

Latin Resources (LRS)

Four-bagger Latin Resources soars 11.1% on extraordinary volume

Latin Resources Limited, Australia's 180th largest Materials company by market cap, rose for a second day on Thursday bringing its two-day rise to 0.40c (25.0%). The stock price has soared 0.20c (11.1%) from its last trading session of February 08 to close at 2.0c. Compared with the All Ordinaries Index which rose 14.3 points (0.2%) in the day, the relative price increase was 10.9%. A four-bagger in the past year, the value of \$A1,000 invested one year ago is \$A4,000 [vs \$A1,171 for the All Ordinaries Index], for a capital gain of \$A3,000. The total return to shareholders for 1 year is 300.0%. The rise has been propped up by extraordinary volume of 4.0 times the average daily volume of 11.9 million shares.

Introduction with Trends

We are currently bullish on this stock in the short-term based on technical indicators, but are more bearish in the long-term based on fundamental metrics

What makes us most bullish on the stock is the following:

- Its Moving Average Convergence Divergence indicators are rising, with its 12-day higher than its 26-day.
- The price to 200-day MAP ratio is 1.37, a bullish indicator.
- In the last three months the number of rises outnumbered falls 18:17 or 1.1:1.
- It is beating 91% of the market the past 6 months.

However, there are some reasons why we remain bearish on the stock for the long-term:

- The Price to Book of 6.4 higher than average of 2.2 for the Materials sector and 2.4 for the Total Australian Market.
- The Q Ratio, defined by James Tobin as MCap divided by Total Assets, is 2.2. Compared with the rest of the market the stock is overvalued.

Figure 1: Stock Summary

Day's Range	1.80c-2.0c
52-Week Range	0.30c-2.40c
Sector	Materials
Market Cap	\$A31.5 million
Shares Outstanding	1,577,398,098
Relative Strength (6 mo)	91
ISIN	AU000000LRS6
PermID	5001155469

Global Rank out of 46,171 stocks

Description	Value	Rank	Quartile
MCap (US\$)	24.1M	31,368	Third
Total Assets (US\$)	10.7M	34,493	Third
Revenue (US\$)	7.2M	31,503	Third
Net Profit (US\$)	(9.3M)	36,855	Bottom
Price to Book	5.7	27,755	Third
PV\$1000 (1Year) US\$*	4,322	778	Top
US\$* Change (1Year) %	289.2	758	Top
Rel Strength 6 Mo (US\$)	85	6,710	Top

* 1 year ago AUD 1 = USD 0.71; Feb 09, 2017: AUD 1 = USD 0.76

Fig 2: MCap - A Historical Perspective

	Price	MCap (AUD M)	MCap (US\$ M)
Last	2.0c	31.5	24.1
1 Year ago	0.50c	4.7	3.3
2 Years ago	1.62c	5.9	4.6
3 Years ago	5.04c	13	11.6
4 Years ago	19.80c	44.7	46
5 Years ago	30.60c	34	36.7

Analysis

Bullish Signals

- Rises to Falls: In the last three months the number of rises outnumbered falls 18:17 or 1.1:1.
- In the last 20 trading sessions there has been a net rise of 66.67%; the stock has advanced eight times and the biggest one day rise was 28.6% on January 31.
- The price soared 17.6% in the last week and 53.8% in the last month. This has been propped up by robust volume of 1.7 times average for the week and 1.5 times average for the month.
- Compared with the All Ordinaries Index which rose 0.4% for the week, this represented a relative price increase of 17.3% for the week.
- In the Australian market of 1,376 stocks and 25 units traded today, the stock has a 6-month relative strength of 91 which means it is beating 91% of the market.
- A price rise combined with a high relative strength is a bullish signal.
- Also, the relative strength percentile is rising at 91 for 6 months, 94 for 3 months and 97 for 1 month.
- The price to 50-day EMAP ratio is 1.4, a bullish indicator. The 50-day EMAP has increased to 1.39c. An increase is another bullish indicator.
- The Moving Average Convergence Divergence (MACD) indicator of 12-day Exponential Moving Average (EMA) of 0.02 minus the 26-day EMA of 0.02 is positive suggesting a bullish signal. Both the 12-day EMA as well as the 26-day EMA are rising, another bullish signal.
- The Price/MAP of 1.37 for LRS is higher than the Price/MAP for the All Ordinaries Index of 1.1.
- The price to 200-day MAP ratio is 1.37, a bullish indicator. In the past 200 days this ratio has exceeded 1.37, 49 times suggesting further upside. The 50-day MAP of 2.0c is higher than the 200-day MAP of 1.46c, another bullish indicator.
- The stock traded at an eleven-month high of 2.0c today.

