



**LATIN RESOURCES**  
Pty Ltd

18<sup>th</sup> February 2009

## **Latin Resources secures A\$2.2 million funding facility**

### **HIGHLIGHTS**

- **Secured Convertible Note Deed completed**
- **Latin Resources fully funded for Iron Ore exploration**
- **Geophysics program for Ilo projects to commence in March**

### **SUMMARY**

Latin Resources Pty Ltd ("Latin") is pleased to announce it has entered into a secured convertible note agreement with Dempsey Resources Pty Ltd ("Dempsey"), a wholly owned subsidiary of Cape Lambert Iron Ore Ltd.

Under the terms of the agreement, Dempsey has the right before the repayment date of August 17<sup>th</sup>, 2010 to convert the Note into ordinary shares in Latin Resources. The conversion price will be \$0.10.

Latin has agreed to pay interest at a rate of 12% pa on the convertible note. In addition, in consideration to Dempsey for subscribing for the Note, Latin has agreed to issue Dempsey 10,000,000 options which can be exercised at \$0.10 on or before 30<sup>th</sup> June 2011.

Latin Resources views this commitment by Dempsey Resources to financially support their iron ore projects in Peru as a positive step forward and allows the company to continue to develop its strategic plan in Peru.

### **2009 Geophysics exploration**

The 2009 geophysics program is scheduled to start in March 2009.

### **Appointment of a Technical Director**

As part of the agreement, Dempsey can nominate a non-executive director to join the board of Latin.

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