

8<sup>th</sup> February 2018

## **LATIN RESOURCES COMPLETES SALE OF ILO COPPER PROJECTS TO WESTMINSTER RESOURCES LTD**

### **HIGHLIGHTS**

- Latin Resources Ltd has completed the sale of its Ilo copper projects in Peru to Toronto Venture Exchange listed Westminster Resources Limited.
- Total sale proceeds exceed \$6.8m in cash and shares
- Cash instalment of USD\$150,000 to be paid by Westminster Resources Ltd
- The sale will enable Latin Resources to focus its resources on the development of its Lithium projects in Argentina
- The sale excludes the MT-03 copper project in Peru which is the subject of a separate Joint Venture Agreement with First Quantum Minerals Ltd

Latin Resources Limited (ASX: LRS) ("Latin" or "the Company") is pleased to announce it has finalised the sale of its Peruvian copper assets to Westminster Resources Limited ("TSX-V: WMR" or "Westminster") a publicly listed company on the Toronto Venture Exchange.

The sale and transfer will entitle Westminster to 100% ownership of a total of 44 concessions, including the Ilo Norte and Ilo Este projects, spread over 36,000 hectares ("**Projects**") held by Latin's 100% owned subsidiary, Peruvian Latin Resources SAC. Westminster have completed its due diligence and the formal Property Purchase Agreement ("**Agreement**") has now been executed by both parties with Latin to receive the first instalment of USD\$150,000 (AUD\$195,000) within 7 days.

### **Purchase Price**

The following unconditional terms and conditions will apply to the Agreement;

Upon transfer of ownership of the concessions comprising the Projects to WMR or its subsidiary WMR shall issue to Latin as part of the consideration for the Projects a total of 19,000,000 fully paid ordinary shares in the capital of WMR ("**Purchase Shares**").

The Purchase Shares will be placed into voluntary escrow and shall be released from escrow on the following milestones:

- a) 1,000,000 shares on the 6 month anniversary of the signing of the Agreement;
- b) 3,000,000 shares on the 12 month anniversary of the signing of the Agreement;
- c) 15,000,000 shares on the 18 month anniversary of the signing of the Agreement.

- d) A lump sum of USD \$150,000 is payable by WMR to Latin on the signing of the Agreement; and
- e) The payment of a further USD\$100,000 is payable by WMR to Latin on the first anniversary of the signing of the Agreement

Based on the current share price of WMR of CAD\$0.345 the sale transaction has a total value of more than AUD\$6.8 million comprising AUD\$6.5 million in shares and USD\$250k in cash.

The current market capitalisation of Latin Resources is AUD\$26m @\$0.01c per share so the divestment of the copper assets for over \$6.8m adds significant tangible value to Latin's portfolio.

Following the issue of the Purchase Shares pursuant to the Agreement, Latin Resources will be the largest shareholder of WMR holding approximately 43% of its issued capital. Latin will also be entitled to appoint a director to the Board of WMR. Westminster is well capitalised to commence work on the Projects which is likely to add value relatively promptly to take advantage of the copper price recently hitting 3 year highs.

The objective of the sale of the Projects was to secure material tangible value for Latin's shareholders given that the Projects are no longer a strategic priority of Latin and are surplus to its requirements. It will also save the Company AUD\$140,000 in annual concession costs.

### **Delivering Value**

Latin aims to deliver value to its shareholders through its diversified portfolio of battery mineral assets through a combination of joint ventures and developing its own extensive suite of lithium and cobalt projects mainly in Argentina, in addition to its other copper projects at various stages of exploration.

The Ilo Sur (MT03) copper project which is the subject of a Joint Venture agreement with First Quantum Minerals Ltd, is being retained by Latin Resources and is excluded from the Agreement with WMR.

First Quantum have recently completed geophysical survey and will commence drill permitting to enable a detailed drilling program to commence.

***The divestment of its Copper projects will now allow Latin to focus on its Lithium and Cobalt projects in Argentina.***

The Company now has 101,096 Hectares under application or agreement in San Luis Province and over 70,000 hectares in the Catamarca province. This is the largest lithium hard rock pegmatite land holding in Argentina.

The Company remains in discussions with a number of parties in relation to joint venture and offtake opportunities to assist in and fast track the development of its lithium projects.