Other Bullish Signals:

Also, the following criteria set by Benjamin Graham:

- "Total debt less than tangible book value"; total debt of AUD1.5 Million is less than tangible book value of AUD5 Million.

Fig 3: Bullish Indicators and Rank in Market:

Description	Value	Rank In Market
Price/MAP200	1.37	In Top 5%
Price Change %	11.1	In Top 7%
Relative Strength (6M)	91	In Top 10%
Price/MAP50	1.0	In Top Quartile

Note

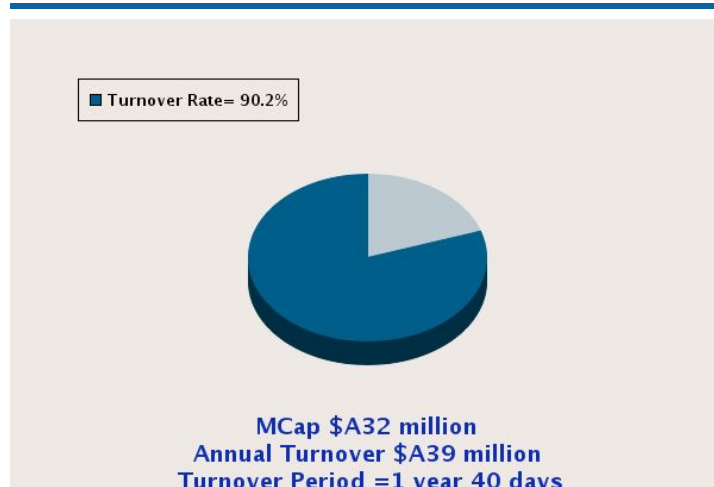
Volatility

The stock traded between an intraday low of 1.80c and eleven-month high of 2.0c. The price range has expanded in the last two days (from 0.10c two days ago to 0.20c today) which, accompanied by a price rise, is a bullish signal. Today its volatility of 11.1% was 6.7 times its average volatility of 1.7%. A price rise on high volatility is a bullish signal. The average daily volatility of 10.7% places the stock in the 1st quartile in the market meaning it is highly volatile.

Volume

There were 47,063,341 shares worth \$A941,267 traded. The volume was 4.0 times average trading of 11.9 million shares.

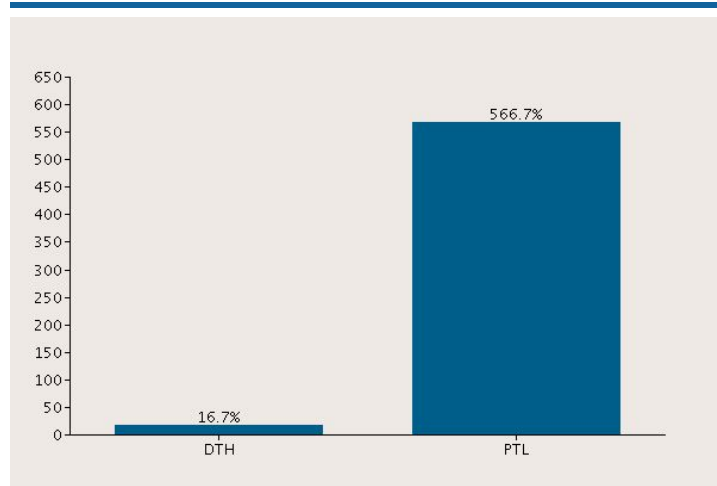
Fig 4: Turnover Rate & Turnover Period



- It is at a discount of 16.7% to the 12-month high of 2.40c on 21 Jun, 2016. It is also at a premium of 566.7% to the 12-month low of 0.30c on 25 Feb, 2016.

Analysis (continued)

Fig 5: Discount to High & Premium to Low



- The price is equal to its 1-month volume weighted average price of 2.0c.

Fig 6: Volume Weighted Price



Standard Deviation (SD):SD is a statistical measure of deviation from the mean. The SD of 9.5% gives it a percentile rank of 93 meaning that 93% of stocks in the Australian market are less volatile than this stock.

The stock meets the following value criteria:

Fig 7: Neutral Indicators and Rank in Market:

Description	Value	Rank In Market
Today's Turnover	\$A941,267	In 2nd Quartile
MCap	\$US24.1 million	In 3rd Quartile

PRICE PERFORMANCE RANK IN SECTOR :

The following index and sector rose, setting the trend for the stock's rise of 11.1%:

In today's trading:

The All Ordinaries Index was up 14.3 points or 0.2% to 5,718. The Total Australian Market [1376 stocks and 25 units traded] was up 6.6 points or 0.1% to 5,229.

