

October 2013



CORPORATE PRESENTATION

Guatemalan Oil Production and Exploration



Citation holds direct 60% equity interest in Latin American Resources Ltd (Bahamas)

Atzam Oil Project

- Over 77,000 acres in block 1-2005 within the highly prospective south Peten Basin in Guatemala
- First up Atzam success - Atzam #4 drilled on 2013 with initial test at equivalent rate of +600 bopd on 32/64^{ths} choke open choke flow rate estimated to be in excess of 1,000 bopd
- Currently producing ~ 140 barrels per day, no water – rate constrained intentionally while evaluating reservoir
- Atzam #5 to be drilled this month, two additional work overs planned for first quarter 2014
- Reserves of 2.3mmbbl in #4 well alone, with Contingent Resource for the field of est. 20mmbb

Tortugas Salt Dome

- Two well work over planned to commence early 2014
- 2P Reserves of 0.6mmbbl from these wells, flowed at 1,500bopd on initial test

Large Exploration Upside Potential

- Underexplored, identified analogue Atzam features and salt domes – Large potential volumes

Capital Structure

Citation Resources Exchange - ASX	Code- CTR
Ordinary shares	1.17b
Options exercisable at 4c	221m
Implied Market Cap at 2c	\$18m
30 day Av Daily Volume (Shares)	8.5m per day

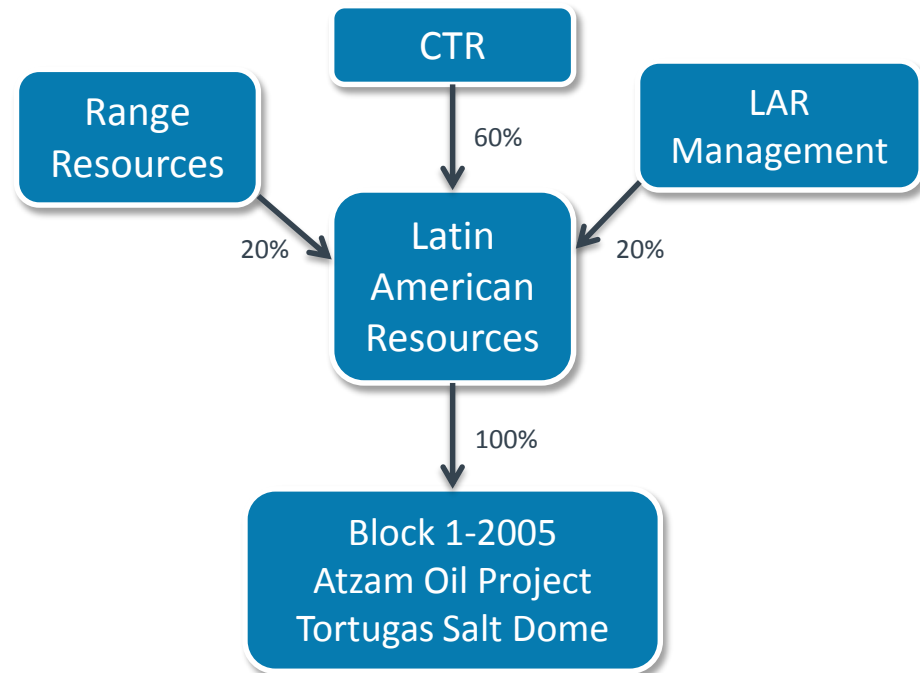
Directors

Brett Mitchell	Executive Director
Michael Curnow	Director
Sophie Raven	Director/Co Sec

LAR Management

Michael Realini	President & CEO
Luis Arturo Wug	COO

Asset Ownership Structure



Currently producing; defined drilling opportunities and significant upside exploration potential

Atzam Oil and Tortugas Salt Dome Projects

- Operational infrastructure and assets in place
- Over 77,000 exploration acres in 1-2005 block within the highly prospective South Peten Basin, Guatemala
- Atzam Oil Field faulted offset to Rubelsanto Oil Field- produced +30mbbl to date, reserves 77mbbl
- Initial Atzam 4 production commenced in June 2013, with Atzam 5 to follow in October 2013
- Sales agreements in place with 100% of production being sold
- Upgrade of surface equipment underway by Q4 2013
- Current Proved plus probable reserves of + 2.3MMBO, total Atzam recoverable resource estimate of ~20 MMBO
- 2013 exit production of approximately 800 BOPD⁽¹⁾, with the potential to increase production to 1,300 - 1,500 BOPD⁽²⁾ by year end 2014

⁽¹⁾ Management estimate based on 2 Atzam production wells

⁽²⁾ Management estimate based on 2 Atzam production wells and 2 Tortugas re-entry wells

