

LATIN RESOURCES

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Bell Potter Unearthed

FEBRUARY 2023

Developing minerals to provide the planet with environmentally sustainable products

ASX:**LRS** FRA:**XL5**

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Lithium Market Deficit

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EVs and battery storage account for c50% mineral demand growth in clean technologies over the next 2 decades.

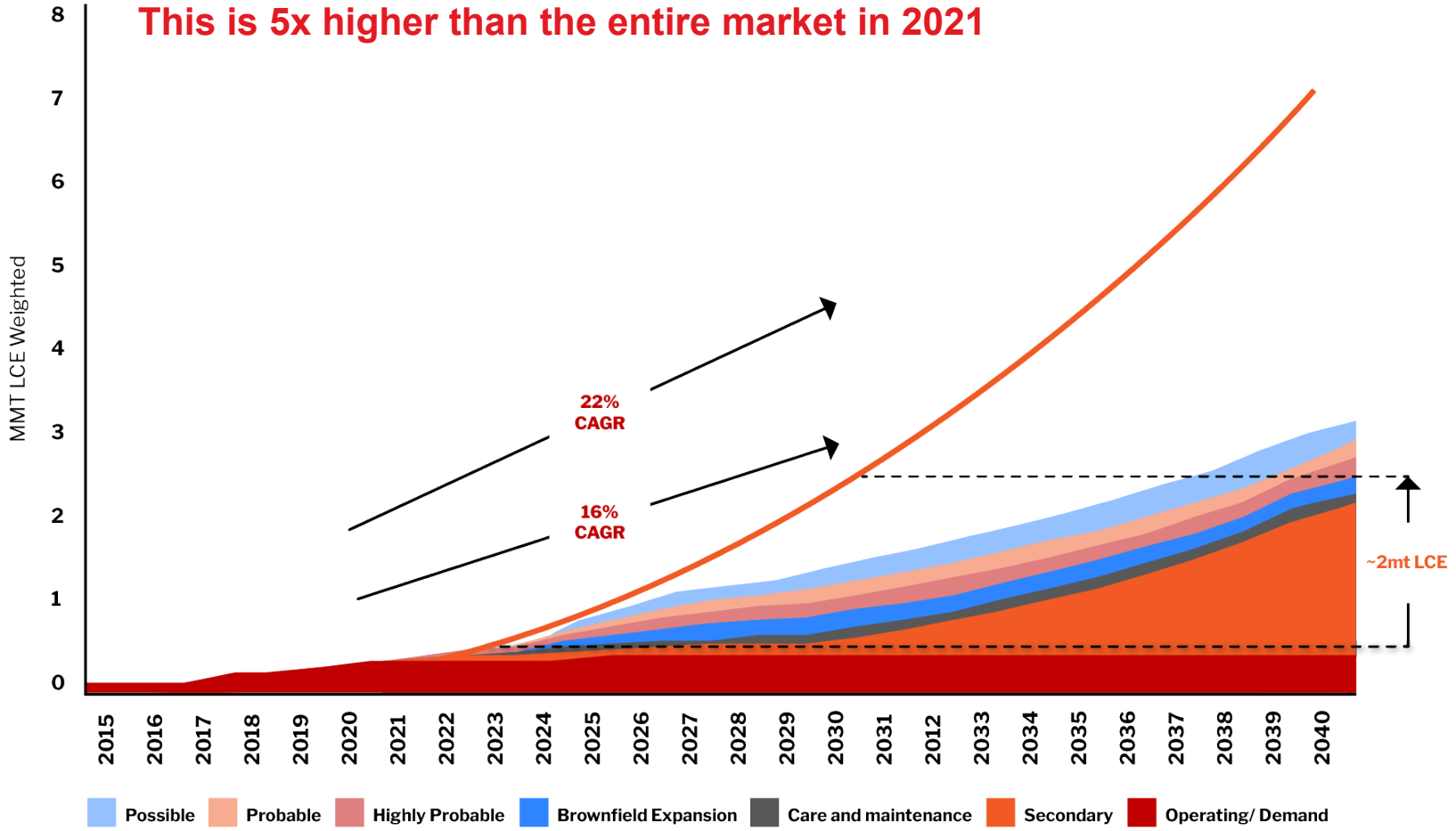
The IEA SDS (Sustainable Development Scenario, where current Net Zero goals are met), has mineral demand by weight in 2040 dominated by graphite, copper and nickel.

Lithium sees the fastest growth rate, with demand growing by over 40 times in the SDS

Source: IEA - The Role of Critical World Energy Outlook Special Report Minerals in Clean Energy Transitions- March 2022