The stock's rise went against the trend set by the Materials sector [433 stocks traded] was down 38.4 points or 1% to 3,673.

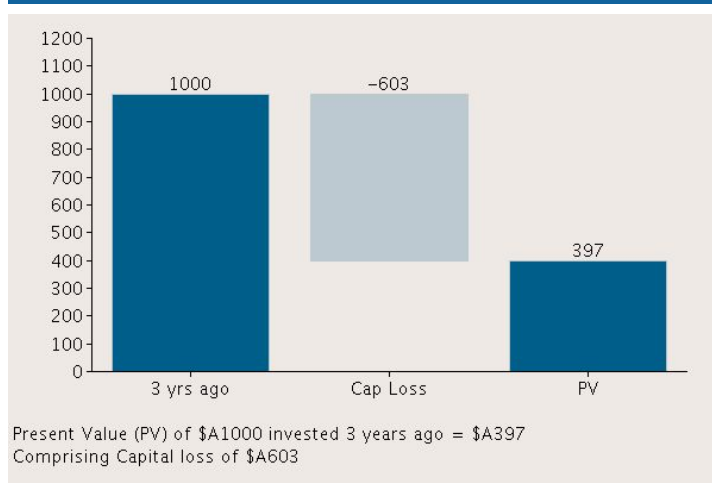
Fig 8: Price Percentile Rank and comparison:

Percentile Rank	1-week	1-month	3-months
LRS	95	97	94
Materials	23	66	68
All Ordinaries Index	55	42	62

Bearish Signals:

- The price has risen above the upper Bollinger band of 1.96c.
- The present value of AUD1,000 (PV1000) invested three years ago in Latin Resources is \$A397, for a capital loss of \$A603.

Fig 9: Present Value of AUD1000 invested 3 years ago



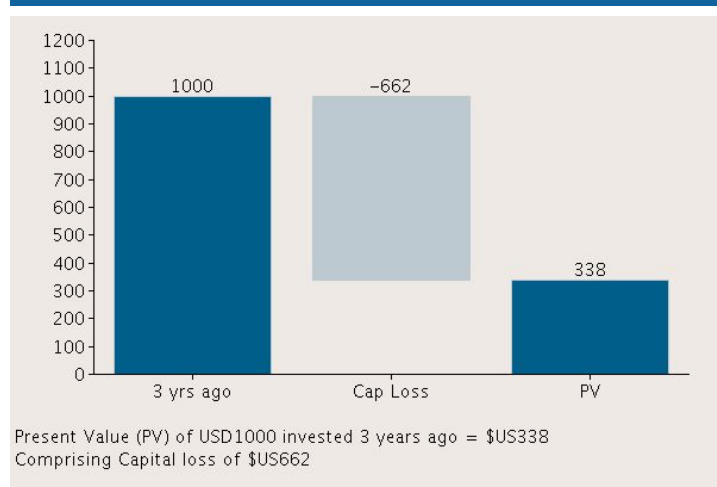
- 3 years Multiplier in AUD = 0.397x
- Compound Annual Growth Rate (CAGR) in AUD = -26.3%

Analysis (continued)

Present Value of USD1,000 invested 3 years ago

- The present value of USD1,000 (PV1000) invested three years ago in Latin Resources is \$US338, for a capital loss of \$US662.
- 3 years ago AUD 1 equalled USD 0.8961

Fig 10: Present Value of USD1000 invested 3 years ago



- 3 years Multiplier in USD = 0.338x
- Compound Annual Growth Rate (CAGR) in USD = -30.1%

Overvaluation:

- Price/Sales of 3.33 versus sector average of 2.2 and market average of 1.9.
- The Price to Book of 6.4 higher than average of 2.2 for the Materials sector and 2.4 for the Total Australian Market.
- The Q Ratio, defined by James Tobin as MCap divided by Total Assets, is 2.2. Compared with the rest of the market the stock is overvalued.
- The average annual compound return on the share price in the last 5 years was -42.0%, underperforming the average annual compound return on the All Ordinaries Index of 5.6%.

Other Bearish Signals:

The stock has a score of merely 1 out of 9 set by Joseph Piotroski [pass mark >=5]:

Improvement in current ratio from 0.1 to 0.4.

