29 April 2014

Joint Venture Interest in Kimsa Orcco Project, Peru

Permission to Drill Granted

Highlights

- **Laconia approached by several international focussed copper groups seeking to conduct Due Diligence on the Kimsa Orcco Copper-Gold-Silver Project**
- **An initial site visit from one group complete and negotiation commencing**
- **Site visits from other parties in progress**
- **Exploration activities have commenced, sampling and mapping programmes underway**

Laconia Resources Limited (ASX: LCR) ("**Laconia**" or "**the Company**") is pleased to announce that it has entered into confidentiality agreements with a number of International copper focussed groups.

Following unsolicited approaches from entities seeking to conduct due diligence on its Kimsa Orcco Project, Laconia initiated a virtual data room during the September Quarter 2013[1] to allow interested parties to access technical data under relevant confidentiality agreements. Several groups having signed a confidentiality agreement have now moved to conduct sites visits to further evaluate the Project and complete Due Diligence. One of these site visits conducted late in 2013 has furthered to initial discussions on potential corporate activity.

[1] *Refer ASX September Quarterly Release 30 October 2013*

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A number of groups are expected to complete site visits in the next two weeks. These visits are being coordinated in parallel with drilling company site inspections as part of the drilling tender process.

Commercial and legal confidentiality prevents Laconia from identifying parties subject to signed confidentiality agreements and parties Laconia is in the process of seeking confidentiality agreements from.

This corporate interest validates Laconia's view of the enormous exploration scope and scale it has identified at its Kimsa Orcco Project. These developments follow Laconia recent community agreements securing Social Licence over the Project area and granting of all permitting required for drilling[2].

Laconia Managing Director Ian Stuart said: "the level of corporate interest and technical expertise of the interested parties strongly validates Laconia's geological assessment that the Kimsa Orcco Project has extremely large exploration potential. Laconia's considered approach to community agreements, gaining Social Licence and all permissions required to drill is undoubtably adding to outside corporate interest".

Laconia will update the market appropriately as these discussions develop. In the interim Laconia has received all permitting required for drilling and has initiated exploration activities and a mapping and sampling programme is underway.

Technical Data Supports Copper Porphyry Potential

Laconia's ongoing systematic review of historical sample and drill data, as well as interpretation of recently acquired 'state of the art' satellite alteration data, pointed to a fully intact high-sulphidation copper-gold-silver system with strong potential for an underlying mineralised copper porphyry system or associated deposits[3] .

High-grade copper has been identified in underground adits at the Española 1[4] and Fortuna[5] prospects. There is approximately 5km of underground development and adits within the Kimsa Orcco Project. Geological modelling of the available data points to a strong correlation of the copper anomalism with the large scale Huaco Fault, along the northern and southern volcanic vent areas.

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[2] *Refer ASX Release 24 April 2014*
[3] *Refer ASX Release 23 August 2013*
[4] *Refer ASX Release 27 February 2013*
[5] *Refer ASX Release 9 April 2013*

Future priority exploration will focus on the copper porphyry and high-grade gold-copper skarn (El Indio) potential of the entire system. The El Indio deposit is considered a ‘classic’ high-sulphidation epithermal copper-gold-silver deposit. El Indio produced 4.5 Moz of gold, 25 Moz of silver and 472kt of copper produced from 16.8Mt of ore over 23 years of production[6].

Laconia has secured access to the entire Ccarhuaraso Epithermal System through the Kimsa Orcco Project by its 100 per cent interest the Patacancha tenements and its indirect interest in the Huaco Cucho tenements (seven-year option to earn up to 80 per cent),[7] (refer Figure 1). A schematic representation of the Kimsa Orcco Project alteration zone relative to other known porphyry districts is represented in Figure 2.

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6 *Refer Barrick presentation October 2008 – Spatial and Temporal Zonation at the El Indio Cu-Au-Ag deposit, Chile*
7 *Refer ASX Release 26 March 2013*