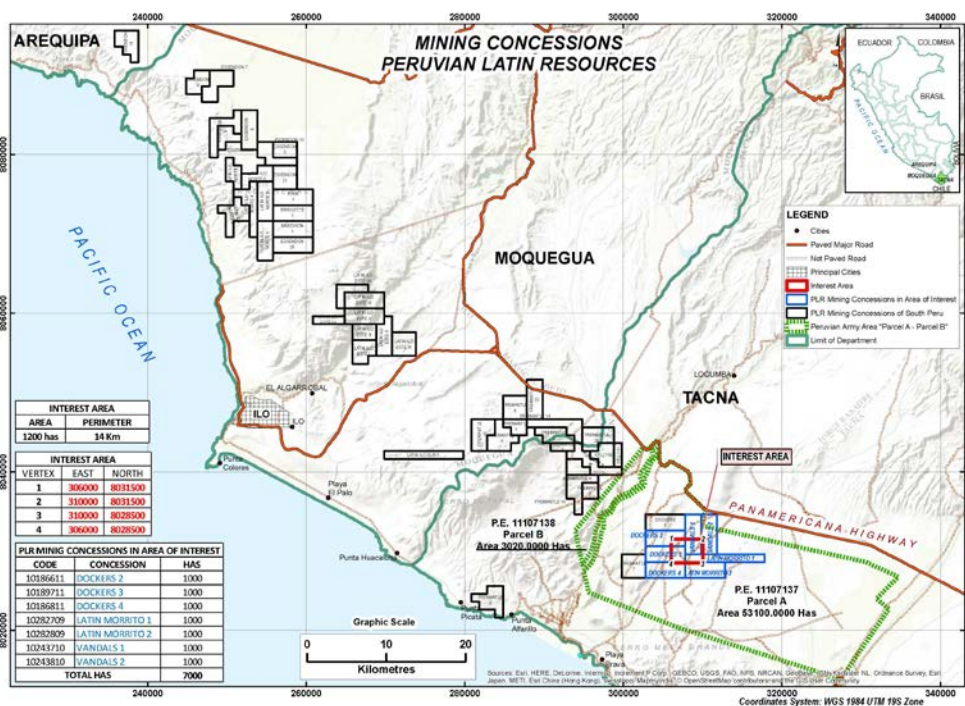
The Company advises that negotiations are continuing and progressing well to ultimately reach suitable terms on a JV and /or an offtake agreement.

## Latin's Ilo Projects are in the Heart of the Prolific Copper District of Southern Peru

Latin Resources has carried out extensive exploration drilling and has demonstrated substantial upside for development of its **Ilo Este and Ilo Norte Copper Projects**, comprising of the Company's more than 36,000 hectare, 100% owned concession holdings in the highly prospective coastal IOCG/Porphyry Copper belt of Southern Peru. Over 125 billion pounds of contained copper in published reserves and resources are found within 100 km of these concessions and are the source of around half of Peru's copper production. Peru is the world's third largest copper producing nation. Latin's **Ilo Norte Project**, is only 29km North of the port city of Ilo and hosts **IOCG and Skarn Replacement** style mineralisation in a package of Jurassic Volcano-sedimentary rocks. Over 10,000m of diamond drilling has been completed with drill results improving towards the North East of the project area; Best intersections from the drill campaign are as follows:

Hole ID	From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)
<b>IN-009</b>	423	429	6	2.6 %	0.25
<i>Incl.</i>	426	429	3	4.9 %	0.32
<b>IN-012</b>	255	258	3	2.2 %	0.19
<b>IN-016</b>	381	399	18	0.66 %	0.09
<i>Incl.</i>	387	393	6	1.2 %	0.23
<b>IN-019</b>	282	312	30	0.93 %	0.01
<i>Incl.</i>	300	306	6	3.1 %	0.45

**Ilo Este** is a large Copper Porphyry System with coincident Gold, Silver and Molybdenum mineralisation which has been mapped at surface over more than 3km<sup>2</sup>, and believed to potentially continue over a similar area under cover to the east of the area where it outcrops both as an extension to two ESE striking intrusive belts under cover, and also potentially fault offset by a major, apparently low angle listric fault striking to the NE. Rio Tinto (RTX) drilled shallow RC holes at Ilo Este in 2000 in the northern of the two ESE striking intrusive belts.



**Figure 2 – The 44 concessions totally over 36,000 hectares that will be sold to Westminster Resources Limited. (The blue coloured concession area form the First Quantum Joint Venture)**

Porphyry Copper Deposits are the world's largest source of copper mined today and are generally the lowest unit cost mines due to their size and additional bi-product credits for Mo, Au, Ag and other metals. **Peru and Chile** together produce around **one third of the world's copper** and the Western flanks of the Andes Mountains in Southern Peru are host to Peru's largest and most prolific copper producers. Nearly **600,000 tonnes of copper** is produced each year **within 100 km of Latin's concessions** and is set to increase substantially in coming years with expansions and new mines coming on line. Latin's concessions have good potential for Copper Porphyry deposits and such a discovery would be extremely valuable to the Company.