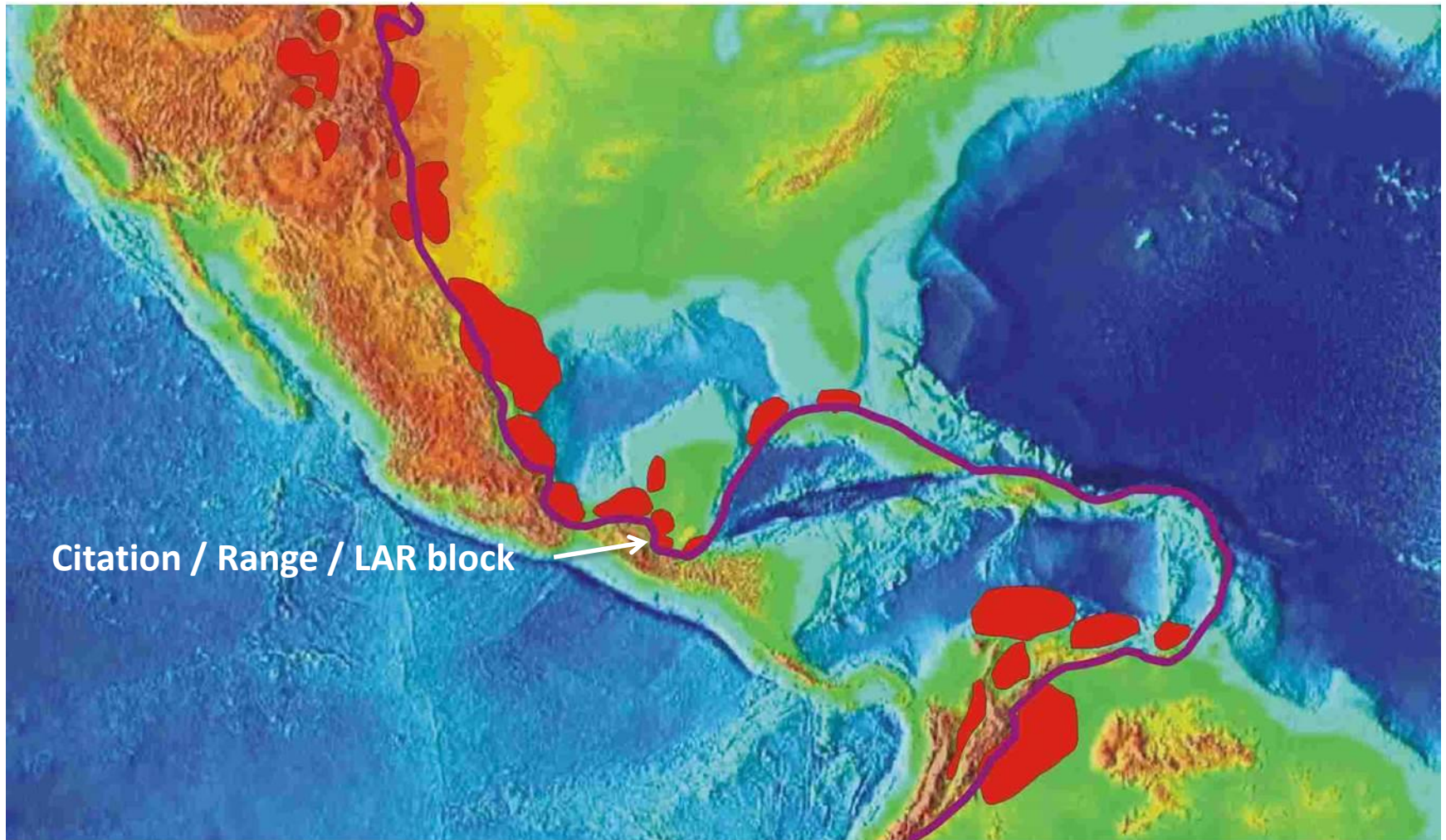
- Land management is well legislated in Guatemala
 - By constitution, the State of Guatemala is owner of all natural resources that are in the subsurface, while the individual land owners in Guatemala control the surface and access rights to the land
- Guatemala has a favourable business climate for oil companies
 - Base royalty of 20%, increases with oil quality
 - 31% corporate tax rate
 - 100% of capital expenditures are recoverable
- Guatemala is politically stable
 - Democratically elected Governments since 1983

Country Facts⁽¹⁾

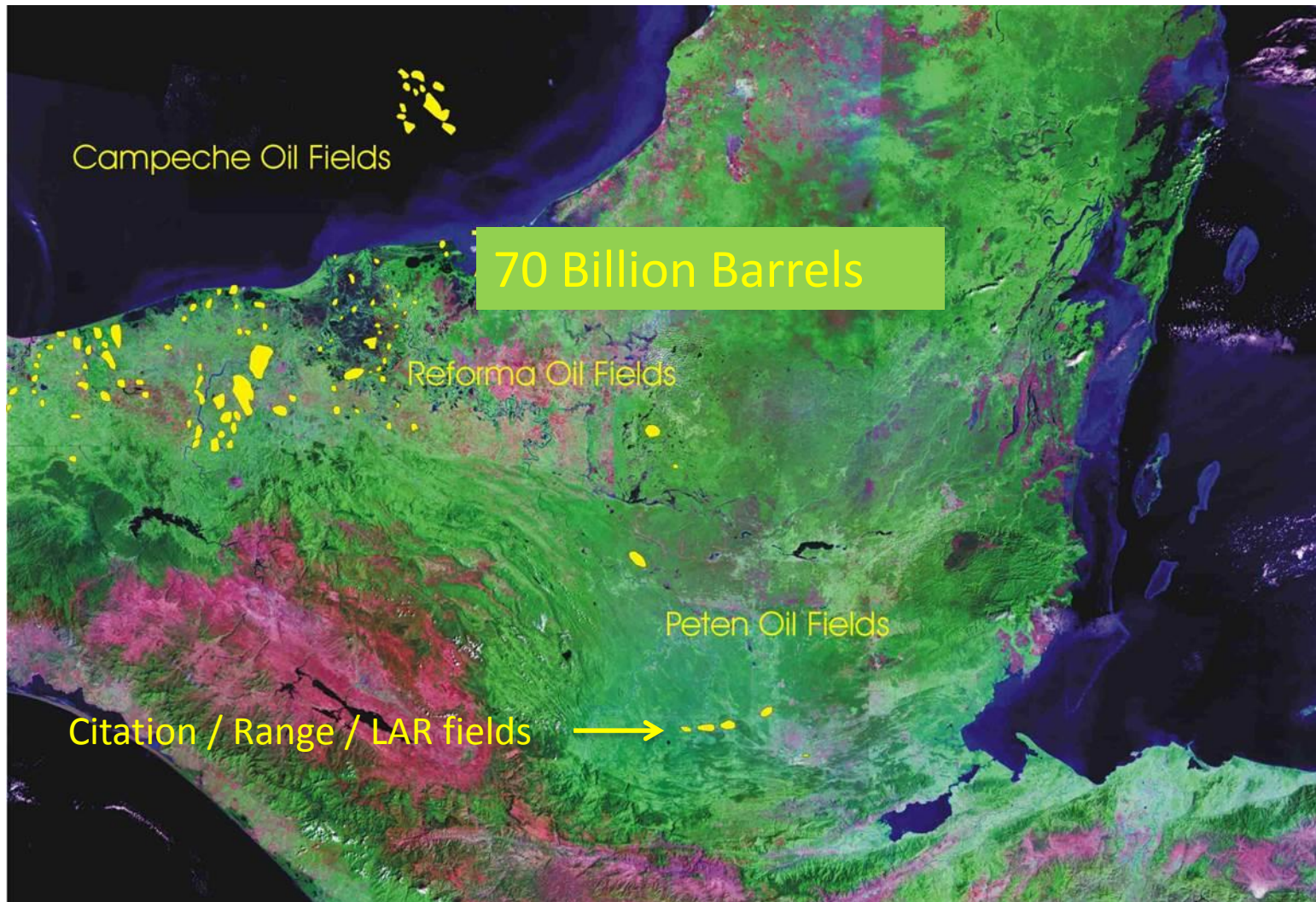
Population:	13.8 MM
Literacy Rate:	69.1%
Labour Force:	4.26 MM
Unemployment Rate:	3.2%
GDP:	\$70.3 bn
GDP per Capita:	\$5,200
GDP Growth:	2.2%
Inflation:	3.9%