The gap between operating mines and demand in 2030 will be **~2Mt LCE.**

This is 5x higher than the entire market in 2021



Source: Benchmark Mineral Intelligence

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Lithium and Copper Projects

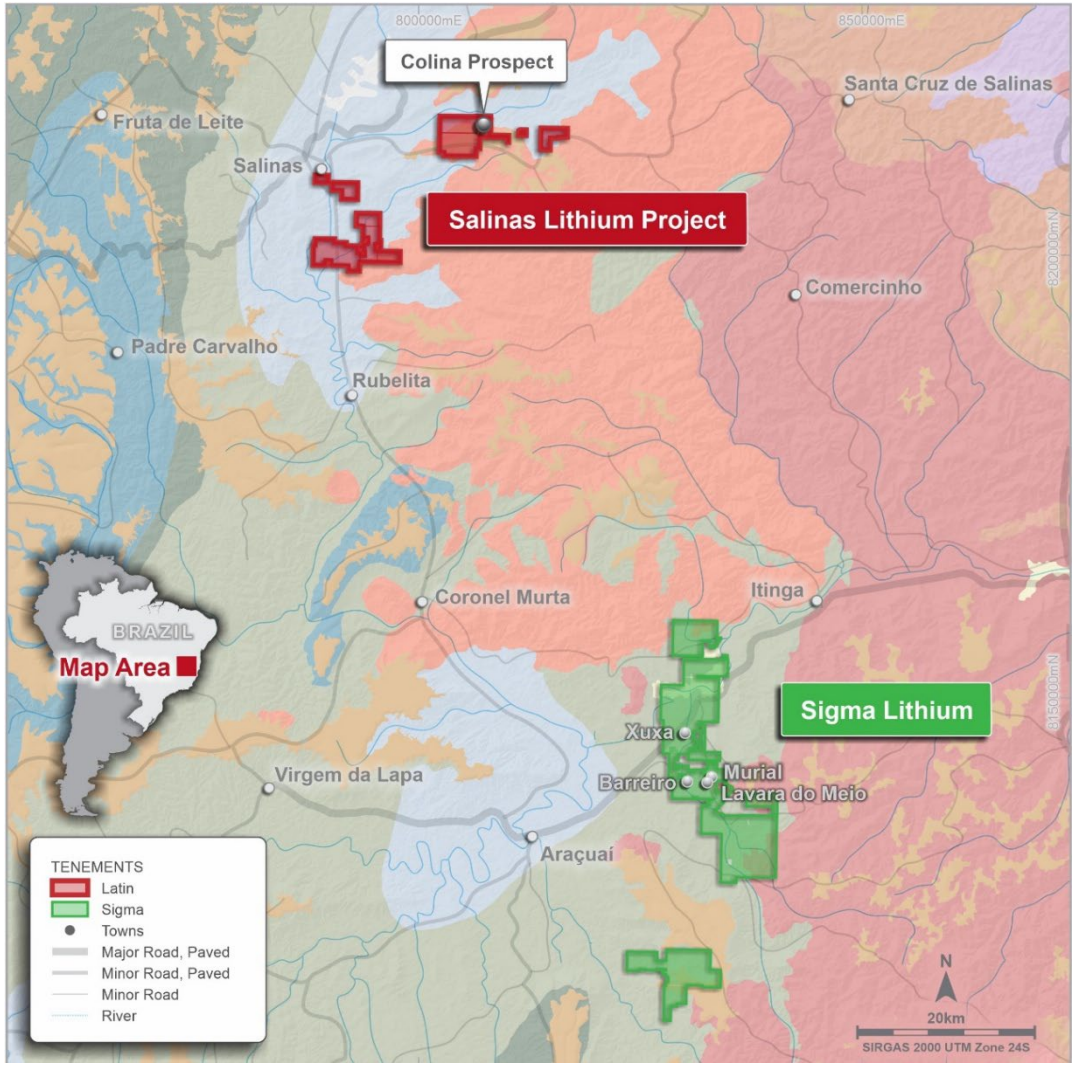
South America

Lithium in Brazil Minas Gerais District

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Brazil is Latin America's largest pro-mining jurisdiction

- **Over 65%** of Brazil's electricity comes from **Hydro Power**
- **Sigma Lithium Resources** is the most active lithium explorer in the region with a world-class lithium resource base* of **85.7Mt @ 1.43% Li_2O** and a **market capitalisation of ~ $4 bn (CAD)***
- **SGS** recently upgraded the **Sigma Lithium DFS to an After-tax $NPV_{8\%}$ and IRR of US$15.3bn and 1,273% respectively**
- **Average annual production of 766ktpa and 13 year mine life**
- **Sigma Lithium's reported Mineral Reserves**
  - **Proven & Probable : 54.8Mt at 1.44% Li_2O**
  - **M&I: 77.0Mt at 1.43% Li_2O**
  - **Inferred: 12.1Mt at 1.45% Li_2O**



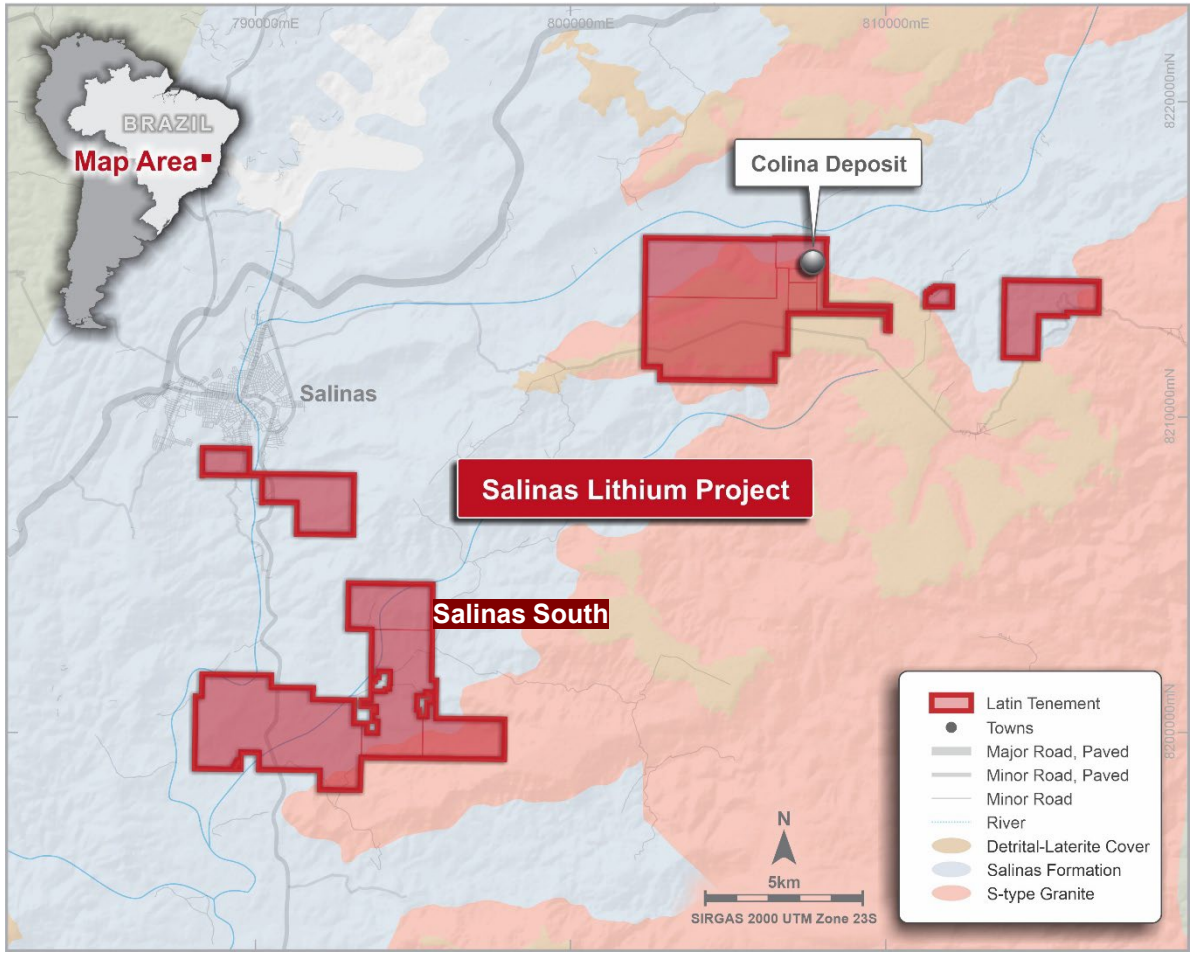
The Company notes that details of neighbouring projects to the Company's projects are set out for information purposes only and is not an indication of the prospectivity of the geology of the Company's projects.