Cuajone Mine, Peru: 2.4Bt @ 0.48% Cu, 0.017% Mo; 140ktpa Cu production. 70km NE of Ilo Este.

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The likely extension of the northern intrusive belt under cover to the East South East increases the size potential of the already very large system, as does the possible fault offset upper portion of the porphyry which may host the typically higher grade phyllic zone. The phyllic zone is only observed in restricted areas of the outcropping system as mapped, suggesting that it has either been eroded, or possibly cut by the low angle Chololo Fault adjacent to the South East (Figure 3).

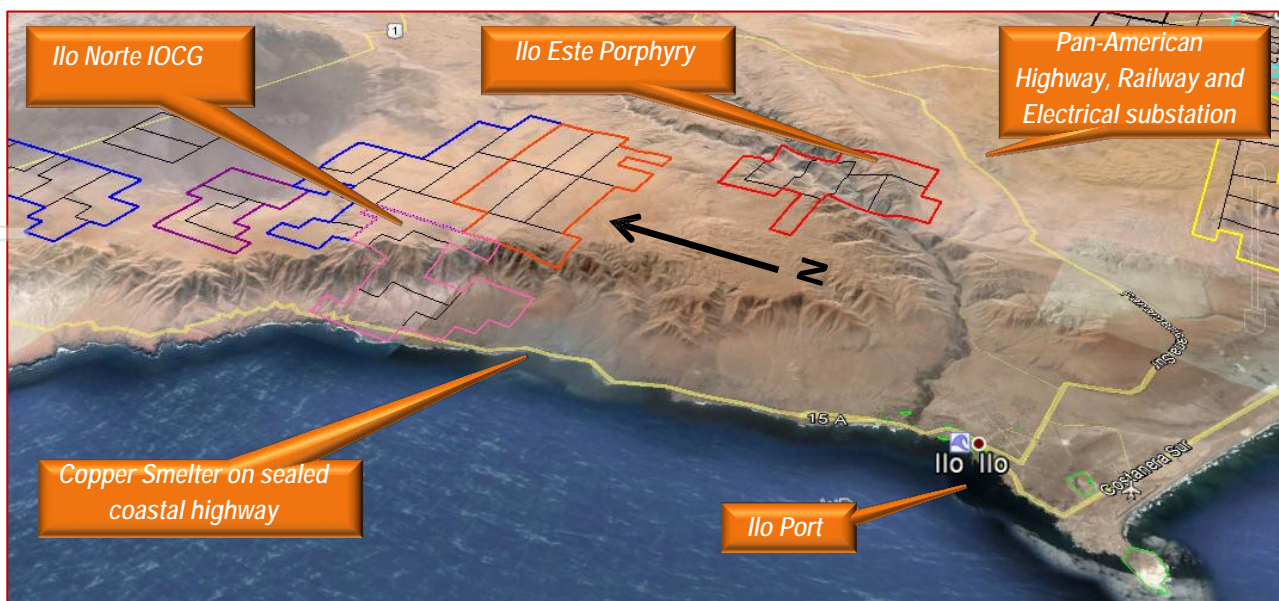


Figure 3- View of southern coast of Peru around Ilo with Latin's concessions outlined. Ilo Este is 6km From the Pan Pacific Highway, railway and electrical substation and a further 32km to the port city of Ilo .

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**About Latin Resources**

*Latin Resources Limited is a mineral exploration company focused on creating shareholder wealth through the identification and definition of mineral resources in Latin America. The Company has secured over 221,000 hectares of exploration concessions in the lithium pegmatite districts of Catamarca, San Luis and Salta Provinces, Argentina as well as 28,000 hectares prospective for Cobalt in La Rioja.*

*The company also has a portfolio of projects in Peru and is actively progressing its Iron Oxide-Copper-Gold and Copper Porphyry projects in the Ilo region with its joint venture partner First Quantum Minerals Ltd.*

**Competent Persons Statements**

*The information in this report that relates to Geological Data and Exploration Results is based on information compiled by Mr Kerry Griffin, who is a Member of the Australian Institute of Geoscientists. Mr Griffin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Griffin is the Exploration and Development Manager of Latin Resources Limited and consents to the inclusion in this report of the matters based on his information, and information presented to him, in the form and context in which it appears.*

