



LATIN RESOURCES LIMITED

LATIN RESOURCES LIMITED
ACN: 131 405 144

Level 1, 173 Mounts Bay Road
Perth Western Australia 6000
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9 June 2011

ASX Announcement

Second and Final Tranche of Placement Issue -3,750,005 Shares Issued and Allotted

On May 27 2011 Latin Resources Limited (ASX: LRS, LRSO) announced that firm commitments for 15,384,618 shares had been received from sophisticated and institutional investors.

The Second tranche of those shares totalling 3,750,005 will now be allotted and issued (**Second Tranche Shares**). Holding statements have been despatched to shareholders today.

The Cleansing Statement and Appendix 3B for the Second Tranche Shares are attached. Following the allotment of these Shares the issued capital of the Company will be:-

Shares

Ordinary Fully Paid

Ordinary Fully Paid (Restricted)

Number

82,384,619

65,750,000

148,134,619

Options

Options - Expire on 31 March 2013; exercise price \$0.30 (*Restricted*)

Entitlements Issue Options - Expire on 31 March 2013; exercise price \$0.30

8,000,000

44,550,000

52,550,000



J.R. Moran
Company Secretary



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The Manager
Company Announcements Office
Australian Securities Exchange Limited
PO Box H224
Australia Square NSW 1215

Dear Sir

**S708A Cleansing Statement
Issue of Shares under a Placement**

On 27 May 2011 Latin Resources Limited (ASX: LRS) announced that it had received firm commitments for 15,384,619 fully paid Ordinary Shares from sophisticated investors at 26 cents each, raising (before costs) \$4.0 million.

This notice is for the Second and Final Tranche of 3,750,005 shares to be allotted and issued from the above shares (**Second Tranche Shares**).

In accordance with the requirements of section 708A(5)(e) of the *Corporations Act 2007* (Act), under this notice is given, the Company confirms that:

- 1) The 3,750,005 Second Tranche Shares are part of the class of ordinary shares already quoted on the ASX;
- 2) The Company issued the Second Tranche Shares without disclosure to investors under Part 6D.2 of the Act, in reliance on sections 708 and that notification is being given under 708A(5)(e) of the Act;
- 3) As at the date of this notice:
 - a) the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
 - b) the Company has complied with section 674 of the Act; and
- 4) As at the date of this notice, there is no information:
 - a) That has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - b) That investors and their professional advisors would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
 - i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - ii) the rights and liabilities attaching to the Placement Shares.

The Appendix 3B in relation to the issue of the Second Tranche Shares is attached.

Yours faithfully


J.R Moran
Company Secretary

Attachment.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Latin Resources Limited

ABN

81 131 405 144

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

| 1 | +Class of +securities issued or to be issued | Ordinary Fully Paid Shares | | | | | | |
|------------|--|--|--------|--------|------------|----------------------------|------------|--|
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 3,750,005 | | | | | | |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary Fully Paid Shares will rank pari passu with existing Ordinary Fully Paid Shares | | | | | | |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | Yes | | | | | | |
| 5 | Issue price or consideration | 26 cents per share | | | | | | |
| 6 | Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets) | Funds will be used for:- <ul style="list-style-type: none"> • further exploration advancement of the Guadalupito and Ilo Projects in Peru; and • working capital requirements | | | | | | |
| 7 | Dates of entering +securities into uncertificated holdings or despatch of certificates | 8 June 2011 | | | | | | |
| 8 | Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable) | <table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>82,384,619</td> <td>Ordinary Fully Paid Shares</td> </tr> <tr> <td>44,550,000</td> <td>Options (expire on 31 March 2013; exercise price \$0.30)</td> </tr> </tbody> </table> | Number | +Class | 82,384,619 | Ordinary Fully Paid Shares | 44,550,000 | Options (expire on 31 March 2013; exercise price \$0.30) |
| Number | +Class | | | | | | | |
| 82,384,619 | Ordinary Fully Paid Shares | | | | | | | |
| 44,550,000 | Options (expire on 31 March 2013; exercise price \$0.30) | | | | | | | |
| 9 | Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable) | <table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>65,750,000</td> <td>Ordinary Fully Paid Shares</td> </tr> <tr> <td>8,000,000</td> <td>Options (expire on 31 March 2013; exercise price \$0.30)</td> </tr> </tbody> </table> | Number | +Class | 65,750,000 | Ordinary Fully Paid Shares | 8,000,000 | Options (expire on 31 March 2013; exercise price \$0.30) |
| Number | +Class | | | | | | | |
| 65,750,000 | Ordinary Fully Paid Shares | | | | | | | |
| 8,000,000 | Options (expire on 31 March 2013; exercise price \$0.30) | | | | | | | |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | Not applicable | | | | | | |

Part 2 - Bonus issue or pro rata issue

Questions 11 to 33 inclusive are not applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Questions 35 to 37 inclusive are not applicable.

Entities that have ticked box 34(b)

Questions 38 to 41 inclusive are not applicable.

Quotation agreement

1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those ⁺securities should not be granted ⁺quotation.
- An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.

- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(Company Secretary)

Date:



Print name:

J.R. MORAN

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