
Latin Gold Limited

Paron Gold Project
Update - March 2008

Why Peru?

- Stable democracy, rejected “Chavez” alternative at last election
- Solid economic growth + 5% for past 5 years
- Mining culture/infrastructure
- Mining accounts for 50% of GDP
- 4th largest gold producer in the world
- Ease of pegging and permitting of projects



Paron Gold project

- Located north-central Peru, 16km east of Caraz
- Pre Feasibility completed June 2007, BFS commenced Dec 2007
- Economics confirmed for stand alone heap leach treatment facility with low capital expenditure
- Annual production of +43,000 ozs gold and 92,000 ozs silver
- Exploration upside (remember, Yanacocha was once a small, open pit, low grade heap leach operation!)



Paron Map Location



Paron Gold Project

Key Statistics

- JORC measured, indicated and inferred resource of **320,000 ozs gold**
 - Heap leach operation with **6 year mine life targeted.**
 - Potential annual production of **43,000 ozs gold with 92,000 ozs in silver credits**
 - Head grade 1.6 g/t gold, 7 g/t silver, 1:1 strip ratio
 - Indicative cash costs: **US\$223/oz, total costs US\$324/oz** (including capex-2007 PFS estimation)
 - Budgeted capex US\$30 million (includes \$7.8 million contingency)
 - **IRR 62.0% Annual EBITDA US\$24.6 million, annual free cash flow US\$19.6 million**
 - Financials based on \$900/oz gold price
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Paron Gold project

Gold Resources

Cut-off	Measured		Indicated		Inferred	
0	5,401,200 t	1.49 g/t	967,400 t	1.42 g/t	710,730 t	1.48 g/t
0.8 g/t	4,918,200 t	1.57 g/t	658,350 t	1.81 g/t	653,450 t	1.60 g/t
1.5 g/t	2,243,850 t	2.10 g/t	513,800 t	2.03 g/t		

Note: The number of ounces (ozs) of gold and silver are calculated using the standard industry formula, tonnes multiplied by grade divided by 31.1. For example, the Measured gold resource at a cut-off of 0.8g/t is $(4,918,200 \times 1.57) / 31.1 = 248,282$ ozs.

In any mining operation at Paron, silver will be mined and processed as a by product of the gold production. At current metal prices the insitu value of the silver is less than 3% of the total insitu value of the Paron resource. The silver grades and indicative production rates are provided for disclosure only, investors should not consider an investment in Latin Gold on the basis of the silver content of Paron.

Paron Gold project

Sensitivities

	Gold Price (\$US/oz)			
	\$600	\$700	\$800	\$900
IRR	32.5%	42.7%	52.5%	62.0%
Annual NCF (\$US m)	\$11.9	\$14.5	\$17.1	\$19.6
Annual EBITDA (\$US m)	\$12.2	\$16.3	\$20.5	\$24.6
NPV (10% DCF)	\$20.1	\$30.3	\$40.2	\$50.7

Town of Caraz



Local Communities



Paron – Distal View

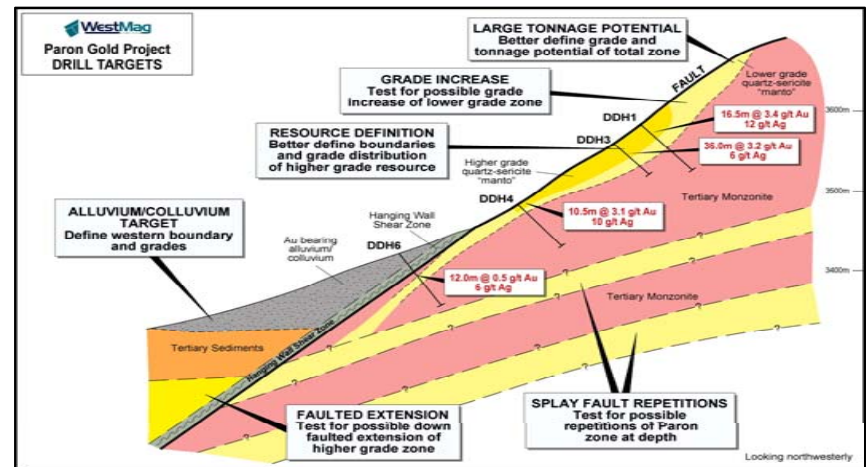


Paron – Proximal View



Exploration Upside

- **Faulted extension of Paron mineralised zone (multi-million oz target)**
- **Feeder zone to Paron mineralised zone (multi-million oz target)**
- **Colluvial target**
- **Exploration upside untested to date**
- **Drilling in June 2008**



Timetable

- Permitting, environmental and social BFS-started
 - Engineering BFS-May 2008
 - Exploration and reserve drilling –June 2008
 - BFS completed-June 2009
 - Finance completed-Sept 2009
 - Construction commences-Oct 2009
 - Mining commences Jan 2010
 - First gold produced March 2010
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Highly Regarded Technical Consultants

Geology, Exploration and Mining

- A very experienced local team backed up by world renown “bankable” consultants (to be appointed May 2008).

Metallurgical and Engineering

- To date, Juan Zegarra (Lima based) and Dr. Mal Clark (Perth based), both highly experienced and Imperial College London trained.
- The BFS contract to be awarded May 2008.

Community relations and Permitting

- Commenced in Feb 2008.
 - Conducted by Augusto Baertl (former CEO/Chairman of Compania Minera Antamina) and Luis Barranechea (Peru Based).
“Proven track record in permitting and indigenous relationship development”
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Summary

- **Robust gold and silver project**
 - **Verifiable data base**
 - **Community is pro mining**
 - **LAT own 100% of project.**
 - **Low cost capex**
 - **Operating fundamentals very attractive**
 - **Near term production potential**
 - **Exploration upside adds speculative appeal**
 - **Strong political, legal and community relationships developed and available**
 - **Stock is VERY cheap on NPV compared with current LAT market cap.**
 - **Corporate upside.**
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Latin Gold Limited- Information

- ASX code: LAT
 - Shares on issue: 161 million
 - Options: 13.75 million non-tradable to Directors exercisable at between 7 and 20 cents.
 - Market Cap: \$7.9 million
 - Major shareholders:
 - **ANZ Nominees** **12.3%**
 - **Sunshore Holdings** **10.8%**
 - **Directors** (P. McAleer, H. Dawson, J. Malone, S. Titchener) **6.5%**
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