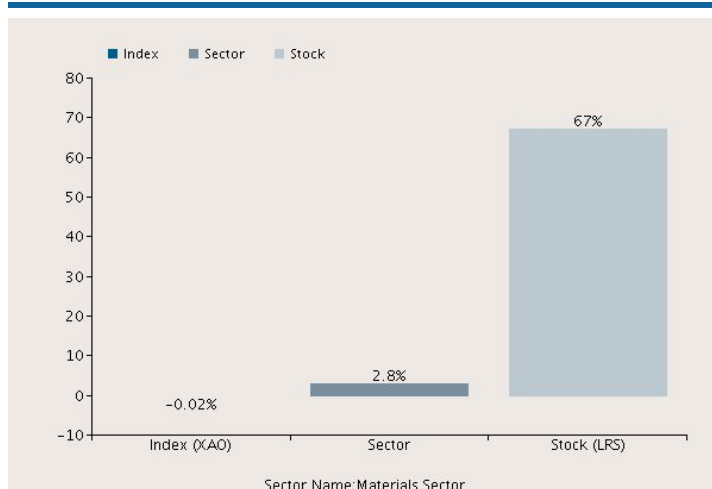
Fig 11: Bearish Indicators and Rank in Market:

Description	Value	Rank In Market
Price to Book Value	6.4	In Bottom Quartile
Volatility %	11.1	In Bottom Quartile

Fig 12: Price/Moving Average Price [P/MAP]



Fig 13: YTD Comparison Stock Sector Index



Analysis (continued)

Fig 14: Options [LRSO: 0.20c]**Price Trend**

[price change of LRS in brackets] LRSO soared 100.0% for the day [11.1%]; soared 100.0% for the week [17.6%] and soared 100.0% for the month [53.8%]. There are 174,793,054 options on issue representing 11.1% of total shares on issue. The exercise price of the options is 2.0c and the exercise date is March 09, 2017 [1 month to expire]. Having potentially dilutive options above 7% of issued shares is not considered desirable by Warren Buffett.

Fig 15: Month-on-Month Comparison (Trailing Month - ended 9th)

	09 Feb	09 Jan	09 Dec	09 Nov	07 Oct	09 Sep
Price (c)	2	1.3	1.2	1.2	1.4	1.3
% Price Change	53.8	8.3		-20	27.3	
Avg Daily Volume	11,867,336	10,296,566	10,225,621	9,951,986	10,585,242	9,482,835
VWP (c)	1.52	1.28	1.35	1.22	1.26	1.47
Price Range (c)	1.1 - 2	1.1 - 1.3	1.1 - 1.5	1.2 - 1.6	1 - 1.7	0.9 - 1.4
Relative Price Change %	56.2	4	-7.2	-14.4	26.8	3.5
Volatility %	81.8	18.2	36.4	33.3	70	55.6

Rankings

Long-Term Fundamental Ranking: 2 out of 5

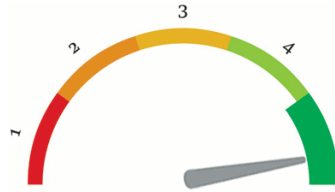
Latin Resources is ranked number 184 out of 659 listed materials companies [that traded today] in Australia with a market capitalization of \$A31.5 million. In the materials companies it has the 259th highest total assets and 85th highest revenues. Within its sector it has a relatively low P/S of 3.3.



Stocks are scored on a set of parameters reflecting fundamental analytical tools involving valuation, size and financial performance. They are ranked according to the average values of those parameters. The highest ranking is 5 and the lowest ranking is 1.

Short-Term Technical Ranking: 5 out of 5

Its price change has been positive in the short-term over 5 days, medium-term over 3 months and over the period of 1 year. Its short term rises have been combined with strong volume resulting in strong momentum rises over 1, 5 and 30 days. Significantly its price of 2.00c is at a premium of 37% to its 200-day moving average price of 1.46c. Its 52-week range has been 2.40c to 0.30c; it is trading at a discount of 16.7% to its 52-week high and a premium of 566.7% to its 52-week low. \$A1,000 invested exactly one year ago is now worth \$A4,000 of which \$A3,000 is a capital gain. Recommended stop loss: 1.85c



Stocks are scored on a set of technical parameters reflecting price performance and trading volumes. They are ranked according to the average values of those parameters. The highest ranking is 5 and the lowest ranking is 1.