- Market capitalisation in Canadian dollars as of 20 January 2023
- Refer to Sigma Lithium TSX announcement dated 4 December 2022
- Refer to Sigma Lithium TSX announcement dated 22 June 2022
- Refer to Sigma Lithium TSX announcement dated 12 July 2022
- Refer to Sigma Lithium TSX announcement dated 11 April 2022, updated Feasibility Study

Latin Resources Salinas Lithium Project

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- **Latin Resources 100% owned subsidiary Belo Lithium holds** over **6,341 hectares** in the premier spodumene district of **Minas Gerais**
- Latin holds **multiple exploration targets** including the **Colina deposit and Salinas South** tenement area which has outcropping pegmatites containing spodumene over a strike of 4km
- **Colina** Maiden JORC Mineral Resource Estimate **13.3mt @ 1.2% Li_2O**[1]
- **Colina Exploration Target Range 13.3 – 22 mt @ 1.2 -1.5% Li_2O**[2]
- Latin has appointed **SGS Canada** to carry out **PEA study**
- Latin has appointed **Environmental and Development Licence** consultants– work commenced

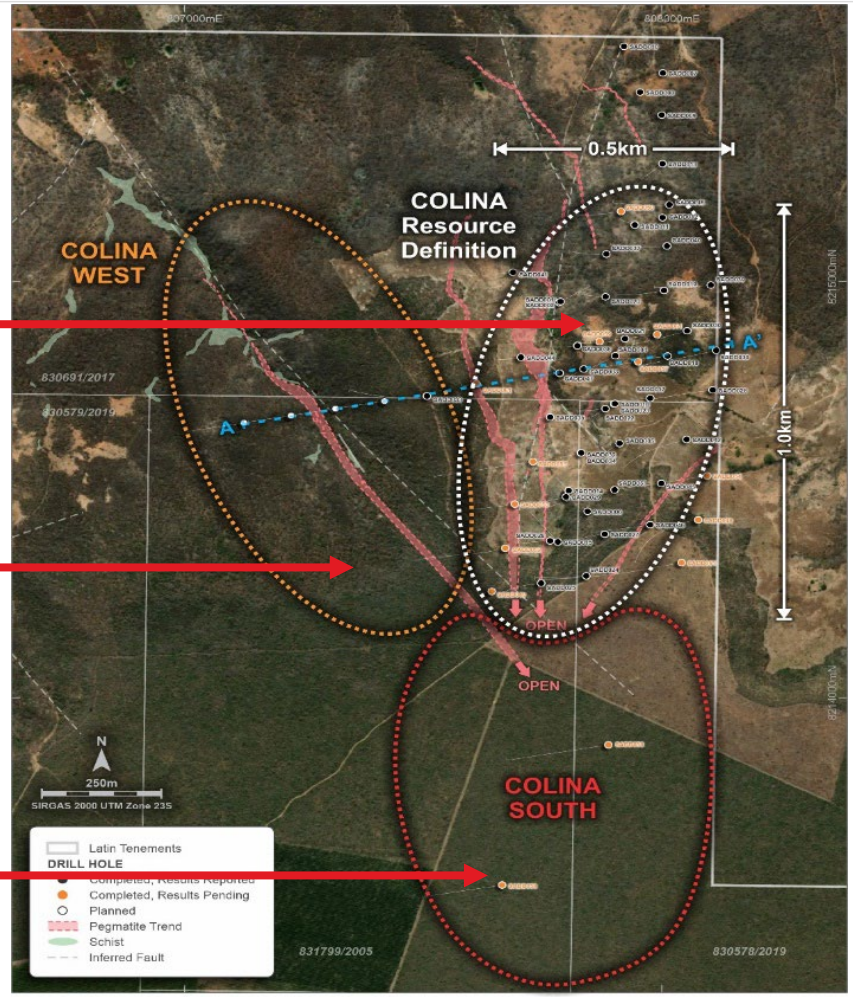


1 Refer to LRS ASX announcement dated 8 December 2022
2 The potential quantity and grade of the ETR lithium mineralisation at the wider Colina project is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resources and it is uncertain if further exploration will confirm the target ranges

Colina West Prospect Significant Resource Upside

New drill program plan for **2023 of 65,000** meters with 4 addition rigs on site in January for a **total of 8 rigs**

- **Colina Deposit**: **13.3 Mt @ 1.2% Li_2O** MRE JORC - ***13-22 Mt*** based on the SGS ETR range of 13.5 – 22 Mt with a grade range of 1.2-1.5% Li_2O*
- **Colina West Pegmatites**: has confirmed the continuity of the thick high-grade spodumene pegmatites intersected in drill hole SADD055# with a further three holes intersecting the newly identified pegmatite swarm, assay results pending
- **Colina South**: extensions of the Colina Deposit to the south



*The potential quantity and grade of the ETR lithium mineralisation at the wider Colina project is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resources and it is uncertain if further exploration will confirm the target ranges.

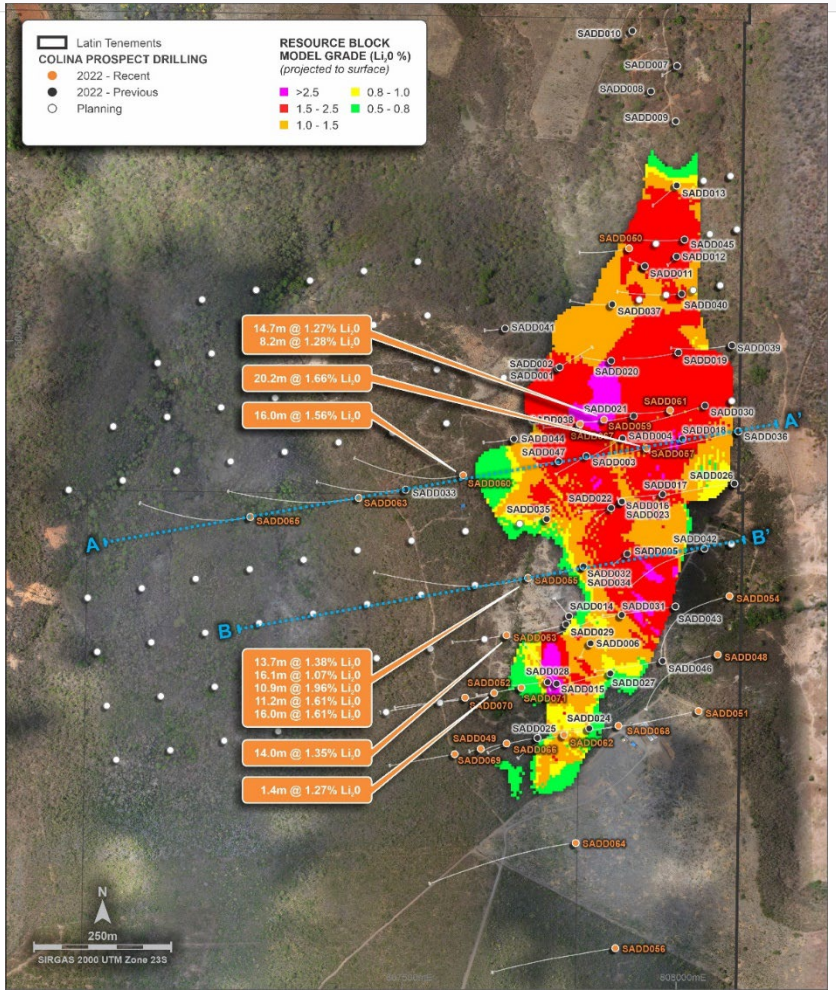
* Refer to ASX Announcement dated 8 December 2022
# Refer to ASX Announcement dated 5 October 2022

