

Latin Resources extends strike to 28 kilometres, identifies higher grade heavy mineral, gold targets - P...



LATIN RESOURCES

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Latin Resources (ASX: LRS) is focused on Peru where the company has several projects.

At Ilo Norte the focus is iron, copper and gold, while at Guadalupito the target is iron and heavy mineral sands - with the company targeting a JORC Resource in 2011.

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Thursday, March 15, 2012 by Christine Feary



Finding higher grade gold and heavy minerals at the Guadalupito Project, near Barrick Gold's Pierina Mine, has bolstered Latin's confidence that it could have a world class multi-commodity mineral sands project on its hands.

Latin Resources (**ASX: LRS**) has discovered new elevated heavy mineral and gold content at the Guadalupito Project in northern Peru, resulting in an increase in strike length to 28 kilometres.

A total of 2,895 samples have been collected from 1 metre deep pits at Guadalupito, with an average of 8.9% Total Heavy Mineral Content returned from 1,913 samples, based on a 3% cut-off grade.

Meanwhile, 2,234 samples returned an average of 12.5% heavy minerals within an average sand content of 70% by weight, also with a 3% cut-off grade.

In addition, gold content over the 2,234 samples averages 0.32%, or 1.5% by weight, indicating that gold could be an important by-product of an operation at the project.

Analysis of the samples highlights extensive contiguous areas which in part comprise the central and southern areas of the Guadalupito Iron and Heavy Mineral Sand Deposit.

These results follow the maiden JORC Resource for Guadalupito, released in December 2011, of 119 million tonnes at 5.7% Heavy Minerals.

Latin managing director Chris Gale said continuing positive exploration data from Guadalupito was increasing confidence in the project's economics and providing information to focus the company's efforts on higher grade areas.

"Our initial JORC compliant inferred resource estimate, published 21 December 2011, has proved up the geological concept behind Guadalupito and I am confident that continued work will allow us to grow and upgrade the resource throughout the year guided by our extensive exploration sampling that has highlighted the areas with the most potential for high grade heavy mineral and gold mineralisation," Gale said.

"Clearly Guadalupito is consolidating as a truly world class multi-commodity mineral sands project."

Promising proximity

One of the factors that makes Guadalupito particularly attractive is its proximity to high quality infrastructure.

The project is located 10 kilometres from Chimbote, home to a major port and one of the largest steel smelters in Peru.

In addition, it is close to existing projects, including **Barrick Gold's** (NYSE: ABX, TSE: ABX) Pierina Mine, an open pit truck and loader operation.

In 2011, Pierina produced 152,000 ounces of gold, and at the end of December had Proved and Probable Reserves of 771,000 ounces of gold.

The Antamina Mine is also close by, with Reserves of 745 million tonnes at 1.06% copper, 0.67% zinc, 11.7 grams per tonne silver and 0,026% molybdenum.