LATIN RESOURCES LIMITED
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22 November 2010

Dear Shareholder,

NON-RENOUNCEABLE ENTITLEMENT ISSUE

Latin Resources Limited (**Company**) has lodged a prospectus for a pro-rata entitlement issue of one (1) Option for every five (5) Shares held by Shareholders at an issue price of $0.01 per Option, to raise up to approximately $265,500 (**Entitlement Issue**).

The entitlement issue will result in the issue of approximately 26,550,000 Options in the Company.

The Prospectus relating to this issue has been lodged with the Australian Securities and Investments Commission and ASX and is available on the ASX website for inspection. The timetable and important dates of the issue are set out below:

TIMETABLE AND IMPORTANT DATES*

Lodgement of Prospectus and Appendix 3B with ASX	19 November 2010
Notice sent to Shareholders	23 November 2010
Ex Date	24 November 2010
Record Date for determining Entitlements	30 November 2010
Lodgement of Prospectus with ASIC	19 November 2010
Prospectus dispatched to Shareholders	3 December 2010
Closing Date	17 December 2010
Notify ASX of under-subscriptions	22 December 2010
Dispatch date/Shares entered into Shareholders' security holdings	23 December 2010

The purpose of the issue is to raise up to approximately $265,500 and the funds raised will be used to fund working capital.

The capital structure of the Company on completion of the issue will be as follows:

Shares

	Number
Share currently on issue	132,750,000
Shares offered pursuant to the Entitlement Issue	Nil
Total Shares on issue	**132,750,000**

* Assumes the offer is fully subscribed.

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Options

	Number
Exercisable at $0.30 on or before 31 March 2013	11,000,000
Options issued pursuant to the Offer	26,550,000
Options to be issued to Melbourne Capital Ltd (or their nominee(s))	15,000,000
Total Options on issue after completion of the Offer[1]	**52,550,000**

* Assumes the offer is fully subscribed.

In calculating entitlements under the entitlement issue fractions will be rounded up to the nearest whole number.

Full detail of the issue will be contained in the Prospectus that will be mailed to all shareholders who are registered on the record date. Shareholders eligible to participate should read the Prospectus carefully.

Yours faithfully

JIM MORAN

Company Secretary