(1) Source: CIA World Factbook

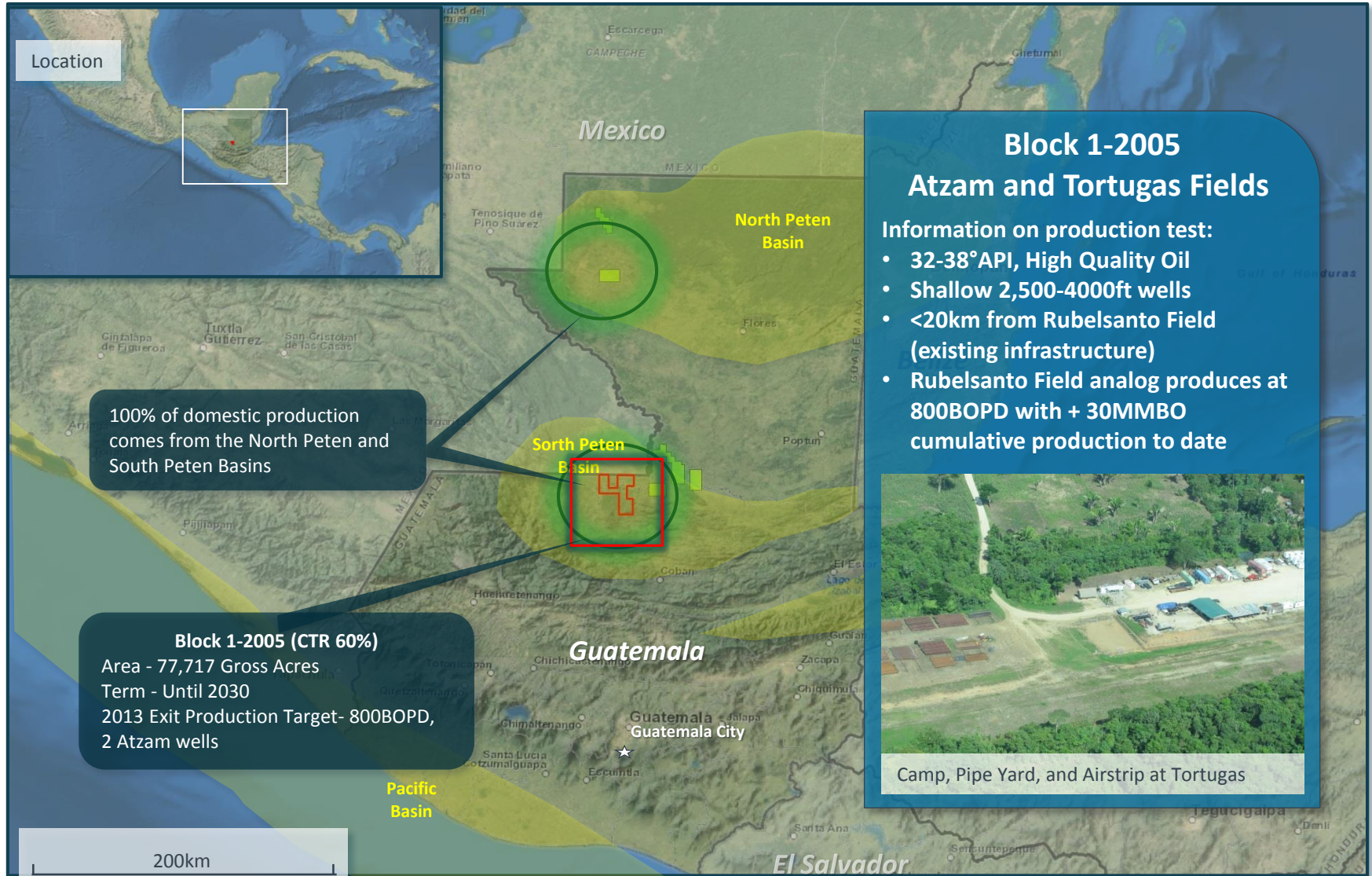
Known and suspected world class oil deposits in Cretaceous deposits



World class oil deposits



Guatemala Location and Regional Geology



Guatemala Oil Infrastructure and Activity

Guatemala Oil Facts⁽²⁾

Proved oil reserves: 83 MMBO
 Production: 13,530 BOPD
 Consumption: 79,000 BOPD
 Export: 21,850 BOPD
 Import: 72,440 BOPD