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## APPENDIX

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of the above exploration results at the Ancasti Lithium Project, Argentina. The project comprises the Catamarca exploration tenement numbers 36M2016, 37M2016, 38M2016, 39M2016, 40M2016, 41M2016, 42M2016, 56M2016 and 57M2016

### JORC Code, 2012 Edition – Table 1

#### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>• <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>• RC chips have been sampled at 1m intervals using a two tier splitter to produce a 5-6kg sample.</li> <li>• The splitter was cleaned with compressed air between all samples</li> <li>• Reject material from the splitting has been retained in plastic bags at site</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>• 5 1/2 inch Reverse Circulation</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sample recovery was assessed visually and will be re-assessed using sample weights measured by the lab at receipt of the samples.</li> </ul>

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All intervals from the drill chips have been logged by geologists</li> <li>Logging is by nature qualitative</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Samples were split using a standard 2 tier splitter</li> <li>All samples were dry</li> <li>Samples are logged into the lab tracking system, weigh the sample as received, crush 70% &lt;2mm, split off 1000g approx. then pulverize split to &gt;85% -75 microns (&gt;85% -200#). Aliquots of pulverized samples were subject Multi-Element Analysis by Sodium Peroxide Fusion and ICP-MS (ME-MS89L) and Li Analysis by Sodium Peroxide Fusion and ICP-ES for sample over 2.5% lithium (ME-ICP82b)</li> <li>Sample sizes were appropriate for grain size of material sampled considering the specific targeted nature of the sampling for spodumene.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>The Peroxide Fusion digestion is a specialized and appropriate method for accurately measuring ore grade Lithium content.</li> <li>Standards, blanks and field duplicates were submitted with the samples for analysis.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>Sample data were recorded on field logging sheets and data entered into a digital MS Access database.</li> <li>Analysis is checked by the use of certified reference materials</li> <li>Data is recorded on both paper and electronic formats with back up</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole locations were measured using hand held GPS. Coordinates of drill holes were recorded in UTM WGS 84. At the completion of the program the collars will be resurveyed by a licensed surveyor using total station equipment</li> <li>Topographic control was using handheld GPS and SRTM data. A topographic</li> </ul>

Criteria	JORC Code explanation	Commentary
		surface will be surveyed at the completion of the program
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drill hole spacing occurs at a nominal spacing of 40-50m</li> <li>• No sample compositing occurred.</li> <li>• There is not currently enough data for a resource estimate.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Angled Drill holes were orientated perpendicular to the strike of the pegmatites</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Pre-assay sample security was managed by the Company using industry standard chain of custody procedure. Company geologists, directors and consultants and licensed couriers transported the samples from the field to the ALS laboratory for reception.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No external audit or review of the sampling techniques or data has been undertaken beyond that of normal internal Company procedures and that of the respective Competent Persons in the compilation of this and supporting, separate reports.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The Ancasti Ranges Lithium project comprises the Catamarca Catamarca exploration tenements: 36M2016, 37M2016, 38M2016, 39M2016, 40M2016, 41M2016, 42M2016, 56M2016 and 57M2016 totalling 77,051 hectares.. The concessions are located as blocks on the map in the body of the announcement (Figure 1).</li> <li>• All claim applications have been approved</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Deposit types are pegmatite dykes of intrusive origin resulting in the crystallization and differentiation of a number of mineral species including Spodumene and to a lesser extent other Lithium species. These dkyes are lenticular having up to several hundred metres of strike and several metres width. They appear to have been emplaced along favorable structures within granodiorites in the vicinity (+/- km's) of larger intrusive bodies.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole information is presented in tables 3 and 5 in the body of the report</li> <li>Not applicable, all available information has been provided above.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregations should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>No grade cuts have been applied</li> <li>Higher grade inclusions are reported</li> <li>Not applicable – no metal equivalents were mentioned in this announcement.</li> </ul>
Relationship between	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>The true widths are not known at this early stage of drilling</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate maps are included in the body of the announcement to show the location from where the samples were collected.</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>The reporting of the results from 151 samples in this announcement is considered balanced.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>To the extent possible in such an announcement, the exploration data generated by Latin is meaningfully represented and has been related in an integral fashion. Relationships of the data have been made to past exploration data that is available, ie sample results corroborate the previously published occurrences of spodumene at seven old mines.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Further mapping, surface sampling and drilling are planned to estimate resources according to JORC.</li> <li>A map showing the locations of the principle studied known deposits has been included in the body of the report. Subsequent work by the company will provide more detail of each of these, and also exploration results aimed at locating more lithium bearing pegmatites within the project area.</li> </ul>