

# Latin Resources Ltd

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## Latin Resources Ltd secures landmark lithium deal in Argentina

Latin Resources Ltd (ASX:LRS) has signed a binding term sheet for the acquisition, via earn-in, of up to 90% in 442 square kilometres of lithium focused mining concessions in northern Argentina known as the Ansotana Project.

The project area was mined during 1943-1945 for tantalum and bismuth and is known to contain lithium-hosting minerals.

Ansotana is within a pegmatite district with sizes ranging in strike up to 800 metres and widths up to 40 metres.

LRS has a due diligence period of 60 days where it will focus on ascertaining if there is viable lithium mineralisation to prove up a JORC resource.

Chris Gale, managing director, commented: "The acquisition of the Ansotana project will firmly position Latin Resources as the preeminent lithium hard rock exploration company in Argentina."

### Earn-in agreement details

Key features of the earn-in agreement include:

- Upfront payment of US\$10,000 on signing of binding agreement (complete);
- 60 day due diligence period (in progress) after which LRS have an exclusive 50 day period to sign a purchase agreement;
- LRS can earn 90% by spending US\$3 million on exploration over a 3 year period;
- LRS must also issue US\$1 million worth of shares over 36 months;
- LRS must also make four US\$500,000 payments totalling US\$2 million from the delivery of the feasibility report; and
- The vendor will maintain a 10% joint venture interest and will receive up to 40% of non-lithium concentrates produced.

### Background

The Ansotana project adds to LRS's portfolio in South America which includes the Catamarca lithium project in Argentina and copper and lithium projects in Peru.

LRS and joint-venture partner Lepidico Limited, have now applied for over 70,000 hectares of exploration tenements in Argentina which have been lodged at the Catamarca Province mines office.

Drilling at Catamarca is expected to commence in November after the granting

**Price:** A\$0.014

**Market Cap:** A\$18.665M

### 1 Year Share Price Graph



### Share Information

**Code:** LRS

**Listing:** ASX

**52 week High Low**  
0.022p 0.003p

**Sector:** Mining

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

### Company Synopsis:

*Latin Resources Ltd (ASX:LRS) is focused on exploration in Peru and Latin America.*

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of concessions.

LRS is a first mover in the hard rock lithium mining space and is quickly executing its strategy to become a significant lithium player in one of the world's best jurisdictions.

### Recent raising

LRS recently received strong support for its lithium strategy in South America and raised \$3.4 million through a placement to sophisticated and professional investors.

The placement issued 309 million shares at \$0.011 per share, with an attaching option for every two shares held at an exercise price of \$0.02 on or before 31 March 2017.

The raising will fund the exploration program and drilling.

### Analysis

The acquisition of the Ansotana project will firmly position LRS as a pre-eminent lithium hard rock exploration company in Argentina.

The earn-in deal has been structured efficiently with only a US\$10,000 upfront payment required and will build the company's pegmatite pipeline to over 100,000 hectares of known historical spodumene mineralisation.

The company recently raised over \$3 million, meaning drilling planned to commence in November is funded and due diligence exploration at Ansotana can commence immediately.

Furthermore, the Ansotana concessions are all granted meaning the project is near drill ready pending a successful 60-day due diligence period.

More than half of the world's known lithium reserves are located in Argentina, Bolivia and Chile.

News flow regarding the due diligence at Ansotana and commencement of drilling at Catamarca is expected over the coming months.

Shares in LRS are trading up 160% year to date, currently priced at \$0.013.

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