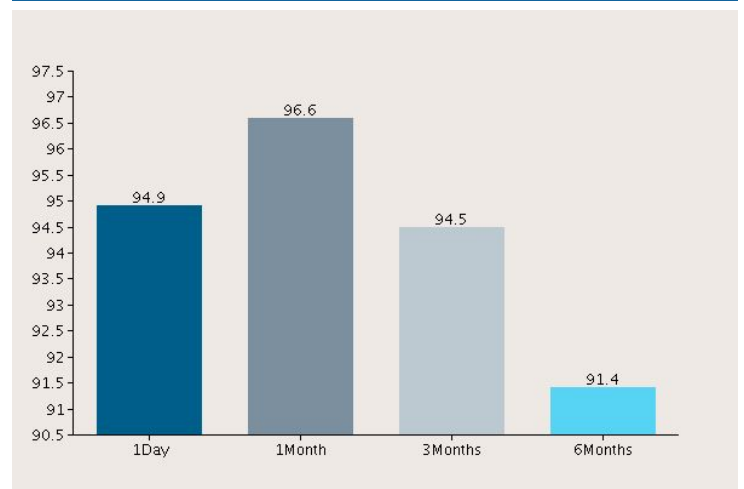
Fig 16: Ranking

Latin Resources is placed 54/1233 in BSS News Bites' ranking of Australian performers in the past year, a percentile ranking of 95%.

Sector Sorting

For Company searches, or for sorting by stocks and variables, an interactive version of today's Table is available [here](#)

Fig 17: Relative Strength



Rankings (continued)

Fig 18: Peer Group Analysis

Name	Last Price	Relative Str. (6-months)	MCap (USD)	PV \$1000 (1 yr)	Revenue (USD)	Net Profit (USD)	Total Assets (USD)
Latrobe Magnesium	2.60c	23	24.9M	3,122	436,278	(829,801)	4.9M
Corazon Mining	3.90c	98	24.2M	14,047		(739,490)	1.5M
Latin Resources	2.0c	91	24.1M	4,322	7.2M	(9.3M)	10.7M
Equator Resources	10.0c	99	24.1M		1.6M	1.3M	30,799
Crusader Resources	10.0c	19	23M	831	5.8M	(7.7M)	17.2M

Fig 19: BuySellSignals Fundamentals Valuation Table: Total Australian Market

	Total Australian Market	LRS	Rank	Rank 1	Rank 2	Rank 3	Lowest Rank
P/Earnings	46.4x		1034	2.2x BPA	2.3x NMT	2.6x PSZ	
Price/Net Tangible Assets	2.4x	6.4x	857	0.1x HAR	0.1x SOP	0.1x HGO	
Total Debt/Equity	0.7x	0.3x	245	LNG	EGG	TNE	11.01x BYL
Discount to 52-Wk High (%)	2.2	16.7	1078	99.2 WMN	94.5 MNE	92.8 VIC	0.1 ARG
Premium to 52-Wk Low (%)	22.7	566.7	1534	0.3 AYH	1.03 CTX	1.4 AHL	3000 LKE
Market Cap \$A	1.4 B	31.5 M	883	141.2 B CBA	135.3 B BHP	120 B RIO	453,808 PBT
Revenue \$A	706.6 M	9.5 M	692	66.3 B WES	58.3 B WOW	46.2 B RIO	

Rankings (continued)

Fig 20: BuySellSignals Technical Valuation Table: Total Australian Market

	PV \$A1,000 (1 Yr)	Rel Strength (6m)	PEMAP50	1-Day Price (%)	5-Day Price (%)	30-Day Price (%)	3-Month Price (%)	1-Year Price (%)	30-Day Avg Volatility	Momentu m
Total Australian Market Avg	1,191.6	58.2	-	0.1	0.04	-1.4	9.6	19.2	1.8	-
LRS	4,000.0	91.4	1.4x	11.1	17.6	53.8	66.7	300	11.6	↑
Rank	59	117	11	63	62	46	75	59	70	46
Rank 1	15,714.3 GSC	99.9 RIR	2.2x BCN		148.1 SMM			1471.4 GSC	112.5 SEG	↑ RCO
Rank 2	15,104.2 NWH	99.9 BCN	1.8x CZN		143.8 CZN		545 SMM	1410.4 NWH	100 LKO	↑ BMT
Rank 3	15,000.0 MLS	99.8 DYL	1.7x BMN	50 CAD	100 RMR	215 MUS	533.3 BCN	1400 MLS	100 LWP	↑ WAT

Financial Results (Annual)

31 December, 2015

Annual Report: Latin Resources reports Income Before Tax of \$A-13.2m

Latin Resources (ASX:LRS) reported income before tax for the year-ended 31 December 2015 of \$A-13.2m.