Atzam Field
 Est. Exit 2013 prod rate 800 bopd
 28mmbo Cum. Production

(2) Source: CIA Factbook

Xan Field
 Perenco
 12,000 bopd

Chocop Field
 PetroEnergy
 200 bopd

City Peten Block
 New Field Discovery
 250 bopd 56 api

Yalpamech Field
 PetroEnergy
 75 bopd





Pacific Rubiales Block
 Drilling at 3300 feet

Rubelsanto Field
 EPI 800 bopd
 28mmbo Cum. Production

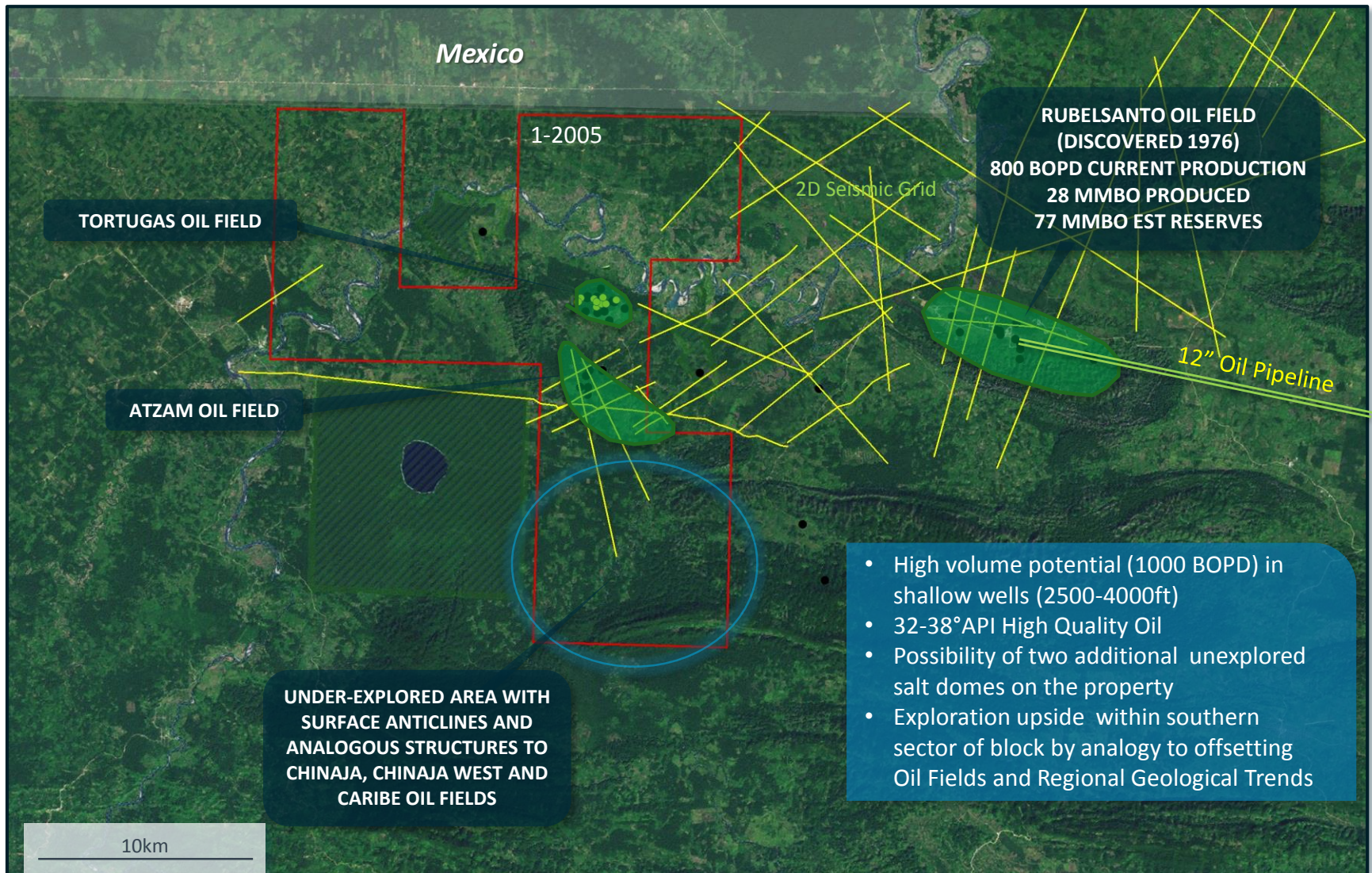
Guatemala

Guatemala City
 Guatemala

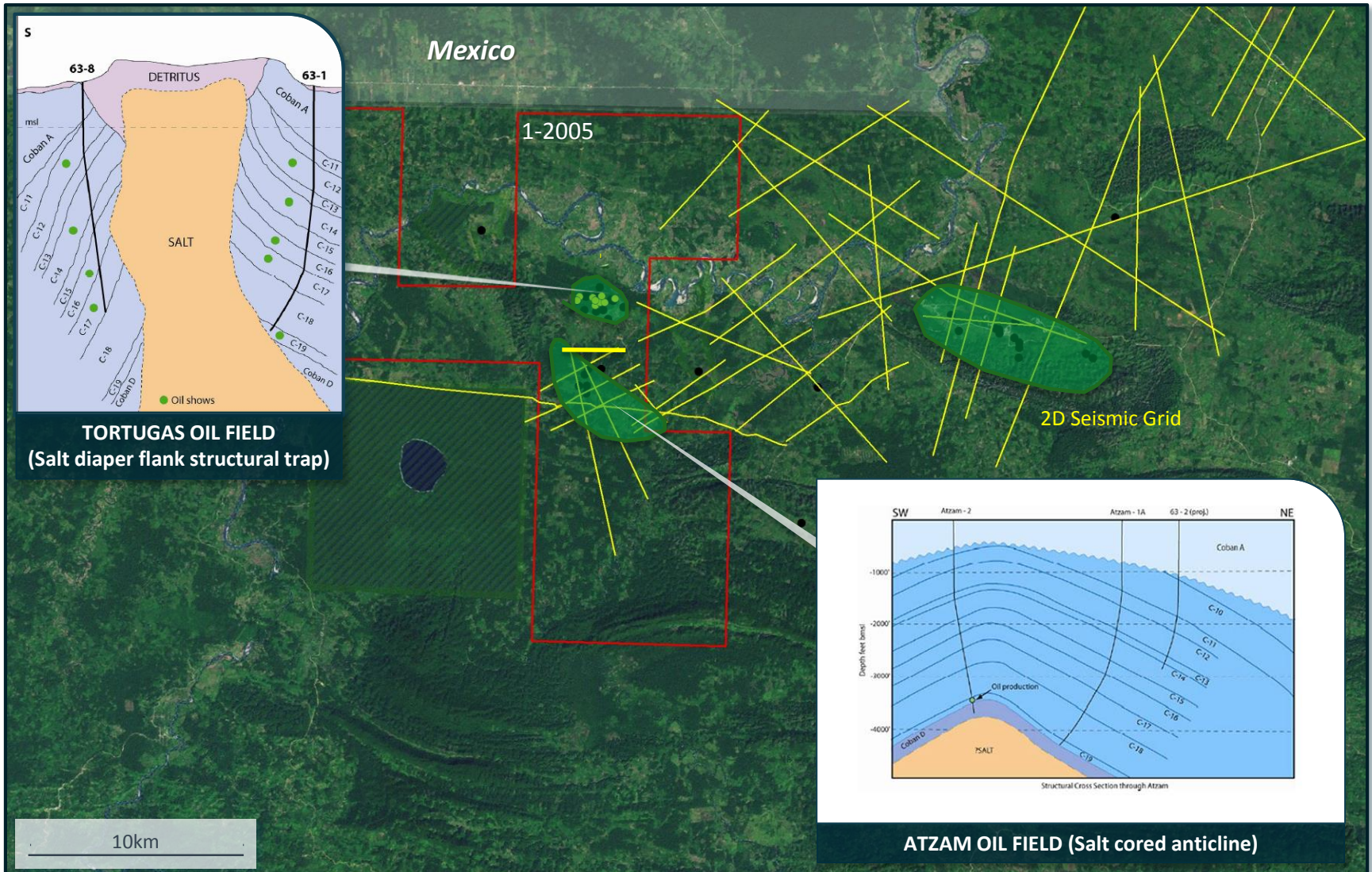
200km

-  Oil Pipeline Infrastructure (Currently at 40% Capacity)
-  Libertad Oil Refinery
-  Pumping Station
-  Port

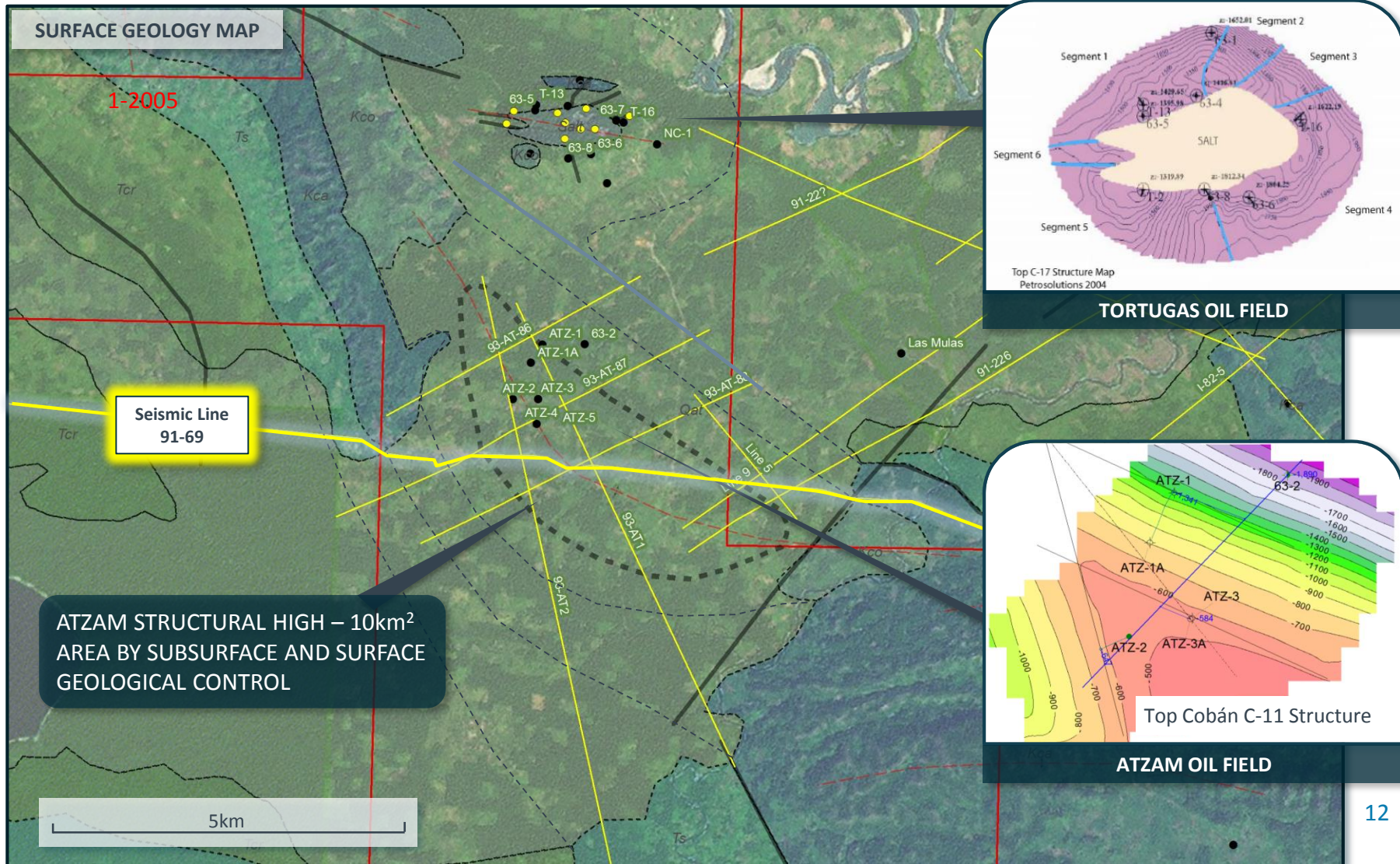
1-2005 Oil Fields and Exploration Potential