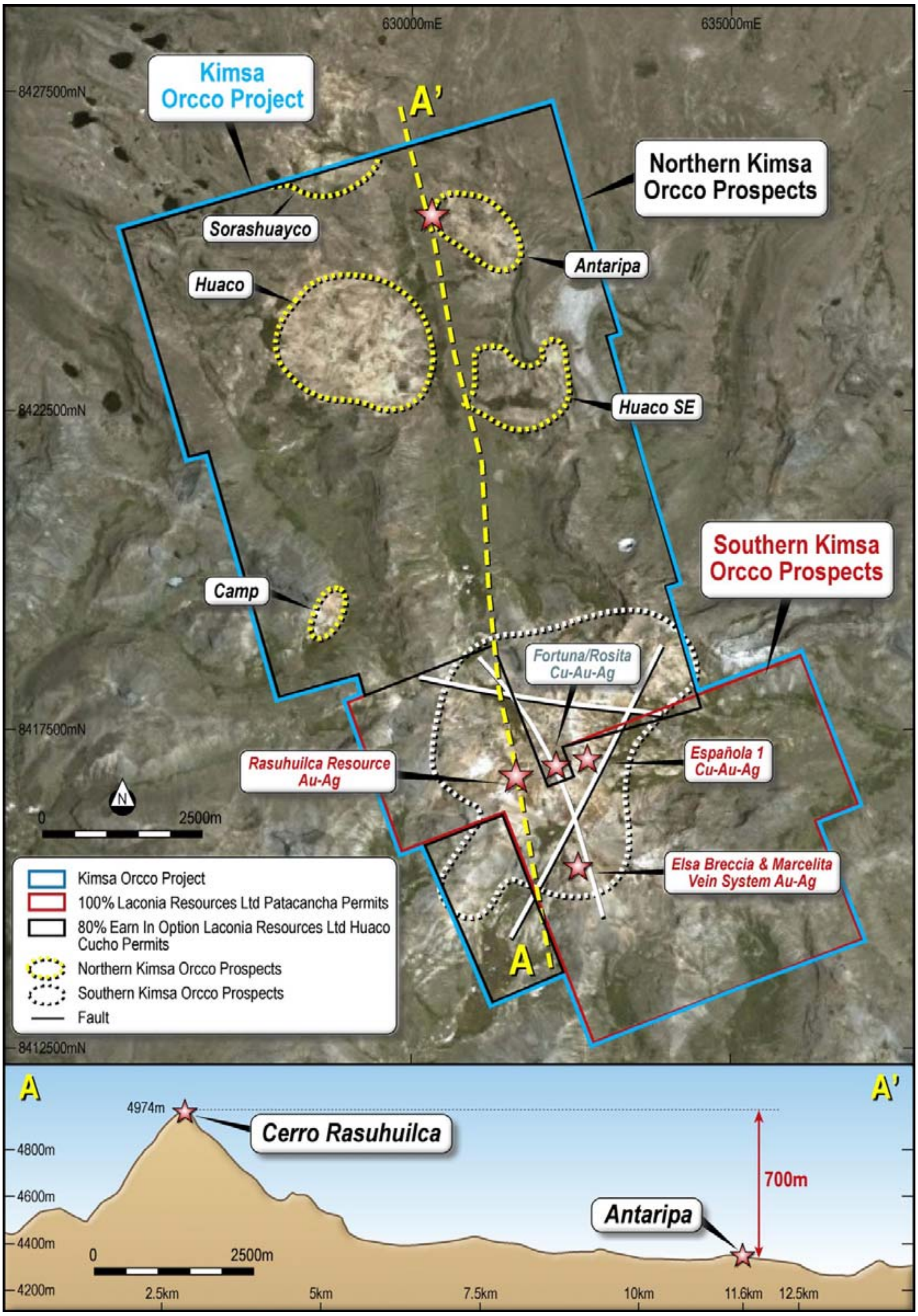

Figure 1: Location of Tenements and Prospects

Note: Cerro Rasuhuilca – Antaripa Alteration Zone long section. This long section is drawn along the glacial valley floor, as marked by the yellow line. The long section contains significant vertical exaggeration to allow for a practical illustration.

