

## **Latin American Minerals Commences New Drill Campaign at the Tacuru Target; Also Announces Second Shift at the Independencia Mine Pilot Plant**

May 16, 2012 – Latin American Minerals Inc. (TSXV: LAT; OTCQX: LATNF) (the “**Company**”) announces a second drill campaign at the Tacurú gold target on the Company’s 100%-owned X-Mile Trend property. This prospect is part of the Company’s Paso Yobai Gold Project, located 160 km east of Asuncion in Paraguay. The company also announces the commencement of a second operating shift at the Independencia Mine pilot plant, which also forms part of the Paso Yobai Gold Project.

On March 6, the Company announced assay results from the first five diamond drill holes located at the Tacurú gold target located on the X-Mile Trend (previously the ‘New Trend’). A highlight of the published assay results was 4.09 gpt gold over a 25.5 metre intersection in drill-hole DDH-LAT-BT-02. The first drill campaign revealed a new mineralization style characterised by high-grade fine gold disseminated in sandstones. The Company resumed drilling on May 8, 2012 following new trenching at the site. This second programme is designed to delineate mineralization along the trend by drilling at nominal step-out intervals of 40 m.

Miles Rideout, President and CEO of the Company commented on recent events “We are eager for this second round of drilling at Tacurú after the excellent initial results. The new style of Tacurú mineralization adds to our geological insight, information we’ll continue to exploit in future targeting. We are also pleased that the pilot plant is now routinely exceeding 90% of the designed capacity of 5 tonnes per hour. We have observed a steady improvement in production as our plant technicians have learned to optimise flow rates and process cycles. With the plant operation well in hand, we have prepared a second operating shift for the concentrator plant. This speeds our development and any net revenues realized from these operations will subsidize continued drilling at our pending gold targets.”

The second operating shift at the Company’s Independencia Mine concentrator facility became effective on May 9, 2012. By open-pit excavation to 20 metres depth along the Discovery Trend, the Company expects to expose and bulk sample the gold-mineralized lenses and ore shoots, part of an ongoing effort to develop a comprehensive resource on this geologic trend that measures more than 4.5 km length. Mineralization recovered in this excavation will be processed at the pilot plant using gravitational concentrators and smelted into gold doré. The Company expects that any net revenues from the sales of gold doré bars will help finance ongoing work and site development.

About the Paso Yobai Gold Project:

The Company’s Independencia Mine is a step towards developing the fully permitted Minera Guairá mining concession, part of the Company’s larger Paso Yobai Gold Project. The objective of the Independencia Mine Pilot Plant is to facilitate resource evaluation through bulk-sampling on the Discovery Trend, which is characterised by coarse gold mineralization extending from surface to greater than 100m depth.

The Paso Yobai Project X-Mile Trend is located on newer prospecting licenses contiguous with the mining concession. To date the X-Mile Trend, located 3.5 km northeast of the Discovery Trend, has been delineated over approximately 14.8 km extent. The results of the Company's 2011 geologic and geophysical work suggest that bulk tonnage mineral potential could exist at several target zones along this extensive structure. The Company is focusing 2012 exploration on these targets.

About the Company:

Latin American Minerals Inc. is a well-financed mineral exploration company engaged in the acquisition and development of mineral projects in highly prospective countries of South America. In addition to the Paso Yobai Gold Project, the Company's Itapoty Diamond Project and Chiriguelo REE/Niobium Project are also located in Paraguay.

Dr. Waldo Perez is the Company's internal "Qualified Person" under the requirements of National Instrument 43-101 and has approved this press release.

**For more information, please contact:**

Miles Rideout

President and CEO

Toronto: (1-416) 363-0841 or (1-416) 902-8558

Argentina: (54-261) 439-9268

[www.latinamericanminerals.com](http://www.latinamericanminerals.com)

Andreas Curkovic

Investor Relations

416-577-9927

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*The statements made in this press release that are not historical facts contain forward-looking information that involves risk and uncertainties. All statements, other than statements of historical facts, which address Latin American Minerals' expectations, should be considered forward-looking statements. Such statements are based on management's exercise of business*

*judgment as well as assumptions made by and information currently available to management. When used in this document, the words “may”, “will”, “anticipate”, “believe”, “estimate”, “expect”, “intend” and words of similar import, are intended to identify any forward-looking statements. You should not place undue reliance on these forward-looking statements. These statements reflect our current view of future events and are subject to certain risks and uncertainties as contained in Latin American Minerals’ filings with Canadian securities regulatory authorities. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, our actual results could differ materially from those anticipated in these forward-looking statements. We undertake no obligation, and do not intend, to update, revise or otherwise publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of any unanticipated events, unless required under applicable securities laws. Although we believe that our expectations are based on reasonable assumptions, we can give no assurance that our expectations will materialize.*