



Latin Resources

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Latin Resources: buoyed by Snowdens report, Guadalupito Project could have low operating costs

Latin Resources (ASX: LRS) has received a positive Proof of Concept Mining Study - undertaken by Snowden Mining - that the Guadalupito Iron Sands Project in Peru could use proven mining methods with low estimated operating costs.

This assumed the exploration target was proven up as JORC compliant resources.

This forms part of AUSENCO's Scoping Study on the project, which is due for delivery in August 2012. This will include the processing and extraction of minerals together with overall project infrastructure and logistics.

The other key takeaway from the Snowden's study was that its conceptual Exploration Target compares favourably with Latins previously reported conceptual exploration target of between 2.0 and 2.6 billion tonnes of mineralised sediment published on 9 and 10 May 2011.

The report examines the mining requirements of Guadalupito and is based on a +/- 50% order of accuracy.

The company cautioned that further exploration and feasibility studies are required before it is able to confirm that the project is economically viable.

Chris Gale, managing director, said that he is very pleased with such a positive study.

We are very gratified to receive this important component of the Guadalupito Scoping Study which adds to the recent initial JORC inferred resource and the already many positive characteristics that would facilitate the development of Guadalupito such as its proximity to infrastructure and port.

Snowdens model is supported by Latin assays compiled with approximately 2,900 Pits completed at around 200 metres by 100 metre spacing along 28 kilometres of shoreline sediments, assay results of which have been released but which were not available at the time of modelling.

Basis for Proof of Concept study

The Proof of Concept study is based on a conceptual model which makes an assumption about the number of tonnes Run of Mine within the revised exploration target of 1.1 4.4 billion tonnes.

This is across two conformable sediment units (in the range 6.1-11.2% HM (weighted average 8.8% HM) and 1.0-7.2% HM (weighted average 4.2% HM) respectively) generated by Snowden and based on an assumed average mineable depth of 13.3 metres.

The study focuses on two areas within Latins overall 17,500 hectares concession holding: the Blackburn South area comprising 6269 hectares and the Blackburn Central comprising 1818 hectares.

The proposed mining areas considered in the study are offset 200 metres from the coast line in order to buffer and protect coastal waters. Accounting for buffer the resulting overall study area is 7520 hectares.

Price: A\$0.29

Market Cap: A\$34.85M

1 Year Share Price Graph



Share Information

Code: LRS

Listing: ASX

Sector: General Mining

Website: www.latinresources.com.au

Company Synopsis:

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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