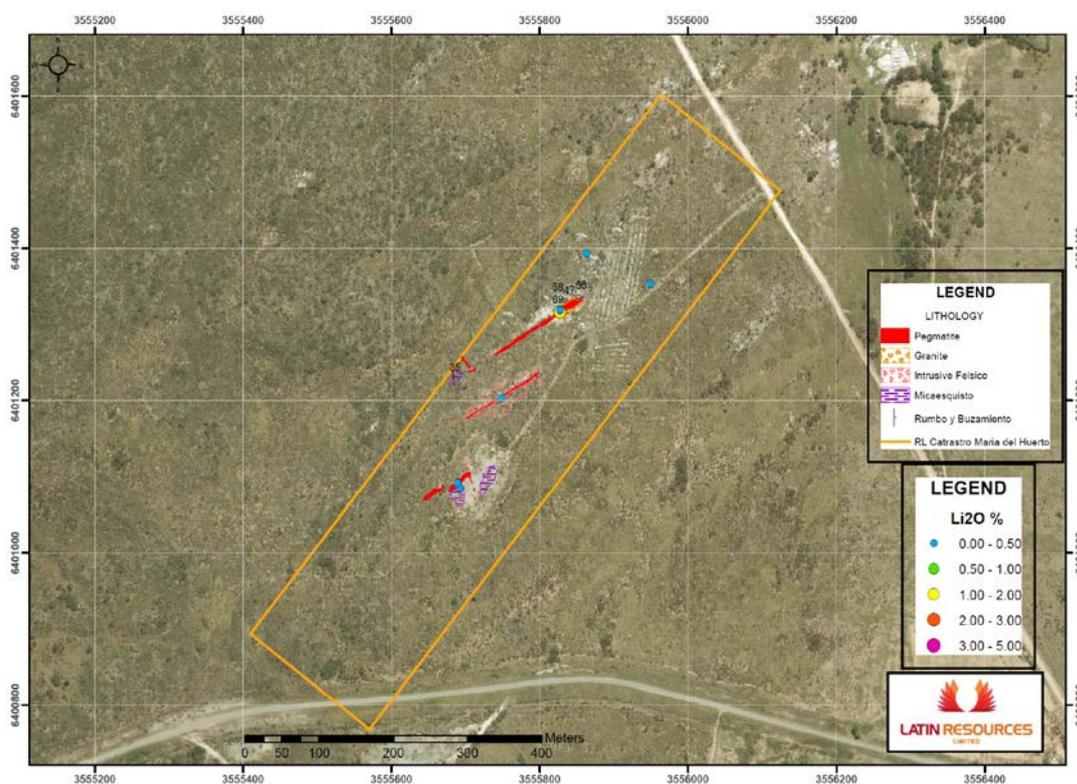


Figure 1. Maria del Huerto Geology

Exploration Concession Applications, San Luis .

The Company's exploration team has undertaken and completed reconnaissance work on prospective free areas in the San Luis province. Evaluation of these zones was completed by identifying possible pegmatitic outcrops using satellite imagery analysis and then ground truthing the outcrops to confirm they were pegmatites. Ten new exploration zones have been identified through this process and exploration concession applications submitted for these areas (See Figure 2).

