



31 March 2011

ASX Announcement

Presentation to Stockbrokers and Sophisticated Investors - Clarification

The following information is clarification on the Guadalupito Project information presented on page 13 of the Presentation released to the market on Friday 25, March 2011.

With respect to the bullet point, *Conceptual target of 1 Billion tonnes of mineralized sediments* (inclusive of the minerals and rare earths referred to below):

The Company would like to clarify that this statement is based on information reported to the ASX on 10 February 2011, as quoted below:

“Geological mapping at Guadalupito confirms that at least 6,000 hectares within the Company’s concessions are highly prospective. Work conducted at Guadalupito to date highlights good potential for economic content of:

Magnetite (3.5 - 15.1%)
Andalusite (5.3 - 16.5%)
Gold (6 - 556 mg/m³)

And potentially economic content of:

Monazite (REE) (trace - 1.7%)
Zircon (trace - 1.1%)
Ilmenite (trace - 2.8%)
Wolframite (trace)”.

The area of highly prospective sediments mapped at surface are estimated to be at least 10m thick considering the shoreline depositional environment that gave rise to them. The density of coastal sediments can also be estimated at between 1.8-2.2 g/cm³. These general assumptions allow for the development of a conceptual exploration target mass of at least 1 billion tonnes of sediment (range between 1 billion to 1.3 billion tonnes).

With respect to the second bullet point on page 13, *Avg 10% magnetite - Potential 100MT of 62% Iron:*

The Company would like to clarify that this statement reflects what might be a reasonable exploration target average magnetite content based on results of limited exploration sampling previously reported to market, and considering the continuity of mapped geology. The potential for 100MT of 62% Iron (concentrate) is based on a range of 35-150MT with a grade ranging between 3.5% and 15.1% which is applied to the conceptual target mass of mineralised sediments referred to in the first bullet point. 62% Iron is a discounted figure from data previously reported to the ASX on 29 November 2010, where two magnetic concentrates prepared from samples from Guadalupito contained 63.5% and 64% Iron respectively.

The company would like to reiterate that the potential quantity and grade referred to on slide 13 is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

For further information please contact:

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The information above and in the Stockbrokers and Sophisticated Investors Presentation released to the market on March 25, 2011 is based on information compiled by Mr Andrew Bristow, a full time employee of Latin Resources Limited’s Peruvian subsidiary. Mr Bristow is a member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralization and the type of deposit under consideration to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Bristow consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.