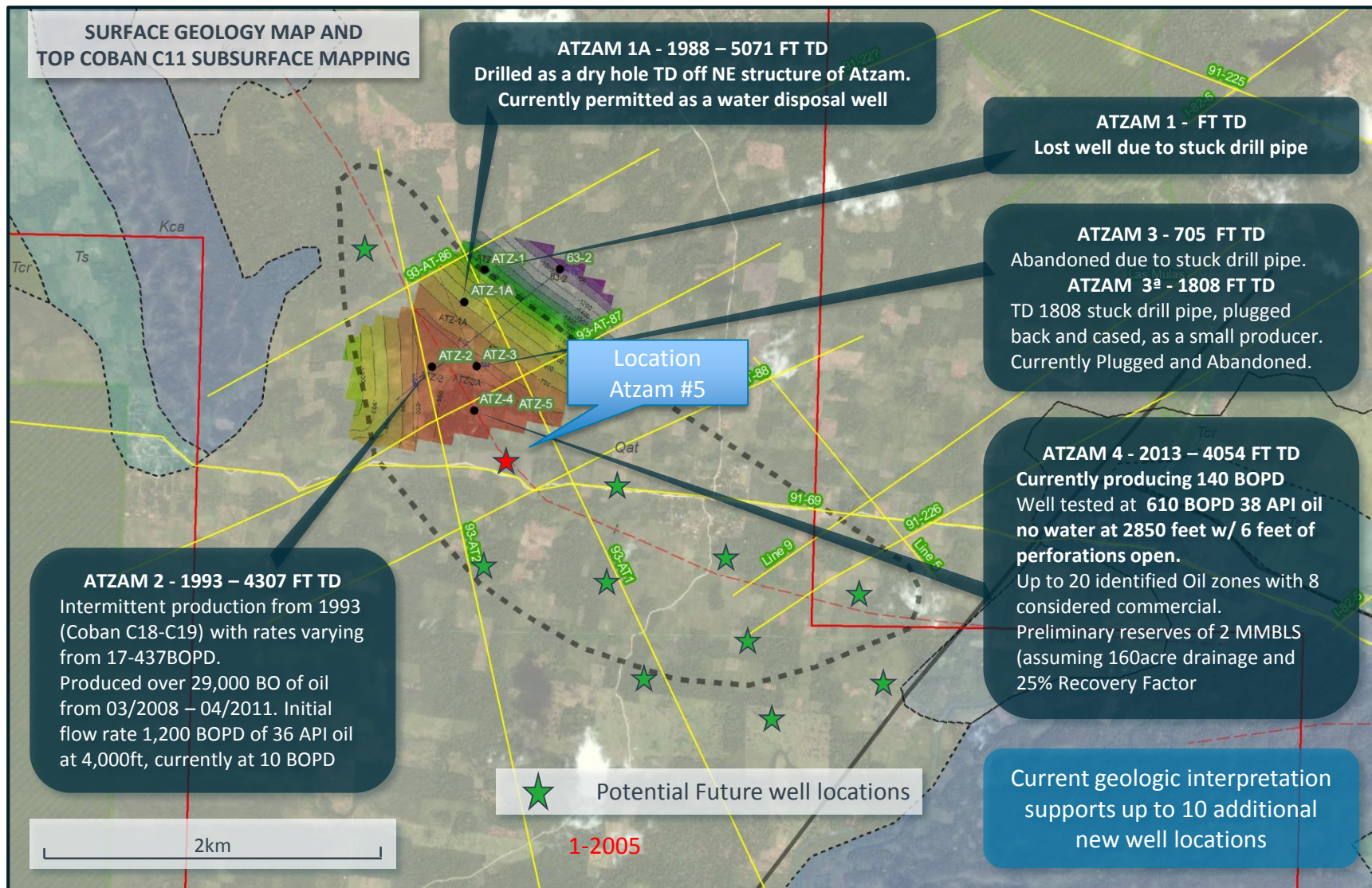
1-2005 – Tortugas and Atzam Fields



1-2005 – Tortugas and Atzam Fields



Atzam Oil Field Development

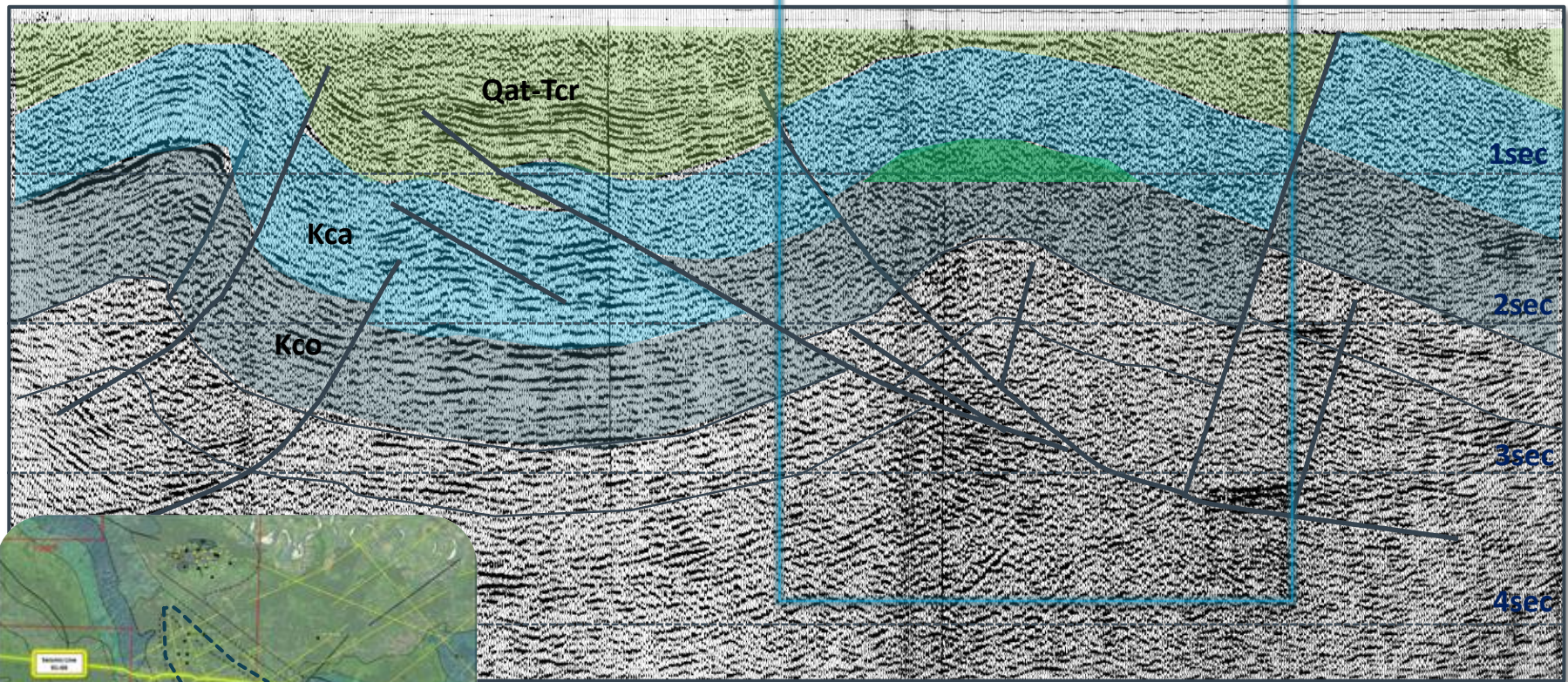


Seismic Line 91-69 – Atzam Field

West

Atzam Salt-cored thrust anticline

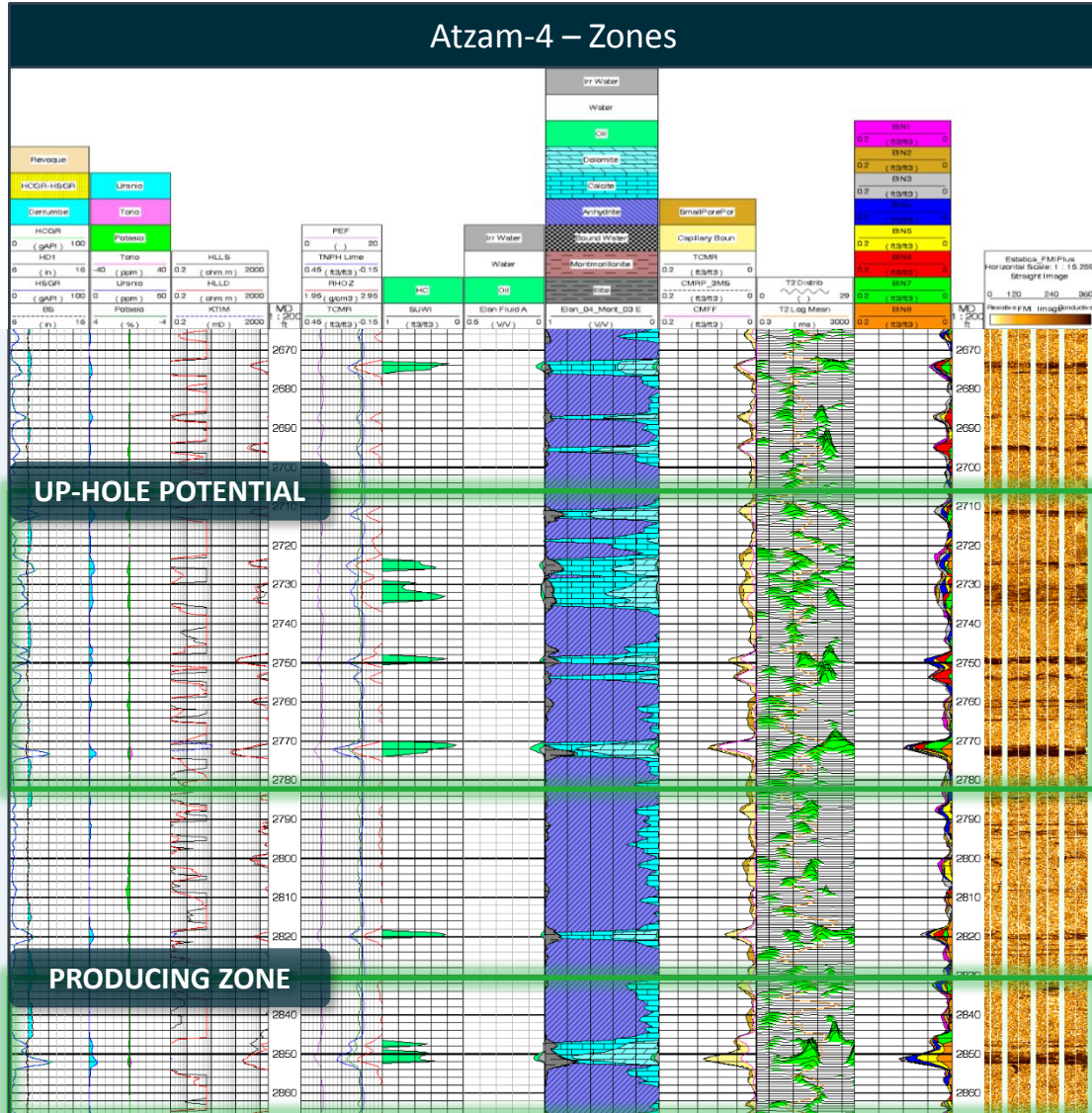
East



LOCATION

Atzam-4 Log Results

Atzam-4 – Zones



Atzam-4 Probable Reserves volumetric estimate based on 160acre drainage area -

	Gross Oil Volumes, Bbls		
	RF 20%	RF 25%	RF 30%
C-13 A	336,939	421,174	505,409
C-13 B	161,758	202,198	242,637
C-14 A	63,990	79,988	95,985
C-14 B	222,972	278,715	334,458
C-16	126,340	157,925	189,509
C-17	362,515	453,143	543,772
C-18 A	161,121	201,401	241,681
C-18 B	106,205	132,757	159,308
	1,541,840	1,927,301	2,312,759