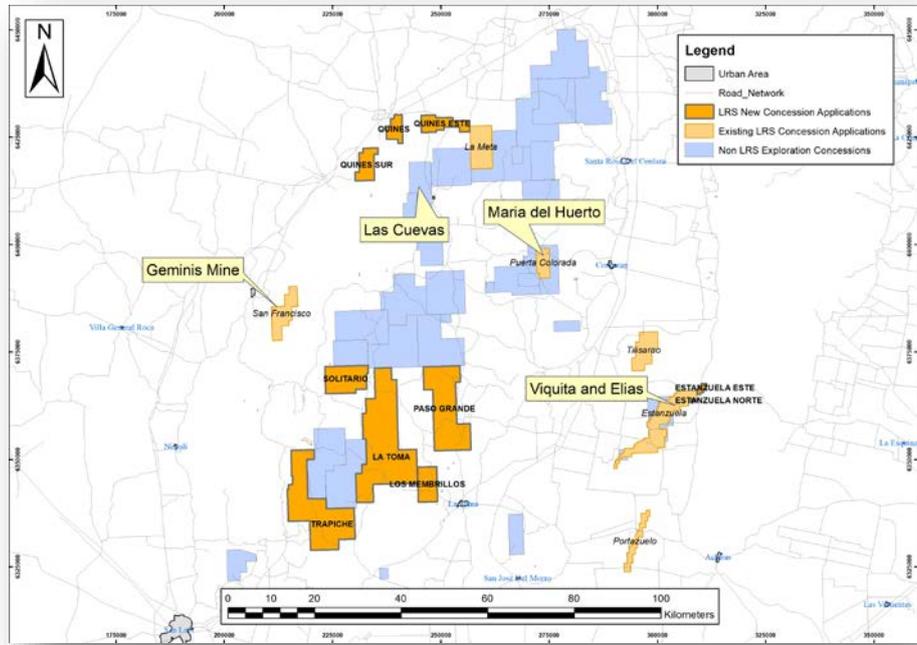


Figure 2. New Concession Application Locations

The area of the ten new concession applications is 73,243 ha. The Company now has 98,030 Ha under application or agreement in San Luis Province. The environmental reports (EIA) have been submitted for the majority of the concessions.

High level discussions held with the San Luis Mines Department have determined that the concessions will be granted along with the EIA's in early 2018.

Table 1. New Concession Applications

Existing Concession Name	Area (Ha)	New Concession Name	Area (Ha)
La Meta	5,000	Estanzuela Este	341
La Estanzuela	7,976	Estanzuela Norte	86
El Portazuelo	1,988	Quines	1,878
Tilisarao	3,838	Quines Sur	2,875
San Francisco	3,977	Quines Este	3,174
Puerta Colorada	1,990	Trapiche	17,274
Maria del Huerto	18	La Toma	24,248
Total Existing Concessions	24,787	Solitario	5,878
		Paso Grande	13,926
		Los Membrillos	3,564
		Total New Concession Applications	73,243
		Total San Luis Concessions	98,030

La Rioja Cobalt project

The consultants that submitted the concession applications and completed the supporting EIA's have advised that the approvals of the EIA's and the issue of the concessions is imminent. They also advise that geological work such as mapping and sampling can be carried out now. Consequently, fieldwork will commence in the first-quarter of 2018 for further mapping and sampling to assist in determining drill targets.

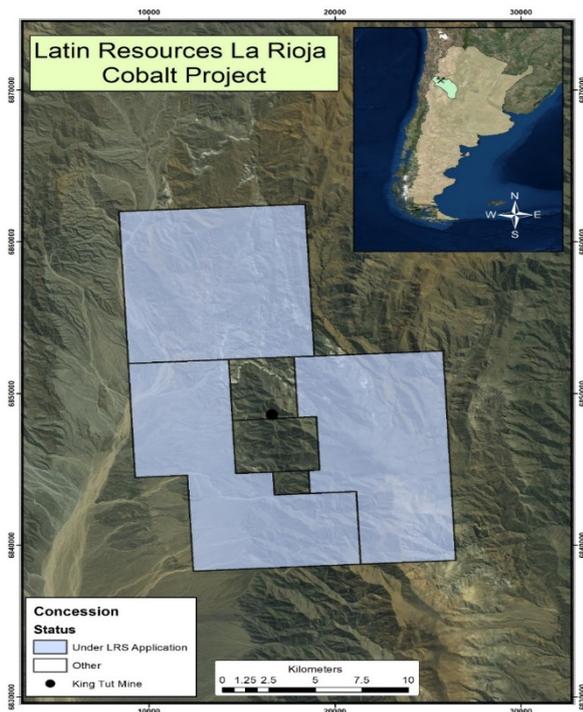


Figure 3. La Rioja Concessions

Primero - High Level Scoping Study

Latin Resources has appointed Primero Consulting Engineers to carry out a high level scoping study for its lithium pegmatite projects in Argentina. The metallurgical test work will be carried out on material derived from drill core at the Maria Del Huerto project.

The Company strategy is to run the scoping study in parallel with the drilling to determine a JORC resource in respect of its lithium projects in Argentina.

The purpose of this work is to provide Latin Resources an indicative CAPEX for a stand-alone process plant, based on benchmark data located in Argentina. The general scope of work is outlined below.