Financial statements as reported
(In \$A , except shares outstanding)
Fig 21: Income Statement

Description	\$A	\$A	
Dec 31	2015	2014	Change %
Interest revenue	2,542	13,364	Down 81.0
Other income	508,582		
Gain from renegotiation of deferred consideration	7,733,269	134,958	Up 5,630.1
Gain from settlement of liabilities	1,232,742		
	9,477,135	148,322	Up 6,289.6
Depreciation and amortisation expense	-33,653		
Employee benefits expense	-1,356,462	-35,111	Deterioration 3,763.4
Finance expenses		1,811,331	
Exploration and evaluation expenditure	-1,850,173	-1,834,389	Deterioration 0.9
Other expenses	-18,221,467	-897,511	Deterioration 1,930.2
	-1,190,341	-1,874,747	Improved 36.5
Loss before tax	-13,174,961	-6,304,767	Deterioration 109.0
Income tax benefit	-991,471	-476,389	Deterioration 108.1
Loss for the period	-12,183,490	-5,828,378	Deterioration 109.0
Loss attributable to owners of the Group	-12,183,490	-5,828,378	Deterioration 109.0
Other comprehensive loss			
Items that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translating foreign operations	1,194,503	1,160,156	Up 3.0
Items that will not to be reclassified to profit or loss in subsequent periods:			
Total comprehensive loss for the period attributable to owners of the Group	-10,988,987	-4,668,222	Deterioration 135.4
Basic and diluted loss per share (Cents)	-2.41c	-2.17c	Deterioration 11.1
Weighted average number of ordinary shares	505,311,861	267,777,839	Up 88.7

Fig 22: Balance Sheet

Description	\$A	\$A	
Dec 31	2015	2014	Change %
ASSETS			
Current assets			

Financial Results (Annual)
(continued)

31 December, 2015

Cash and cash equivalents	32,076	308,008	Down 89.6
Trade and other receivables	1,148,021	395,049	Up 190.6
Other financial assets	28,024	118,570	Down 76.4
Total current assets	1,208,121	821,627	Up 47.0
Non-current assets			
Trade and other receivables	1,564,878	1,618,992	Down 3.3
Plant and equipment	121,877	254,542	Down 52.1
Exploration and evaluation assets	11,170,432	26,329,037	Down 57.6
Total non-current assets	12,857,187	28,202,571	Down 54.4
Total assets	14,065,308	29,024,198	Down 51.5
LIABILITIES			
Current liabilities			
Trade and other payables	1,998,824	2,247,355	Down 11.1
Interest bearing loans and borrowings	1,040,594	3,020,425	Down 65.5
Deferred revenue		283,467	
Deferred consideration	18,886	755,633	Down 97.5
Provisions	336,352	314,550	Up 6.9
Total current liabilities	3,394,656	6,621,430	Down 48.7
Non-current liabilities			
Interest bearing loans and borrowings	500,000	400,538	Up 24.8
Deferred consideration	5,206,795	10,550,128	Down 50.6
Total non-current liabilities	5,706,795	10,950,666	Down 47.9
Total liabilities	9,101,451	17,572,096	Down 48.2
Net assets	4,963,857	11,452,102	Down 56.7
EQUITY			
Contributed equity	36,202,047	32,018,530	Up 13.1
Reserves	7,364,892	5,853,164	Up 25.8
Accumulated losses	-38,603,082	-26,419,592	Deterioration 46.1
Total equity	4,963,857	11,452,102	Down 56.7

Fig 23: Cash Flow

Description	\$A		Change %
	2015	2014	
Cash flows from operating activities			
Receipts from other income	338,155	104,723	Up 222.9
Payments to suppliers and employees	-1,855,114	-2,564,344	Improved 27.7
Interest received	2,594	13,364	Down 80.6
Interest paid	-42,220	-235,453	Improved 82.1
Taxes refunded	184,761	371,428	Down 50.3
Net cash flows used in operating activities	-1,371,824	-2,310,282	Improved 40.6

Financial Results (Annual)
 (continued)

