



# Latin Resources

Jul 29<sup>th</sup> 2015

## Latin Resources, First Quantum find new porphyry copper target

Latin Resources' (ASX:LRS) memorandum of understanding with Minera Antares Perú S.A.C. (Antares), the Peruvian subsidiary of First Quantum Minerals (TSE:FM), has resulted in the discovery of a new porphyry copper target in Southern Peru.

First Quantum is capitalised at C\$7.5 billion and has seven operating mines globally.

The 5 kilometre circular feature was uncovered in aeromagnetic data with Andean and cross arc structures intersecting the area.

Notably, this area of the Southern Peru copper belt is completely covered by recent sediments indicating that prior exploration was ineffective.

Latin has since followed up with advanced surface geochemical techniques by collecting 271 soil samples over the 36 square kilometre Pachamanca prospect.

Initial results show soil acid anomalies coincident with the buried copper porphyry target. In such environments, acid can migrate into surface soils from deeper oxidising sulphide minerals such as those that would be expected in a mineralised porphyry system.

The target area is between 400 metres and 600 metres altitude in uninhabited desert, adjacent to the Panamerican Highway, 80 kilometres from the port of Ilo.

Under the MoU reached in March 2015, Antares has exclusive rights to undertake exploration for 12 months within 36,430 hectares of Latin's 100% owned mining concessions in Southern Peru.

These are considered prospective by both companies for porphyry copper deposits of significant scale.

Chris Gale, managing director, said:

"We have always thought that the extensive cover in the Southern Peru copper belt was a tremendous opportunity to make discoveries where past exploration may not have been effective, and this most recent collaborative work with First Quantum has given us a very large, great looking target under the desert sands to be further revealed in coming months.

"By combining our technical strengths and applying systematic exploration methodology with First Quantum, we are well on the way to unlocking the potential of our strategic concession holding."

### Pachamanca Prospect

The Pachamanca Prospect was selected by Latin under recommendation from Antares for follow-up field exploration from a number of preliminary targets generated from ongoing interpretations of integrated datasets.

A 5 kilometre diameter circular feature with a donut-shaped low surrounding a central high in aeromagnetic data, Pachamanca is also intersected by interpreted Andean and cross arc structures.

**Price:** A\$0.006

**Market Cap:** A\$2.767M

### 1 Year Share Price Graph



### Share Information

**Code:** LRS

**Listing:** ASX

**Sector:** General Mining

**Website:** [www.latinresources.com.au](http://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.*

**Author:**

**Proactive Investors** +61 2 9299 5001

action@proactiveinvestors.com.au



Together these features qualify as a potential large copper porphyry target in an area of the Southern Peru copper belt that is completely covered by recent sediments.

The geology is dominated by extensive alluvial and young volcanic deposits in the low coastal ranges, obscuring the underlying rocks and any host mineralisation.

Outcropping intrusive rocks to the immediate west of the target area together with a geomorphological assessment of the area suggest the cover may be less than 100 metres thick.

Latin's wholly-owned subsidiary Peruvian Latin Resources SAC (PLR) has been trialling advanced geochemical methods in covered terrains in Southern Peru over the last year based on similar work undertaken in Northern Chile.

These are based on carefully collected near surface soil samples that are subject to measurements of Hydrogen Potential (pH), which measures acidity, and electrical conductivity (EC) which measures salinity.

PLR has collected 271 samples over the porphyry target area on a 400 metre by 400 metre grid.

Analysis of the data reveals predominantly weakly alkaline soils across the target area as might be expected in such arid terrain, however a number of more acid anomalies were detected apparently associated with the porphyry target and in particular, intersections of the interpreted structures.

Acid content is most anomalous in the northern portion of the porphyry target with multi-sample anomalies possibly associated with a prominent structural intersection.

Extension of the grid to the north and north east, and selected infill is planned to attempt to better resolve the anomaly, and following this work, sequential partial extraction analyses of the samples are planned to measure soluble metal content that might provide additional anomalies that may provide further vectors to potential underlying mineralisation.

## Other Targets

A number of other targets are being evaluated in ongoing data analysis by PLR and Antares and will be reported as follow up continues.

This evaluation work also allowed for the concession areas under the MoU to be optimised at the time annual fees were due.

Less favourable areas having very deep cover and potential land access issues were identified by both PLR and Antares and were not renewed, resulting in cash savings for Latin.

## Analysis

The discovery of a large porphyry copper target in Southern Peru is a milestone for the collaborative exploration between Latin Resources and First Quantum.

Soil sampling has already returned acid anomalies that appear to be associated with the porphyry target and further activity is planned in the coming months.

A number of other targets are being evaluated in ongoing data analysis, highlighting the potential to unlock the potential of this strategic concession holding in Southern Peru.

Proactive Investors Australia is the market leader in producing news, articles and research reports on ASX emerging companies 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.