Scope

- Throughput: 1.2 Mt per annum
- Head grade: 1.4% Li₂O
- Target plant availability: Plus 80%

- Feed size: to be confirmed, but indications are a 3-5mm top size will be required
- DMS bottom size should be 1mm
- Mineralogy: to be confirmed, the starter pit will be developed from predominantly spodumene ore.
- Concentrate is to be shipped in bulk.
- Target spodumene concentrate grade: 6% Li₂O
- Plant life: Plus 10 years
- Water quality: Low saline – close to potable
- The pegmatite ore has an average specific gravity of 2.6.
- Preliminary plant costings for -4mm front end comminution circuit, with conventional 2 stage crush and HPGR for tertiary duty. Crushed ore reports to a dense medium separation plant (DMS) producing a DMS spodumene concentrate, which is stockpiled onsite. The majority of DMS circuit tails reports to a Ball Mill with Spodumene Flotation circuit with concentrate filtration and storage in a concentrate shed.

The level of detail required for the study is to predicate a determination of the magnitude of CAPEX required for the processing Plant.

Westminster Resources Peru Copper asset sale

The sale of the Company's copper assets in Southern Peru ("**Projects**") to Westminster Resources Limited (TSXV: WMR) is nearing completion. A 43-101 technical report on the Projects has been submitted to the Toronto Stock Exchange - Venture for their review. Legal due diligence is nearing completion, and a director of Westminster Resources ("**WMR**"), has visited the site in Peru finalizing plans for the transition. As a result of these activities it is expected that the Company should be in position to sign the final Sale Agreement by year-end. The transaction is subject to shareholder and final TSX Venture approval.

Upon transfer of ownership of the concessions comprising the Projects to WMR or its subsidiary WMR shall issue to Latin Resources as part consideration for the Projects a total of 19,000,000 fully paid ordinary shares in the capital of WMR ("**Purchase Shares**").

The Purchase Shares will be placed into voluntary escrow and held until the concessions comprising the Projects have been effectively transferred by Latin to WMR or its subsidiary. The Purchase Shares shall be released from escrow on the following milestones:

- a) 1,000,000 shares on the 6 month anniversary of the signing of the Sale Agreement;
- b) 3,000,000 shares on the 12 month anniversary of the signing of the Sale Agreement;
- c) 15,000,000 shares on the 18 month anniversary of the signing of the Sale Agreement.
- d) In addition to the Purchase Shares , as part of the consideration for the Projects a lump sum of USD \$150,000 is payable by WMR to Latin Resources on the signing of the Sale Agreement; and
- e) A further USD\$100,000 is payable by WMR to Latin Resources on the first anniversary of the signing of the Sale Agreement

Based on the closing share price of WMR of CAD\$0.345 as at 5 September 2017 the sale transaction has a total value of more than AUD\$6.8 million comprising AUD\$6.5 million in shares and USD\$250k in cash.

First Quantum Minerals (FQM), Peru

FQM has commenced an induced polarization (IP) geophysics program on the MT03 copper concessions in Ilo District, Southern Peru. The data will be analysed and on completion used to generate drill targets with the drill permitting to commence shortly thereafter.

Guadalupito Project

Latin Resources has entered into preliminary discussions with a private company based in Vancouver, Canada to assist in selling its Guadalupito Mineral sands project in Peru, South America.

The terms being discussed involve selling up to 100% of the Guadalupito project with the project potentially being vended into a Toronto Venture Stock Exchange company.

Joint Venture and Offtake Negotiations

The Company advised the ASX on 13 November 2017 that it is in preliminary discussions with various parties in relation to potential joint venture agreements or offtake arrangements in respect of its lithium assets in Argentina. The Company refers to the its Update Presentation lodged with ASX on 21 August 2017 which highlights part of the Company's strategy of identifying and developing projects with suitable JV partners.

The Company advises that negotiations are continuing with progress being made to agree suitable terms on a JV and an offtake agreement.

Managing Director Chris Gale commented, "Latin Resources has now set a strong foundation in 2017 to commence serious development of its lithium projects in Argentina. The plan to develop a JORC resource and then move into a pre-feasibility study proves to be exciting times for Latin in 2018.

He went on to say, "the possibility of First Quantum drilling our copper project in Ilo along with our new sister company Westminster Resources developing our other Ilo copper projects adds further value to LRS with copper prices recently reaching 5 years highs."

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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.

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