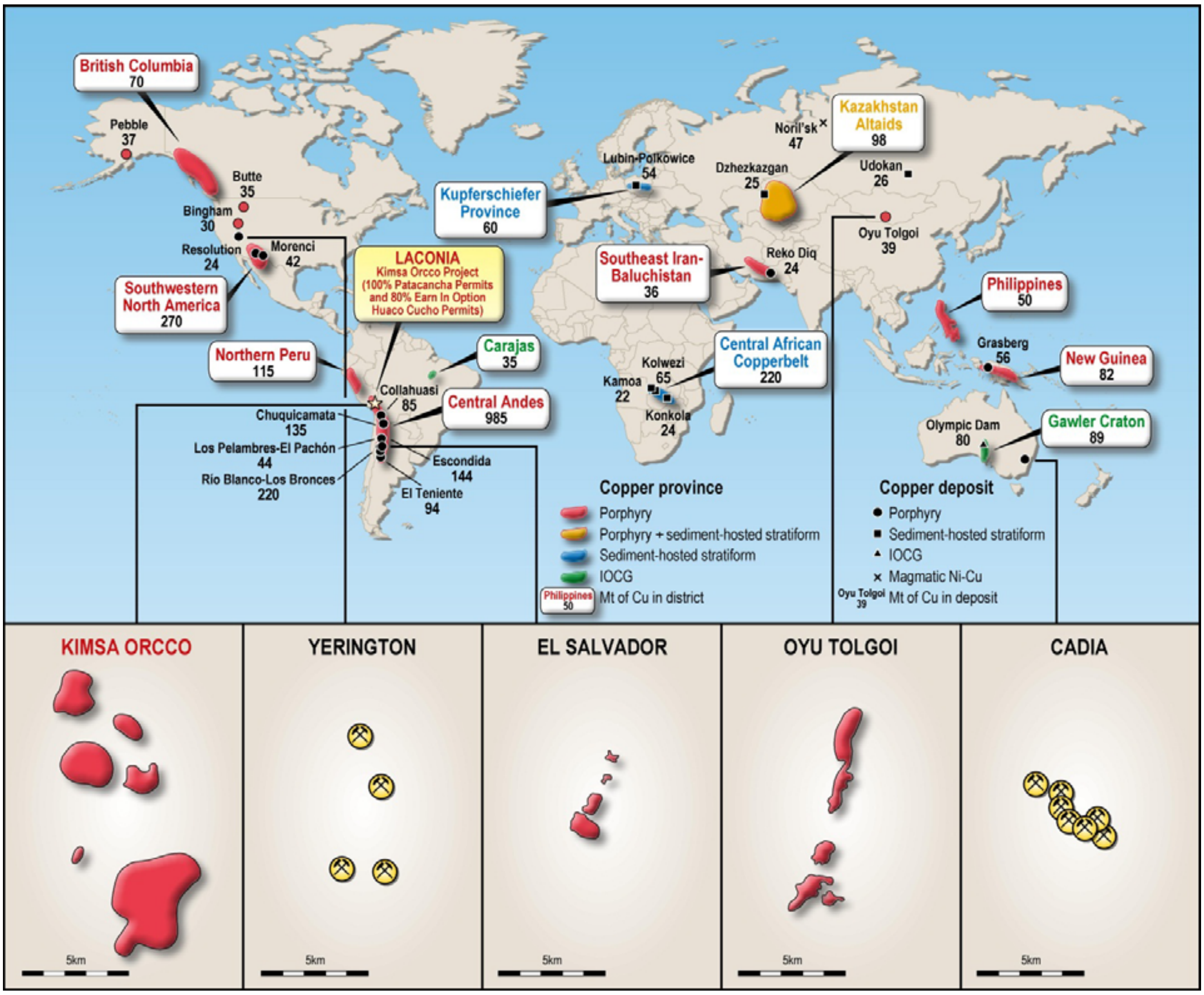

Figure 2: Illustration of the alteration zone distribution at the Kimsa Orcco Project, relative to some known Porphyry Districts in the world, displayed at the same scale. **Modified from Hedenquist JW et al; 2012; "Geology and Genesis of Major Copper Deposits and Districts of the World: A Tribute to Richard H. Sillitoe"; Society of Economic Geologists, INC. Special Publication Number 16; p. 2.**

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About Laconia Resources Limited

ASX Listed Laconia Resources Limited (ASX: LCR) is a Perth-based precious and base metals exploration and development Company with a Latin American focus. The Company's flagship Kimsa Orcco Project in Peru is an advanced copper-gold-silver project in the Ayacucho region of Southern Peru, across four 100% Laconia Resources Ltd permits covering 27.65 km^2 and a further 11 contiguous permits through an 80% earn in option agreement, covering 56.22 km^2. The total area of 83.87 km^2 hosts the entire Ccarhuaraso volcanic system that is proven to host high sulphidation epithermal copper gold and silver.

In Western Australia, the Company has mineral projects across two granted tenements covering an approximate 98.7 km^2 in the Pilbara and Northern Gascoyne regions.

Competent Persons Statement

The information in this report that relates to Exploration Results is extracted from reports titled "High-Grade Copper identified at Rasuhuilca Project, Peru" lodged with ASX on 27 February 2013, "High-Grade Copper Results Highlight Rapidly Growing Potential of Copper-Gold-Silver Project, Peru" lodged with ASX on 9 April 2013 and "Technical Data Supports Copper Porphyry Potential" lodged with the ASX on 23 August 2013. These reports were based upon information compiled by Mr Vincent Algar, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Algar was a Non-Executive Director and consultant for Laconia Resources Limited at the time of preparation. Mr Algar has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Algar consented to the inclusion in these reports of the matters based on his information in the form and context in which they appeared.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented has not been materially modified from the original market announcements.