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Colina West Exceptional Assay Results

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- Latest assay results received from diamond drilling completed in late 2022
- Over 67 meters (*cumulative*) of mineralised lithium pegmatites intersected in one hole, SADD055 located approximately 200m along strike to the south of the Colina West discovery hole, intersections include:
  - **SADD055: 13.73m @ 1.38% Li_2O from 200.19m**
    ***and*: 16.08m @ 1.07% Li_2O from 306.69m**
    ***and*: 10.85m @ 1.96% Li_2O from 322.15m**
    ***and*: 11.16m @ 1.61% Li_2O from 360.17m**
    ***and*: 16.00m @ 1.61% Li_2O from 393.60m**
- **Other significant intersections include:**
  - **SADD053: 14.00m @ 1.35% Li_2O from 289.58m**
  - **SADD057: 20.17m @ 1.66% Li_2O from 136.99m**
  - **SADD059: 14.70m @ 1.27% Li_2O from 109.90m**
  - **SADD060: 15.96m @ 1.56% Li_2O from 350.09m**



Colina Deposit MRE block model (>0.5% Li blocks only projected to surface), drill collar plan showing completed drill holes (results reported and pending) and the initial 2023 drilling program drill collar locations

Refer to ASX announcement dated 8 december 2022 for full details of the colina deposit MRE

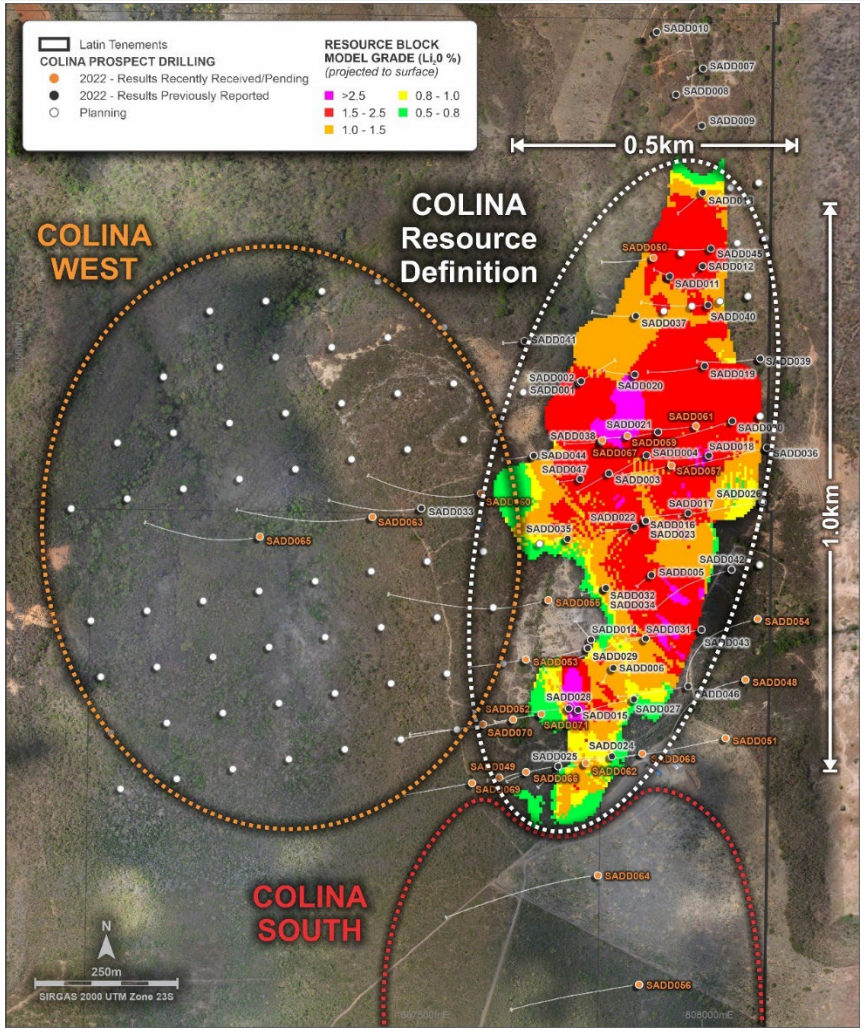
Colina West Aggressive Drill Program to grow Resource

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- Recent drilling at the **Colina West prospect,** 500m to the west of Colina has confirmed the continuity of **the thick high-grade spodumene pegmatites intersected in multiple holes,** with a further holes intersecting **the newly identified pegmatite swarm, assay results pending**

- **Aggressive 65,000m drilling campaign planned for 2023** with the addition of four more drilling rigs for a total of eight on site, this is designed to **fast track rapid resource growth at the Colina and Colina West Deposit** and underpin a rapid move towards potential future development

- The **objective** of the company over the next 6 months is to grow the Colina resource base **as big as it can as quick as it can!**



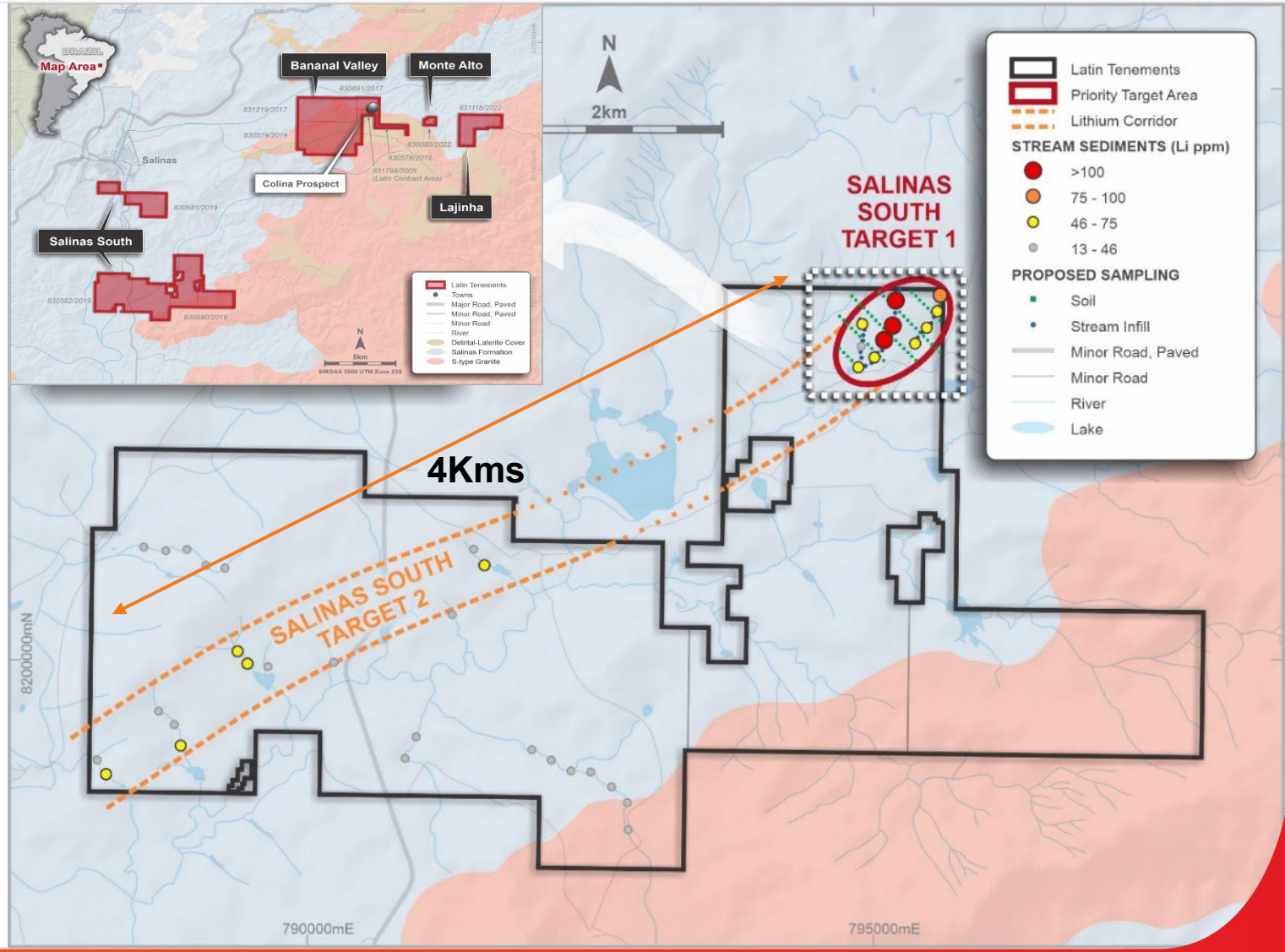
Colina Deposit drill collar plan highlighting potential MRE growth areas, including Colina West and Colina South

