



Latin Resources

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Latin Resources looks to attract new partner for Ilo Norte project

Latin Resources (ASX:LRS) has been returned full control of the Ilo Norte Copper-Gold Project in Peru and is now seeking an alternative partner.

This follows Compañía Minera Zahena S.A.C.'s (Zahena) entering into a new earn-in option agreement over the company's wholly-owned Ilo Est project.

Zahena's exploration activities at Ilo Norte brought US\$200,000 in cash payments to Latin's Peruvian subsidiary.

It drilled 16 holes totalling 12,657.9 metres of diamond core, representing an estimated investment of more than US\$3 million in the project.

Of these, 14 holes had several intersections, together totalling from between 21 to 189 metres of low grade copper mineralisation (0.1% to 0.3%). These highlighted the extent of the mineralised system.

The company believes that considerable potential remains for high grade structurally controlled copper-gold and silver mineralisation, especially considering the relatively broad drill pattern spacing to date.

Ilo Norte benefits from excellent infrastructure being just 5 kilometres from sealed highway, 10 kilometres from a major copper smelter and 25 kilometres from the port city of Ilo.

Over 560,000 tonnes per annum copper production and 125 billion pounds of copper in published resources and reserves within 100 kilometres of Ilo Norte.

"We believe exploration to date suggests there is good potential for a moderate tonnage high grade copper-gold deposit at Ilo Norte, which given the proximity to infrastructure and favourable topography, would likely be an attractive mine development," managing director Chris Gale said.

"We look forward to attracting a new partner for Ilo Norte willing to join us in the challenge of unravelling the complex structural setting required to deliver the exploration success we are confident awaits at Ilo Norte."

Ilo Norte

Zahena returned operational control of Ilo Norte to Latin Resources following the termination of the earn-in option agreement.

Zahena's exploration activities at Ilo Norte brought US\$200,000 in cash payments to Latin's Peruvian subsidiary, and the 12,657.9 metres of diamond drilling from 16 holes completed represents an estimated investment of more than US\$3 million into the project, with the drill core and all exploration data retained as property of Latin.

Best intersections associated with structural zones are:

- 30 metres at 0.93% copper and 0.12 grams per tonne gold from 282 metres including 6 metres at 3.1% copper and 0.45g/t gold;

Price: A\$0.013

Market Cap: A\$4.327M

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 Guadalupe the target is iron and heavy mineral sands.

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- 18 metres at 0.66% copper and 0.09g/t gold from 381 metres including 6 metres at 1.2% copper and 0.23g/t gold; and
- 6 metres at 2.6% copper and 0.25g/t gold from 423 metres.

Zinc mineralisation, interpreted to be a separate mineralising phase is present in the periphery of the mineralised system, rarely directly associated with copper, and occurs in intersections from tens to over one hundred metres with grades in the 0.1% to 0.5% zinc range.

At least 3 square kilometres of intense alteration (magnetite-pyrite-albite-kspar) has been defined between Latin's drilling in 2011 and the drilling undertaken by Zahena in 2014.

Copper mineralisation in the range of 0.1%-0.3% has been intersected over numerous lengths in excess of 10 metres within this overall alteration package and high grade structure related intersections have also been intersected.

Structures are abundant, both NE/SW and NW/SE directions appear important controls on mineralisation, with significant offsets apparent from the drilling.

Analysis

Latin Resources believes there is still good potential to define a high grade structurally controlled ore body at Ilo Norte.

This is supported by the several high grade intersections made to date, along with the numerous lower grade intersections that are considered the "smoke" indicative of much potential for more "fire" to come.

As such, the company is looking to attract a new partner to help deliver exploration success at the project.

Securing a partner would substantially lower Latin's exploration risk going forward.

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