

30 September 2011

Ausenco to undertake Guadalupito Scoping Study

Latin Resources Limited (ASX: LRS) (“Latin” or “the Company”) is pleased to announce the appointment of Ausenco Limited (“Ausenco”) to undertake a scoping study on its flagship Guadalupito Iron and Mineral Sands project in Peru.

It is anticipated the scoping study will be nearing completion by the end of 2011.

Guadalupito Scoping Study

The Scoping Study for Guadalupito will be carried out by the highly credible and well known resource consultants, Ausenco who have a significant commitment to Peru, where they have an office and substantial in-house technical expertise in process engineering.

The Scoping Study brief consists of the following;

The Mining Operation

Establish the scale of mining suitable for the project taking into account:

- Development of early cash flow, primarily on the basis of a simple 10 Mt/a mining operation with a magnetite product;
 - Development of an early “proof of concept”;
 - Staged establishment of a mining operation in the area;
 - Access to a portion of the deposit is well advanced to the remaining portion of the deposit;
- An eventual target, within 3 to 5 years, of developing a 30 to 35 Mtpa mining operation to deliver magnetite to the smelter in Chimbote as one of several potential options, including pelletizing and export to Asia;
- Understanding the economics of the extraction of the minor minerals and elements and the most suitable place in the project for their extraction to commence;
- Determine the mining method suitable for the deposit;
- Examine suitability of existing infrastructure and suggest likely required upgrades particularly electricity and fresh water;
- Determine transport options including an assessment of the suitability of the Chimbote port facilities to receive bulk concentrative via road (limits on roads, bridges etc., and the export capacity of the port);
- Transportation of concentrate by road or pipeline from the Guadalupito mine site to the Chimbote port, separation plant or pellet plant site and the implications of slurry transportation should be understood;
- Establish the operational characteristics and requirements of pelletising and concentrate at Chimbote;
- Establish the operational characteristics and requirements for undertaking gravity concentration at the mine site, subsequent concentrate separation in a separate facility in Chimbote or other potential industrial site;
 - Develop a capital and operating estimate suitable for scenario evaluation and decision making;
 - Generate a preferred project plan.

Latin’s Managing Director Mr Chris Gale said “*Latin is pleased to engage Ausenco; a well-respected company with proven mineral sands experience who are very familiar with the Peruvian resources sector. Their in-house expertise and knowledge of the local conditions bode well for a successful study and a positive outcome for our shareholders.*”

The Company recently announced the appointment of Snowden mining consultants to prepare a maiden inferred JORC resource estimate for the Guadalupito Iron and Mineral Sands Project. The JORC estimate is expected to be completed by November 2011.

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About Latin Resources Limited

Latin Resources Limited is a mineral exploration company focused on creating shareholder wealth through the identification and definition of mineral resources in Latin America, with a specific focus on Peru.

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