

# MEDIA CLIPPING

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### Latin soars on Chinese deals

Colin Jacoby  
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**INVESTORS have smiled on South American focused explorer Latin Resources in morning trade on news a Chinese group will fork out up to \$A52 million to acquire up to a 16.8% stake in the company and earn up to 70% in its Mariela and Dylan concessions.**

Latin has agreed to a placement of up to 30 million shares, or around 16.8% of the company, in two tranches to Hong Kong-based company Junefield High Value Metals Investments at 28c per share to raise \$8.4 million. The issue price represents a 51% premium to yesterday's closing price of 18.5c.



Peru's rugged terrain.

Junefield will also receive 10 million options at an exercise price of 30c expiring on June 20, 2013.

Junefield High Value Metals is a subsidiary of Chinese-based private company Junefield Holdings which owns a major shareholding in Hong Kong-based Junefield Department Store Group.

The company is mainly focused on property markets in Asia but also holds interests in property, coal trading, mineral exploration and project development operations in Peru.

Funds raised from the placement will go towards the current exploration and drilling campaign at Latin's flagship Guadalupito iron mineral sands project in Peru where a maiden JORC resource is expected to be released in the first quarter next year.

Funds will also go towards fast tracking exploration activity on its 110,000 hectares of granted tenements in the Ilo district of southern Peru.

In addition, Latin has also entered into a binding earn-in option agreement with Junefield-backed Total Genius Iron Mining on its Mariela and newly optioned Dylan concessions in the Islay province of Arequipa in Southern Peru.

Total Genius has inked an earn-in option agreement for up to 70% on the concessions by funding all activities up to completion of the bankable feasibility study or to a total cost of \$35 million.

If Junefield fails to apply the exploration program for the project within four years from the date of the earn-in option agreement, Latin will have the right to terminate the agreement and retain 100% ownership of the project.

The agreement is subject to regulatory and shareholder approvals as well as the execution of a placement agreement by Junefield and Latin.

Meanwhile, Latin has finalised an option agreement to purchase the Dylan III and Dylan IV concessions which lie adjacent to its Mariela iron copper gold project in Peru.

Both concessions will in total cost \$US12 million in staged payments with Junefield funding 70% or \$8.4 million of the cost.

"Latin is very pleased to be able to secure the Dylan concessions as the exploration work to date indicates that these concessions hold an extension to the significant geophysical anomaly encountered on Mariela," Latin managing director Chris Gale said.

"By securing these concessions we believe that we will have the whole anomaly within our title and are very excited with the prospectivity of the combined concessions."

The option is subject to regulatory approvals and final documentation.

Shares in Latin have soared 4.5c to an intraday high of 24c and have since retreated to 22c in late morning trade.

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