Salinas South Lithium Corridor

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- Latin has identified highly weathered pegmatites in the north-east of the tenement, coincident with a strong geochemical anomaly
- Regional reconnaissance stream sediment sampling of the Salinas South Project has highlighted an anomalous lithium corridor extending over 4km across the Project
- **First pass drill testing of soil anomalies scheduled for Q1 2023**
- **Initial soil sampling program completed,** results & interpretation pending
- Additional tenure acquisitions have increased **landholding to 4,088 hectares**





Metallurgical Test Work

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80.5% Recovery to 6.6% Li_2O Concentrate*

- Crush size doubled to 12.5mm and recoveries and grade remain high demonstrating very coarse liberation of spodumene:
  - **Average recovery of 80.5% of Li_2O; and**
  - **Production of extremely high-grade Li_2O concentrate (up to 6.6%) from simple Heavy Liquid Separation (HLS)**
- Exceptionally clean concentrates in -12.5mm+6.3mm HLS results suggest crush size can be further increased. Concentrates **well above 7.0% and as high as 7.96% Li_2O achieved**
- Results show excellent consistency of results across the width and depth of the known ore body
- High Li_2O recovery rates from simple HLS, may reduce initial project capital requirements, and ongoing operational processing costs
- Potential for high-quality concentrate with less complex and **lower cost DMS processing, due to high recovery rates** at a relatively coarse crush





* Refer to ASX announcement dated 5 December 2022

Catamarca Joint Venture Argentina Spodumene Project

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Catamarca – 50/50 JV

Over 60,000 hectares held by LRS



North West Alto

New Exploration Q3 2022

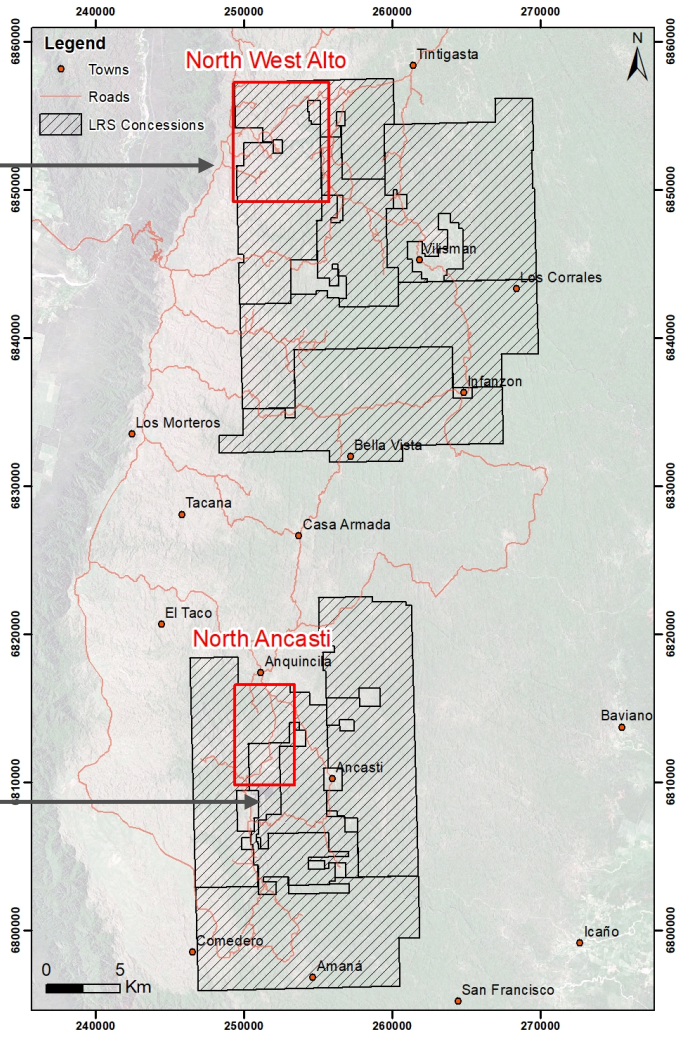
Villisman Project

Previous drilling intercepts include*:

