



Latin Resources

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Latin Resources appoints Northcott Capital to firm Guadalupito funding

Latin Resources (ASX:LRS) has appointed Northcott Capital to secure funding solutions for the Guadalupito Iron and Mineral Sands Project in Peru.

Northcott has closed 55 transactions and raised over US\$15 billion as a global natural resources adviser including minerals sands.

"We are very encouraged by Northcott Capital's track record and strongly believe their experience and contact base will find us the right funding match to see Guadalupito through feasibility and into production," managing director Chris Gale said.

"In the meantime we are recognising the value of our Andalusite product and are working to get samples produced by scalable industrial processes and have them evaluated by market specialists to unlock all the value promised by such a clean specification to hopefully obtain offtake agreements."

Andalusite Update

Latin Resources will commence bulk composite processing of Guadalupito ore in Perth based on positive testing results reported in May 2014.

The company had successfully concentrated andalusite and magnetite using gravity techniques indicative of industrial scale processes.

Notably, 80% of the andalusite recovered was more than 80% liberated, grading 60% Al₂O₃ and 0.2% Fe₂O₃ which is the target specification for the final high purity Andalusite product in future bulk testing.

Once produced, samples of the concentrate will be supplied to Rob Bartelink, a specialist Andalusite consultant in South Africa who will undertake a series of product testing evaluations that will allow for initial product marketing activities to begin.

Andalusite is one of the few mineral commodities that have experienced a sustained rise in price and demand over the past decade. Prices averaged about US\$425 per tonne as of 2012.

Traditional markets are refractory manufacturers who produce refractory materials for industries such as steel, aluminium, foundry, glass etc, and hence developed countries with significant steel, aluminium, foundry and glass industries are all markets for, and current users of, Andalusite.

Latin believes the markets in fine and technical ceramics which currently use expensive calcined and/or reactive alumina will also be particularly receptive to Andalusite of the quality promised from Guadalupito.

Andalusite has also been used by Imerys in the development of new hydraulic fracturing or fracking agents used to increase hydrocarbon production from oil and gas wells.

At Guadalupito, the planned dredge mining method, gravity concentration using classifiers (not dense media) and magnetic separation to produce other commodities simultaneously, will allow for very low unit costs for a very high purity Andalusite product, characteristics that will undoubtedly have significant market impact.

Price: A\$0.044

Market Cap: A\$13.244M

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, SETSQX:LRS, OTCQX:LNRDY) is focused on Peru where the company has several projects, including Ilo Norte where the focus is iron, copper and gold, while at Guadalupito the target is iron and heavy mineral sands.

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Andalusite at Los Conchaes is "highly liberated" meaning that there is a high proportion of the Andalusite that has already been cleaned of deleterious gangue and associated minerals by nature in the process of deposition and concentration in the stacked shoreline deposits at Los Conchaes.

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