



Latin Resources

Mar 26th 2014

Latin Resources receives speculative buy from Brisbane-based broker

Latin Resources (ASX: LRS) has received a speculative buy recommendation from Brisbane-based brokerage BCP Equities as it progresses its South American projects.

This includes the recent start of drilling at the Ilo Norte copper-gold project in Peru along with the acquisition of the Borborema Iron Ore project in Brazil.

The following is an extract from the report:

The recent developments are pleasing and leave Latin better placed to progress the portfolio and consolidate on the considerable work completed to date across its portfolio. Latin retains 100% at Guadalupito and is currently conducting a process to attract a joint venture partner.

Crucially Latin has established a well-credentialed and impressive in country team in South America to pursue strategy, now with a stronger financial position.

We view the recent series of developments as encouraging and in keeping with LRS's realistic change of strategy aimed at a least cost pathway to capitalise on the considerable work done to date at its projects via the attraction of joint venture partners to its assets.

Investment View

Latin has made considerable progress at Guadalupito leaving the company well placed to attract joint venture interest to take the project forward.

In addition Latin retains the broader potential of the Ilo tenements, highly prospective ground that over the interim will see an externally funded diamond drilling program.

It has begun to deliver on its strategy of suspending active major exploration and focusing on realising value by attracting joint venture partners with the joint venture deal at Ilo Norte.

Latin is in the process of seeking to achieve a joint venture outcome at Guadalupito over the coming 6 months. This is the key catalyst for Latin over the next 6 months along with the articulation of less capital intensive interim production scenarios at the asset.

Whilst the long term picture at Guadalupito is to build a major project, Latin is sensibly progressing far less capital intensive interim options to establish an initial cash flow from the project focussing on discrete high grade zones within the Los Conchaes resource.

Summary

Latin has compelling projects that are materially more valuable than the current market capitalisation of A\$11.1m suggests.

Latin like the majority of its peers has had to confront challenging funding markets over the past 18 months requiring a change of strategy with the company seeking to partially monetize its assets and progress made to date, and at the

Price: A\$0.05

Market Cap: A\$14.14M

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.

Author:
Proactive Investors +61 2 9299 5001

action@proactiveinvestors.com.au



same time ease continual funding burdens via the attraction of joint partners at Guadalupito and Ilo to progress the projects.

We see this strategy as achievable and reference some key differentials for Latin as opposed to other micro-cap stocks.

We see the attraction of a joint venture partner at Guadalupito as plausible given the breadth of work completed to date, this being the key catalyst along with initial assays from the externally funded Ilo Norte exploration program and further articulation of an interim production scenario at Guadalupito.

At current share price of \$0.05 and a market cap of \$11.1m we feel the market has been excessively harsh on Latin and remain of the view the assets and in country management are worth persevering with, the cash balance post the Mariela sale delivers Latin a degree of flexibility over the coming 12 months to deliver on its interim goals.

Proactive Investors Australia is the market leader in producing news, articles and research reports on ASX "Small and Mid-cap" stocks with distribution in Australia, UK, North America and Hong Kong / China.

You understand and agree that no content published constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential advisability, value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including company related products and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made.

However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The contributors make every effort to ensure that the information and material contained in this report is accurate and correct and has been obtained from reliable sources. However, no representation is made about the accuracy or completeness of the information and material and it should not be relied upon as a substitute for the exercise of independent judgment. Proactive Investors does not accept any liability, including negligence, for any loss or damage arising from the use of, or reliance on, the material contained in this report. There are general risks associated with any investment in securities. Investors should be aware that these risks might result in loss of income and capital invested.

WARNING: No recipients should rely on any recommendation (whether express or implied) contained in this document without obtaining specific advice from their advisers. All investors should therefore consider the appropriateness, in light of their own objectives, financial situation and/or needs, before acting on the advice.

DISCLOSURE: The Company, its directors, associates, employees or representatives may not effect a transaction upon its or their own account in the investments referred to in this report or any related investment until the expiry of 24 hours after the report has been published.