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Announcement to the Australian Stock Exchange 30 January 2007.

Latin Gold announces its initial JORC compliant resource of the Paron Gold Project - Peru.

Initial JORC inferred resource of 3,040,000 tonnes at 2.2 g/t for 220,000 ounces.

In-house scoping study will be commenced to evaluate the development options for the Paron gold project.

Overview

Following the completion of the recent diamond drilling programme at Latin Gold's Paron Gold Project in Peru the Company engaged consultants to calculate the gold resource within the drilled area.

As part of this study Latin Gold commissioned Mr. D. J. Holden of Shackelton Capital Pty Ltd, a "competent person" as defined under the "Australian Code for Reporting of Mineral Resources and ore Reserves" to review the historic resource calculated by Acuarios Minera y Exploradora and reviewed by Andrew Swarhout; as well as an independent review conducted by Mr Louis Oviedo of SAMSA, to ensure that it is in accordance with the Joint Ore Reserves Committee (JORC) guidelines for the reporting of resources and reserves 2004.

As a result the JORC Inferred resource gold resource of the Paron Project has been calculated at:

3,040,000 tonnes @ 2.2g/t, equivalent to contained 220,000 ounces of gold.

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This resource estimate is supported by a total of 88 diamond drill holes and is contained within a broad mineralized zone of approximately 550 metres in strike length and a width up to 250 metres.

A significant amount of the mineralisation occurs from surface.

In addition to the gold mineralization Paron also contains significant silver credits – a 1995 study estimated the average grade to be 8g/t. The silver assay results from the recently completed diamond drilling programme are expected within the following two weeks. Upon receipt of this data these assay results will be incorporated into the data package.

Latin Gold plans to commence an in-house scoping study to determine the cost parameters of any potential mining operation at Paron. In this regard, Paron has a number of positive characteristics.

- Previous studies of the Paron mineralisation have shown it to be leachable with base recovery rates in the sulphide zone of +88% and averaging around 92% in the oxide zone.
- A large amount of the mineralization outcrops. As a result the strip ratio under any mining operation would be expected to be less than 1.
- The mineralization is located on the side of a hill making pit design relatively simple.
- The mineralization shows good lateral and vertical continuity within the broad ore envelope.

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Information in this report has been reviewed by a Competent Person as defined in the JORC Code, being Mr D. J Holden of Shackelton Capital Pty Ltd, who is a member of the Australian Institute of Mining and Metallurgy, with over 18 years experience in the mining industry and who has sufficient experience in mineral resource estimation relevant to the style of the mineralisation and type of deposit under consideration and to the activity to which he is undertaking, and consents to the inclusion in the public release of the matters based on their information in the form and context in which it appears.

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