- 3m @ 2.98% Li_2O
- 5.2m @ 1.62% Li_2O
- 6m @ 2.40% Li_2O
- 7m @ 2.17% Li_2O

Ancasti Project

North Ancasti



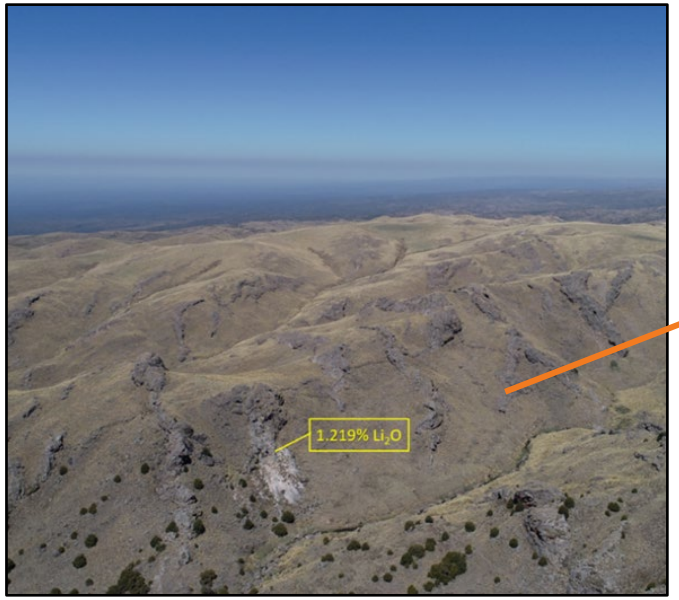
** Refer ASX announcement; 26/04/17*

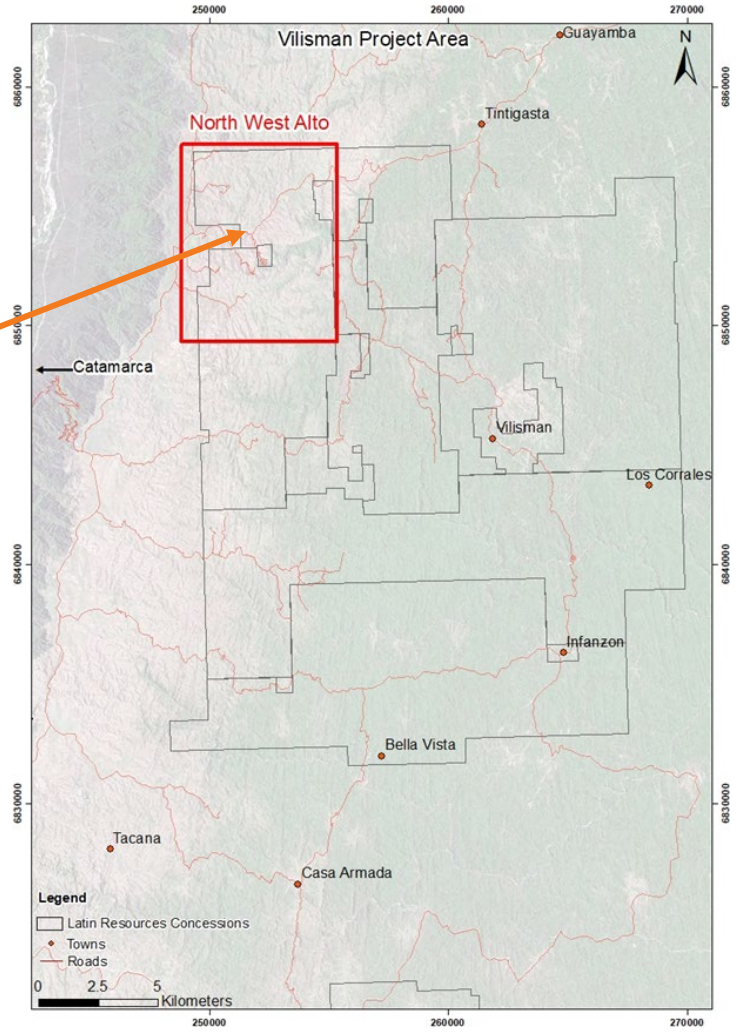
Catamarca NW Alto New Exploration Work 2023

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North West Alto

- **Highly prospective** for lithium bearing pegmatites of considerable size
- Rock chipping and soil sampling continues over the region
- **Recently identified lithium of 1.219% Li_2O*** in the only exposed mine of the area
- Encouraged by the presence of lithium in the NW Alto system
- Further work being conducted to identify drill targets



