



Latin Resources Ltd

May 9th 2016

Latin Resources Ltd to pounce on advanced lithium projects in Argentina

Latin Resources Ltd (ASX:LRS) has signed a binding term sheet to form a joint-venture with Lepidico Limited which will seek to acquire and advance lithium projects in Argentina and Peru.

A key to the joint venture is that it proposes to utilise the proprietary Lepidico L-Max technology to extract lithium from mica ores.

L-Max was developed by Strategic Metallurgy Pty Ltd, a metallurgical process that has the potential to commercially extract lithium and other by-products from non-conventional sources.

Chris Gale, managing director for Latin Resources, commented: "The L-Max technology will potentially allow Latin a huge competitive advantage in Argentina in extracting lithium from ground containing mica ores."

The technology is more specifically for mica minerals such as lepidolite and zinnwaldite, and provide lithium chemicals for the burgeoning electric battery market.

Lepidico has already granted its first licence of the technology to Lithium Australia NL (ASX: LIT), which has been using it for 12 months.

Boots on the ground

Latin Resources' has identified and is currently in the process of securing hard rock pegmatite concessions in the Pampean Pegmatite province of NW Argentina.

The company has also identified a number of potential lithium brines projects in the "Salar del Hombre Muerto" District in the North West of Catamarca province within the country.

The L-Max technology

The L-Max process is a disruptive technology that delivers an opportunity to create a third supply source of lithium, namely lithium bearing micas such as lepidolite and zinnwaldite.

Historically, these micas have not been considered as possible ores for lithium extraction as no economic process existed for viable economic extraction.

Lepidico has been successful in running the L-Max process in a mini plant that ran continuously for 10 days. This mini plant run was highly successful, producing high purity 99.57% lithium carbonate at a recovery level of 94%.

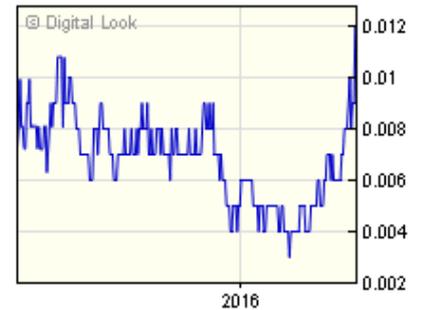
In generalised simple terms, the L-Max process involves the following basic steps:

1. Crushing and grinding the ore (or if it is already a tailings dam, washing it).
2. Flotation concentration of a Lithium mica (Lepidolite) concentrate.
3. Leaching of the Lithium mica (Lepidolite) concentrate by hot concentrated sulphuric acid (conditions not specifically stated) to produce a liquid enriched in lithium.

Price: A\$0.012

Market Cap: A\$16.2M

1 Year Share Price Graph



Share Information

Code: LRS

Listing: ASX

Sector: General Mining

Website: www.latinresources.com.au

Company Synopsis:

Latin Resources Ltd (ASX:LRS) is focused on exploration in Peru and Latin America.

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Key terms of joint venture:

- LRS and LEP will create two Australian companies with subsidiary companies in Argentina and Peru (Strategic JV).
- Strategic JV will be exclusive to LRS for Argentina and Peru and all hard rock lithium projects identified in these jurisdictions will be managed within the Strategic JV.
- LEP will grant the JV companies an exclusive right to market and acquire L-Max® licences ("L-Max® Rights") in each respective country for a period of 12 months.
- At the end of the 12 month period, the JV companies individually will retain the rights to L-Max® technology if they acquire, or have rights to acquire, a lithium project and Latin secures \$1,000,000 in funding for each of the JV companies.
- The Strategic JV will have as its objective to extract lithium from various mica ores using the proprietary lithium extraction LMax technology.

Analysis

Today's agreement is another step forward for Latin Resources' strategy of evaluating new project opportunities throughout Latin America, in particular those with more favorable mineral characteristics.

The company has vast experience in the region, and these in-country relationships and knowledge of how to operate will be beneficial.

Latin Resources' is expediting exploration by identifying and securing quality lithium bearing ores in Argentina. The company also has exclusive access to the L-Max technology. The next key catalyst will be securing ground.

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