

# MEDIA CLIPPING

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## Latin seals Peru sale, exploration begins

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### **LATIN Resources has finalised definitive arrangements for a \$US9 million (\$A10 million) deal that will cede a 70% stake in its Ilo Norte iron project in Peru to a local mining company.**

Latin has already received the first \$100,000 payment in a four-year staged purchase process, outlined in November to include a \$3.6 million cash component.

Exploration work by Peruvian buyer Compania Minera Zahena (contracted to total \$5.3 million) has officially begun, with all permits and authorisation in place.

Latin said Zahena was on track to begin drilling before the end of March, as previously agreed.



Latin Resources's Ilo Norte prospect

Zahena is required to complete a six diamond drill hole program for a minimum of 4800m and invest in other exploration efforts at the site within four years.

A further condition stipulates that the first 12 diamond drill holes for a minimum of 10,000m must be completed within 18 months of the inscription date.

Latin managing director Chris Gale said the company was pleased to have finalised the sale and secured more financing while simultaneously advancing its exploration goals.

"Ilo Norte is Latin's most advanced exploration property in the south of Peru and is located right in the heart of a major copper producing region, where there are 125 billion pounds of contained copper in published reserves and resources including the Cuajone, Toquepala and Cerro Verde copper mines, all within 100km of Ilo Norte," Gale said.

"We will continue to use the Ilo Norte model to both secure funding for the company while unlocking value through exploration of our extensive ground holding in one of Peru's hottest copper belts."

The project is prospective for copper-gold mineralisation and has been reported to host a large alteration system at least 10km long and several hundred metres thick.

Best results from Latin's drilling included 36m at 0.29% copper and 0.09 grams per tonne gold as well as 21m at 0.25% copper and 0.09gpt gold.

A geophysical survey completed early last year defined a 200m by 800m induced polarisation anomaly indicative of chargeable material within the alteration system.

This has been interpreted to indicate the presence of sulphides, which in turn may be associated with copper and gold.

Shares in Latin were down 1.4% today at A6.9c.