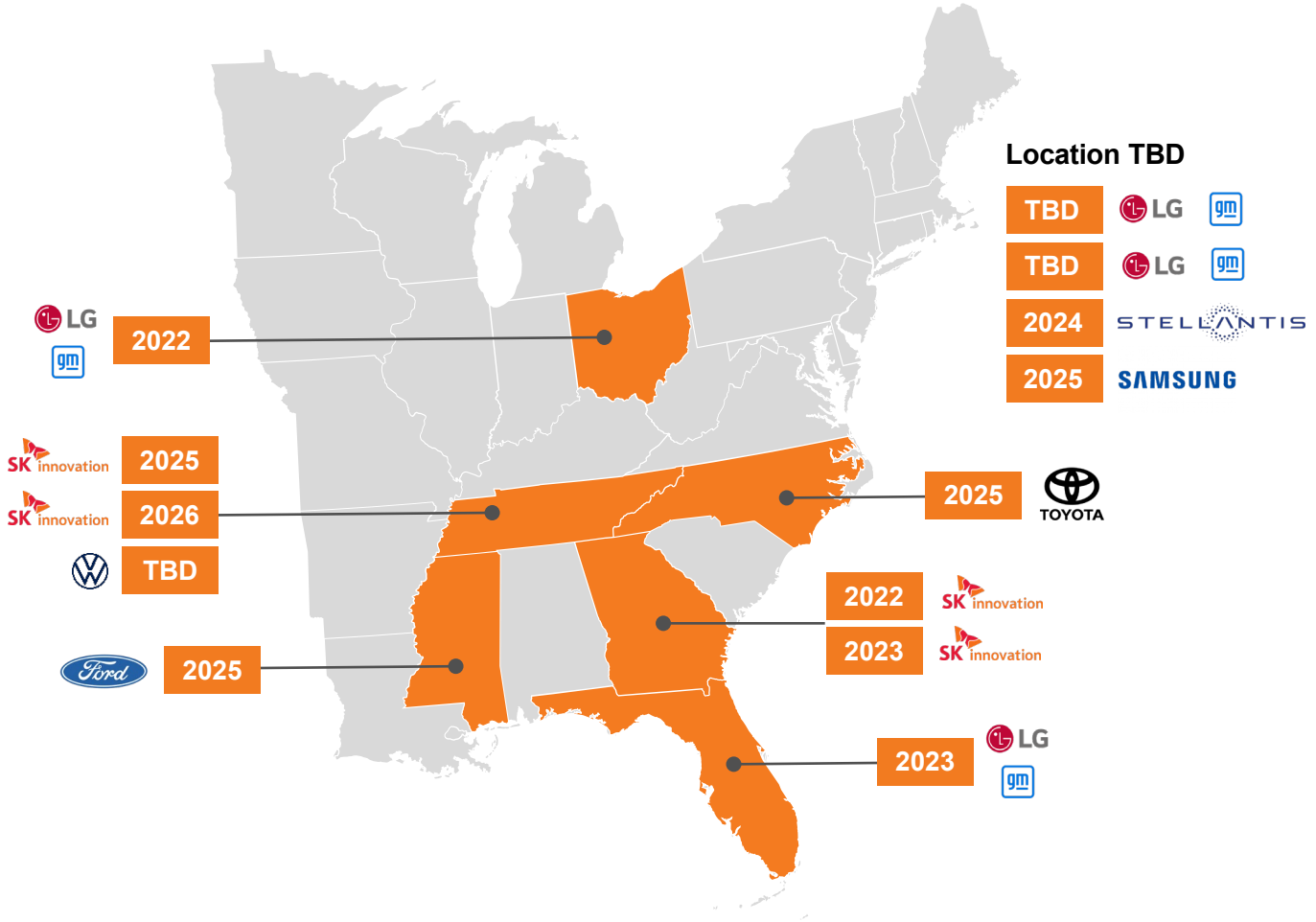


The Rise of Gigafactories Brazil Advantage

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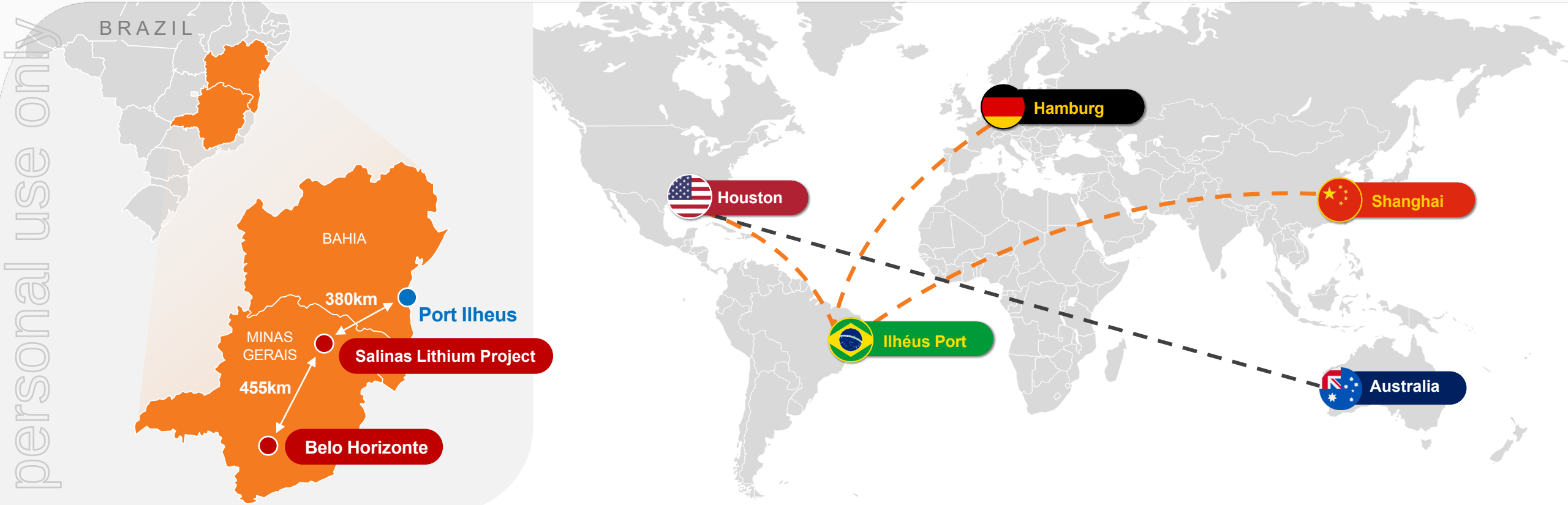
13 additional Gigafactories will become operational in the US in the next 5 years

- New US climate bill^ will incentivise expanding renewable energy and include EV tax credits*
- Requires EV production meets stringent sourcing constraints, including supply from US or countries with free trade agreement
- **Latin is in discussions with car and battery manufacturers**



^ *US Climate Bill subject to House approval*
* *Source: US Department of Energy, McKinsey*

Advantageous Location



- Located in one of the world's largest mining provinces with existing infrastructure including roads and port access
- Brazil is a very short distance to the USA. Atlantic port access brings the advantage of faster delivery, reduced shipping costs and lower carbon footprint
- Brazil offers an alternative source of supply compared to the majority of current supply of spodumene coming from Australia

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Experienced Board & Management

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David Vilensky

Non-Executive Chairman

Corporate lawyer and an experienced listed company director, with over 35 years experience in the areas of corporate and business law and in commercial and corporate management.



Christopher Gale

Managing Director

Founder (2008) and Managing Director of Latin Resources with a 25 career in commercial and financial roles in public and private companies. He is the founding director of boutique corporate advisory firm Allegra Capital; and is a member of the Australian Institute of Company Directors (AICD).



Peter Oliver

Non-Executive Director

Mining professional with lithium credentials, former CEO/MD of Talison Lithium and corporate adviser to Tianqi Lithium, where he assisted on M&A activity and recruiting key personnel to establish Tianqi outside of China. Career in operational mining roles, including General Manager of Talison's Greenbushes and Wodgina mines and as COO of Talison.



Brent Jones

Non-Executive Director

Experienced financial services professional who has held numerous directorships and managerial positions. Head of Professional Services at Sequoia Financial Group (ASX:SEQ), a national supplier of diversified professional services to the Accounting and Advice industry.



Pablo Tarantini

Non-Executive Director

Broad professional experience in the mining industry in Argentina and Latin America. Served as Executive Director of the Argentinian Bureau of Investment and International Trade, coordinating investment initiatives and supporting the promotion of the mining activity in Argentina. Former President and Executive Director of SAPISA and Minera Don Nicolás.

Corporate Overview

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LRS
ASX Code

XL5
FRA Code

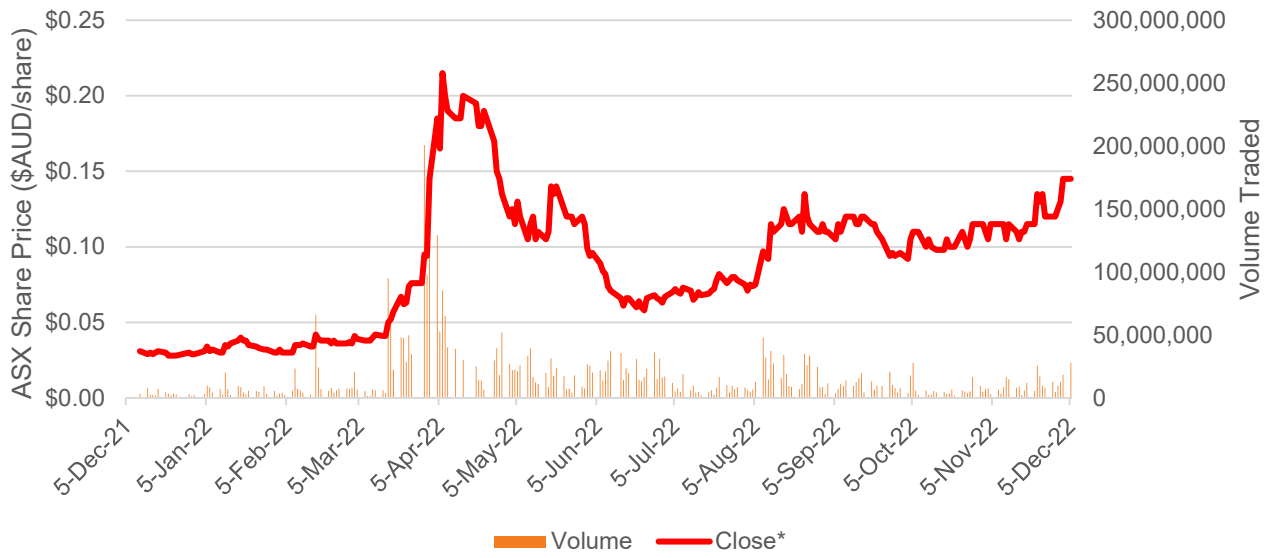
$265m
Market Cap
(Share price $0.12 31/01/2023)