31 December, 2015

Cash Flows from investing activities			
Payments for plant and equipment	-6,535	-5,392	Deterioration 21.2
Proceeds from plant and equipment	91,673		
Payments for exploration and evaluation assets	-911,499	-3,033,450	Improved 70.0
Proceeds from sale of exploration and evaluation assets		2,180,484	
Proceeds from security deposits	94,728		
Net cash flows used in investing activities	-731,633	-858,358	Improved 14.8
Cash flows from financing activities			
Proceeds from the issue of equity	2,261,923	2,116,194	Up 6.9
Transaction costs of issuing shares	-256,721	-107,479	Deterioration 138.9
Proceeds from borrowing	576,168	2,175,000	Down 73.5
Repayment of borrowings	-755,000	-1,100,000	Improved 31.4
Net cash from financing activities	1,826,370	3,083,715	Down 40.8
Net decrease in cash and cash equivalents	-277,087	-84,925	Deterioration 226.3
Cash and cash equivalents at the beginning of the period	308,008	390,592	Down 21.1
Net foreign exchange difference	1,155	2,341	Down 50.7
Cash and cash equivalents at the end of the period	32,076	308,008	Down 89.6
Margins %			
Dec 31	2015	2014	
Earnings from Cont. Ops. Margin			-3,029.5
Net Income Margin	-128.6		-3,929.5

Company Overview and Regulatory Announcements

Fig 24: Activities

Latin Resources Ltd is Perth Australia based, Iron Ore and Gold focused exploration and development company. The Company was formed as a vehicle to explore and develop mineral concessions.

Business Sector	Mineral Resources
Industry Group	Metals & Mining
Economic Sector	Basic Materials

Further details can be found at
<http://www.latinresources.com.au>.

Issued Capital

Based on 1,577,398,098 issued equity shares the market capitalisation is \$A31.5 million. It is Australia's 226th largest Materials company by assets.

Company Overview and Regulatory Announcements

Meetings

September 30 2016: Latin Resources: Notice of General Meeting

Notice is given that the Meeting will be held at 10.00am on 31 October 2016 at:
 32 Harrogate Street, West Leederville, WA 6007
 Source: <http://www.asx.com.au/asxpdf/20160930/pdf/43bn1wy16hhzh8.pdf> >Australian Securities Exchange
[For more details click here.](#)

Exchange Activity

September 20 2016: Latin Resources will be reinstated

Latin Resources will be reinstated on Thursday, September 22.
[For more details click here.](#)

August 11 2016: Latin Resources will be reinstated

Latin Resources will be reinstated on Monday, August 15.
[For more details click here.](#)

Share Capital

November 10 2016: Latin Resources increases issued capital by 1.2%

Latin Resources (LRS.AU) has announced an increase of 18,000,000 shares (or 1.2%) in total shares on issue from 1,557,398,098 to 1,575,398,098. The effective date is Wednesday, November 09.
[For more details click here.](#)

November 04 2016: Latin Resources increases issued capital by 0.1%

Latin Resources (LRS.AU) has announced an increase of 2,000,000 shares (or 0.1%) in total shares on issue from 1,555,398,098 to 1,557,398,098. The effective date is Thursday, November 03.
[For more details click here.](#)

September 30 2016: Latin Resources increases issued capital by 0.1%

Latin Resources (LRS.AU) has announced an increase of 2,000,000 shares (or 0.1%) in total shares on issue from 1,553,398,098 to 1,555,398,098. The effective date is Thursday, September 29.
[For more details click here.](#)

Press Releases

September 22 2016: LRS acquires new Lithium project in Salta, Argentina

HIGHLIGHTS
 Latin Resources Limited (ASX:LRS) has entered into a binding Purchase and Earn-In Terms Sheet to acquire up to a 90% interest in several mining concessions which comprise of approximately 44,290 hectares of lithium and tantalum pegmatites in the Province of Salta, Argentina, known as the Ansofana Project ("Ansofana").
 The Ansofana concession area was mined for Tantalum and Bismuth by the Ansofana Mining Company between 1943 and 1945.
[For more details click here.](#)

September 20 2016: Latin Resources trading halt

Latin Resources requested a trading halt effective immediately.
[For more details click here.](#)

August 11 2016: Latin Resources trading halt

Latin Resources requested a trading halt effective immediately.
[For more details click here.](#)

July 27 2016: Latin signs Terms Sheet with Major copper producer

Highlights
 Latin Resources Limited (ASX:LRS) 100% owned subsidiary Peruvian Latin Resources SAC ("PLR") has signed a Binding Terms Sheet (BTS) with the Peruvian subsidiary of Canada mining giant First Quantum Minerals Ltd-Minera Antares Peru S.A.C., ("Antares"), to document the terms of a rights assignment and earn - in option to transfer up to 8 0% ownership of its Pachamanca/MT - 03 Project to Antares. Antares to complete geophysical survey and following which may elect to proceed with a rights assignment and an option to earn an initial 51% of the project by completing 4,000m of drilling within 6 months of obtaining drilling approvals. Antares may exercise the first option within a maximum of 48 months after obtaining advanced stage drill permits, and will earn 51% on completion of drilling and technical studies to support a JORC resource estimate of >1Mt contained copper equivalent. PLR to receive staged payments totalling US\$ 0.5 million over the option period, as an additional condition precedent to exercise the option. Antares can earn up to a total of 80% of the project when technical documentation of work completed is provided to support a decision to mine.
[For more details click here.](#)

