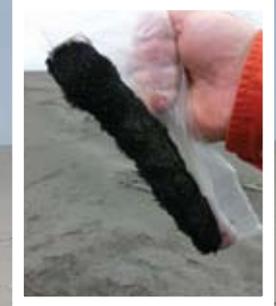


# World-class resource with 'value-add'



**L**atin Resources Managing Director Chris Gale knew his Guadalupito Mineral Iron Sands Project in northern Peru was a world-class iron, zircon and gold deposit long before he started drilling there in late 2011. There had been many historical reports praising the mineral-rich beach placer. The mineralised beach sand sediments on the Guadalupito concessions extend 45 kilometres along the coastline and up to four kilometres inland.

Not surprisingly, Mr Gale believes the Maiden JORC inferred mineral resource of 119Mt @ 5.7 per cent heavy mineral content (HM) announced on 21 December 2011 is just the 'tip of the iceberg'. The conceptual exploration target is two billion tonnes of mineralised sands.

'The maiden resource, independently appraised by Snowdens, is based on drilling and sampling conducted on 682 hectares of a total area of 16,437 hectares. To date, we've completed just 68 of a total program of 1500 drill holes, so we anticipate the resource to increase substantially.'

The Guadalupito concessions cover an uninhabited coastal plain on Peru's northern coast just 10 kilometres from Peru's largest iron smelter at Chimbote – owned by Brazilian – based Gerdau

Group, one of the leading steel producers in the Americas.

Guadalupito is a multi-commodity mineral iron sands project with potential for economic recoverable quantities of magnetite, gold and zircon. Other potentially economic minerals include andalusite, monazite, ilmenite, rutile, titanite, wolframite and/or scheelite.

'Our initial drilling and sampling has delivered "proof of concept" for our geological model,' said Gale.

Experienced consultancy firm Ausenco has been engaged to complete a scoping study on the Guadalupito project, investigating the staged development of a 10 to 35Mtpa mining operation over the next three to five years, potentially delivering magnetite

to the smelter at Chimbote, with the potential for export to China.

And the story just keeps getting better.

In addition to the mineral iron sands, Guadalupito is conceptually estimated to host up to one million ounces of gold, which represents a potentially lucrative value-add to the project.

'Guadalupito is clearly a world-class resource project with enormous development potential. Our aim in 2012 is the completion of the scoping study and a 1500 hole drill program. This will enable us to demonstrate a clear development strategy and articulate the key financial drivers of the project to the market,' said Mr Gale.

In November 2011, Latin announced it had completed a placement of 30 million shares at 28 cents per share to Hong Kong-based Junefield High Value Metals Limited to raise \$8.4 million and signed an earn in agreement with Junefield-backed Total Genius Iron Mining SAC, worth \$35 million, to earn up to 70 per cent of Latin's Mariela and Dylan concessions in southern Peru and fund all exploration costs up to completion of a bankable feasibility study. The total combined value of the Junefield investment is \$52 million and Junefield will have a 16.8 per cent stake in Latin Resources. 