$2m
Average Daily Value
(52 week)

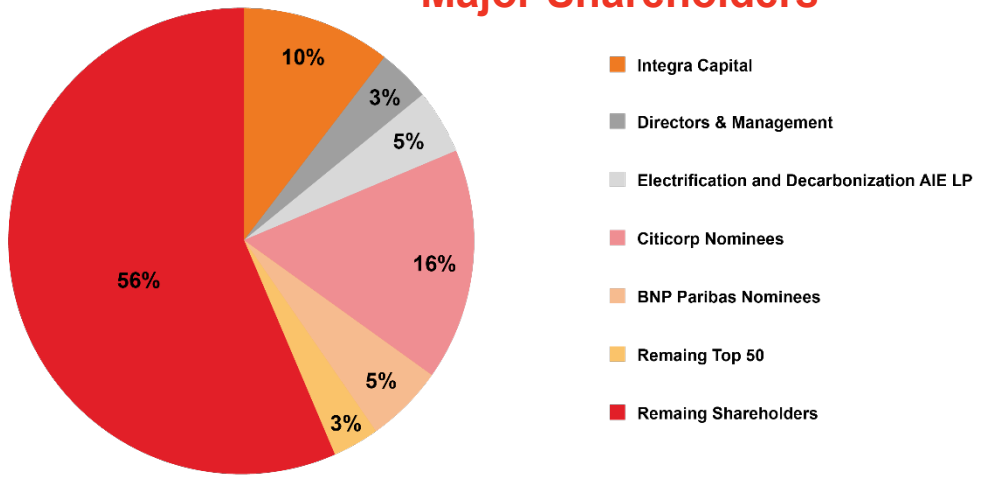
2,201m
Shares on Issue

$26.2m
Cash*

$239m
Enterprise Value



Major Shareholders



* As of 30 December 2022

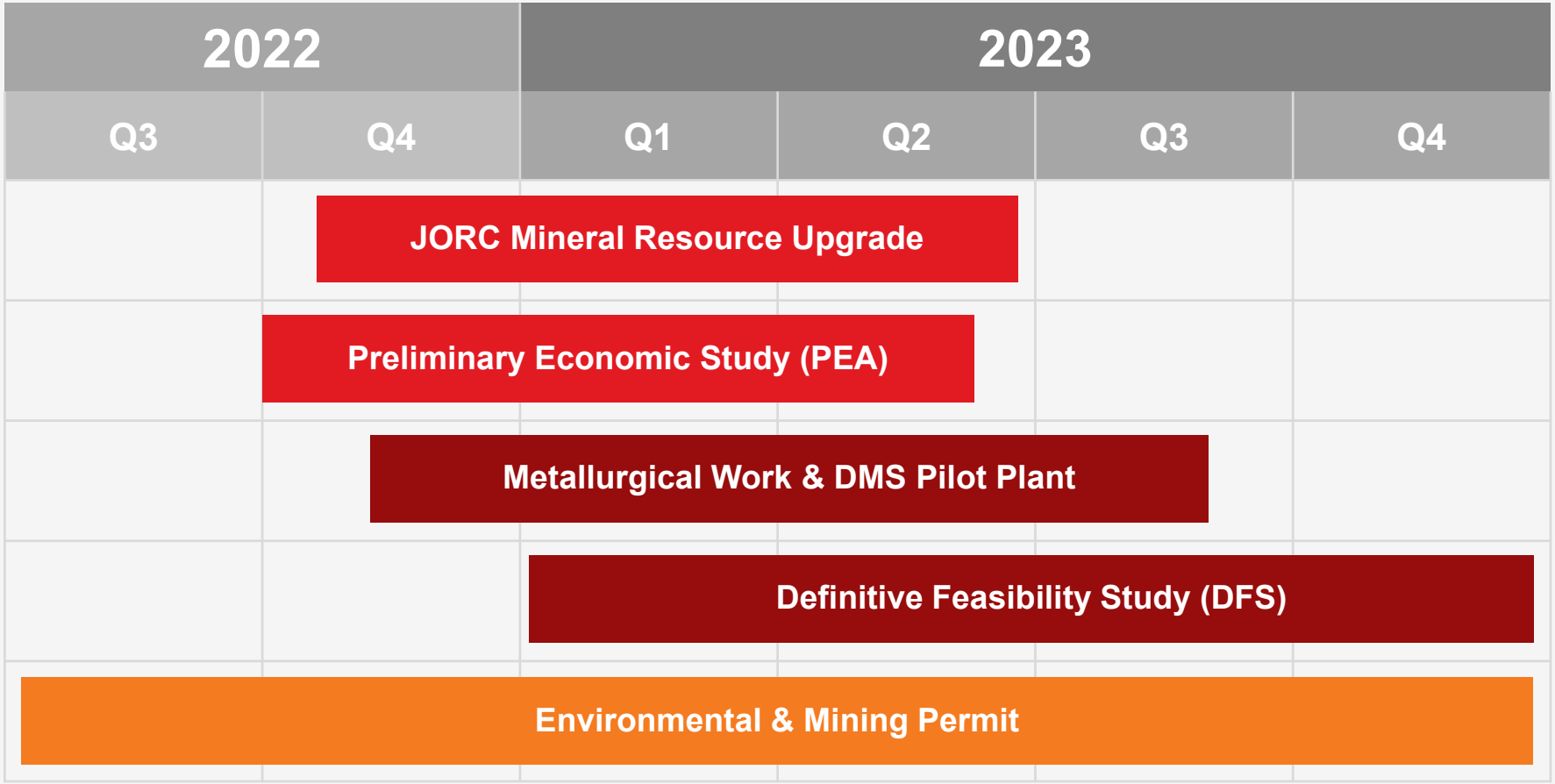
Salinas Lithium Project timeline - 2023

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Aggressive development program for 2023

News Flow

- 65,000 Drill program
- Ongoing Resource upgrade
- Metallurgical test work
- Preliminary Economic Assessment (PEA)
- Commission of pilot plant for lithium concentrate product
- Continue discussions with potential off-takers
- Commence DFS



*Refer to ASX Announcement dated 9 August 2022
*Refer to Sigma TSX Announcement dated 26 May 2022

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LATIN RESOURCES

Contact Us

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Managing Director
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Competent Person Statement

The information in this report that relates to Geological Data and Exploration Results is based on information compiled by Mr Anthony Greenaway, who is a Member of the Australian Institute of Mining and Metallurgy.

Mr Greenaway 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 Greenaway 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.

All information relating to exploration results has been previously released to the market and is appropriately referenced in this document.

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