Board and Management & creation of shareholder value



David Vilensky
Non-Executive Chairman

Mr Vilensky is a practising corporate lawyer and the managing director of Perth law firm Bowen Buchbinder Vilensky. He has more than 30 years experience in the areas of corporate and business laws and in commercial and corporate management. Mr Vilensky practises mainly in the area of mining and resources, corporate and commercial law, trade practices law, contract law and complex dispute resolution. Mr Vilensky acts for a number of listed and private companies and is also the non-executive chairman of Zambezi Resources Limited, an ASX listed company focusing on copper exploration in Zambia. Other directorships of Australian listed companies held by Mr Vilensky in the last three years are:

Current: Zambezi Resources Limited.



Christopher Gale
Managing Director

Christopher (Chris) Gale is the Managing Director of Latin Resources.

Mr Gale is an experienced executive in both public and private companies having founded and managed a number of private and public businesses over a twenty year period. Mr Gale has been actively involved in promoting and developing start-up companies and building strong management teams with a focus on commercialisation. Mr Gale has extensive experience in senior management roles in both the public and private sectors, especially in commercial and financial roles. He has held various board and executive roles at a number of global mining and technology companies during his career.

Mr Gale is a Board member of the Council on Australian Latin American Relations (COALAR) established by the Australian Government. He is also a founding director of Allegra Capital, a boutique corporate advisory firm based in Perth and is a member of the Australian Institute of Company Directors (AICD).

Liu Zhongsheng
Non-Executive Director

Mr. Liu Zhongsheng is currently an executive director and the chief executive officer of Junefield Department Store Group Limited, a company listed on The Stock Exchange of Hong Kong Limited. Mr. Liu has 15 years of experience in management for various Hong Kong listed companies and Chinese businesses.



Brent Jones
Non-Executive Director

Mr. Jones is an experienced financial services professional who has held operating roles at Woolworths, AFL, Civil Engineers - Ostojic Group and the National Tax and Accountants' Association prior to his current management position.

Over the past 13 years, Mr. Jones has been the joint Managing Director of InterPrac Limited, an unlisted public company, specializing in providing the accounting industry access to financial services products and distribution capabilities.

Mr. Jones has a degree in information technology, is a member of the National tax and accountants association and is a Graduate of the Australian Institute of Company Directors (AICD).

Creation of shareholder value in Latin Resources:

Since appointment as Non-Executive Director: The present value of AUD1,000 invested on the appointment date of September 14, 2015 at close price of 0.80c is \$A2,500, for a capital gain of \$A1,500.



Anthony Begovich
Company Secretary

Mr Begovich has more than 18 years experience as a chartered accountant specialising in the mining industry.

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Relative Strength (n-th Period) (Fig 3, 17):

Price close today/Price close 'n' periods ago, then ranked by percentile within the entire market.

Turnover Period (Fig 4):

Time Period required for trading all Outstanding Shares

Price/Earnings (Fig 19):

Share Price/Earnings Per Share (times)

Price/NTA (Fig 11):

Closing Share Price/Net Tangible Assets Per Share (times)

Moving Average Price (n periods) (Fig 3, 12, 20):

Sum of Prices for each Period/Number of Periods

Relative Price Change (Fig 15):

Today's Relative price change with respect to Benchmark Index

Volatility (Fig 11, 15, 20):

Highest Price minus Lowest Price/Lowest Price (%)

Turnover Rate (Fig 4):

Australian Dollar value of annual trading volume as a percentage of market capitalisation

Current Ratio:

Current Assets/Current Liabilities (times)

Price/Sales:

Share Price/Sales Per Share (times)

Volume Index (VI):

Number of shares traded in the period/Average number of shares traded for the period

Price Close/Moving Avg Price (Fig 3):

Latest Price/Moving Average Price

Volume Weighted Price (VWP) (Fig 15):

The Volume Weighted Price (VWP) is the summation of turnover divided by total volume in the same period.

PV\$A1000 (Fig 9, 10):

Present value of \$A1000 invested 1 year/'n' years ago

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