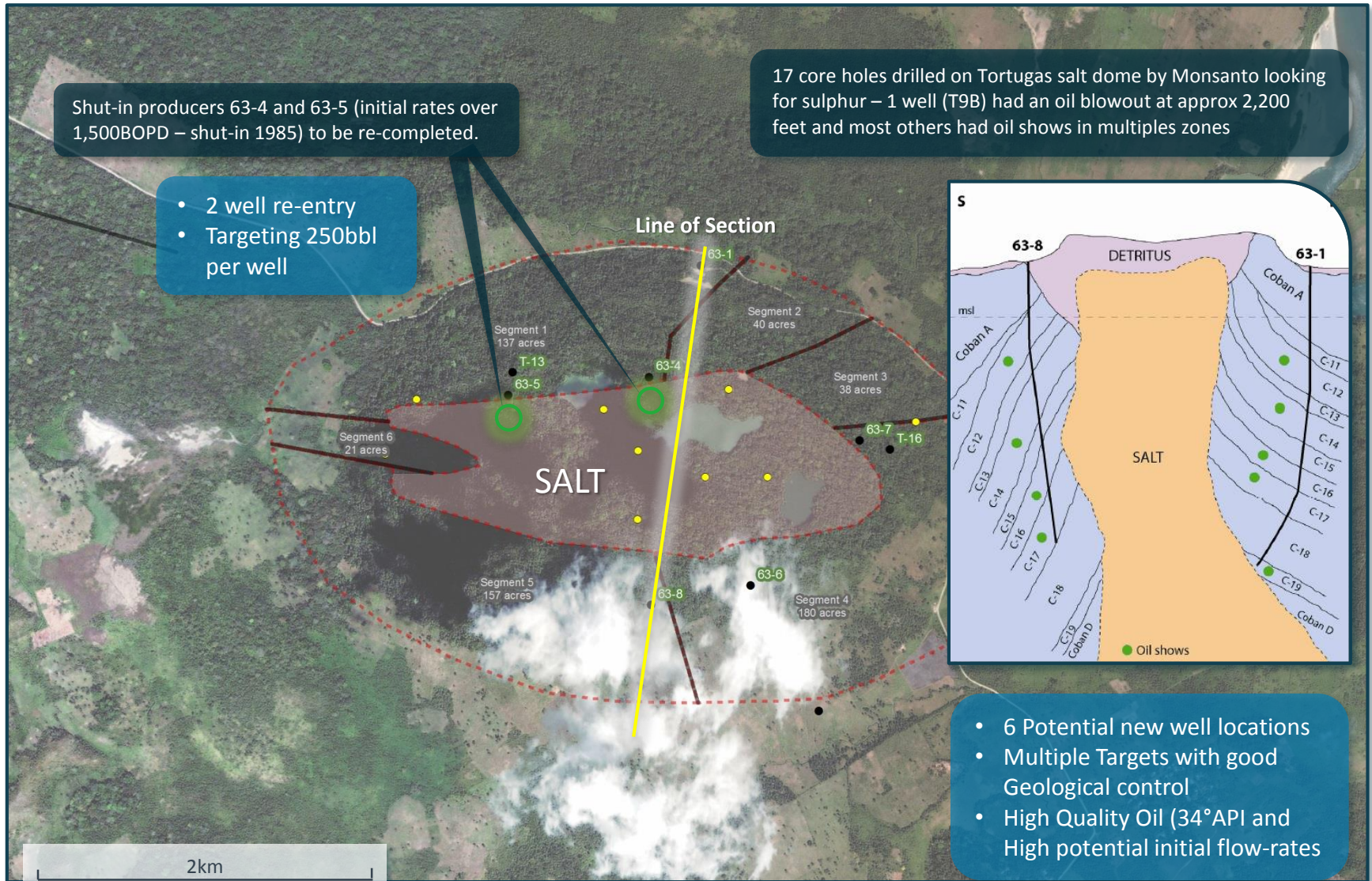
Lower C16

Lower C16

Top C17

Upper C17 2846-48 (2 feet) and 2849-2853 (4 feet) immediate gas to surface continually increasing blow, 30 min shut in pressure 155 psi open well, oil to surface flowing through 9 5/8 casing. Strong gas flare (est. 5 meters) with average oil flow of 610 BOPD / 0 Wtr on 1/2 inch choke. SITP 570 psi.

Tortugas Oil Field Development



Significant Project Capital Invested

- Approximately \$18M has been invested in project infrastructure
- Temporary treatment and oil storage facility built
 - 7,000 BO capacity will increase following completion of Atzam #4 off take contract
- Open airstrip at Tortugas camp - Full working camp with 100 man capacity
- 500 hp Harold Lee trailer mounted drilling rig, with upgrades
- Service Rig refurbished

LAR owned Drilling Rig



LAR owned Work Over Rig



Tortugas Camp & Airstrip



Guatemala Royalties and Netbacks

- High netbacks driven by sound cost structure, a business friendly royalty environment and premium oil sales

WTI	\$80.00	\$100.00	\$120.00
+Estimated WTI Premium (32° API) ⁽¹⁾	\$20.00	\$15.00	\$15.00
- Royalty (25%) ⁽²⁾	\$25.00	\$28.75	\$33.75
- Oil Sales Brokerage	\$2.55	\$2.55	\$2.55
- Estimated Operating Costs ⁽³⁾	\$7.00	\$7.00	\$7.00
- Trucking ⁽⁴⁾	\$9.00	\$9.00	\$9.00
= Operating Netback Pre Tax	\$56.45	\$67.70	\$82.70

Note: Guatemala's corporate income tax rate is currently 31%

- Historically, LAR has sold its oil domestically to an end user at \$20/bbl premium to WTI (based upon WTI/Bunker C price ratio)
- LAR has over \$25m of available tax losses







(1) Price premium for API – oil sold to industrial user as equivalent to Bunker C, premium varies according to market conditions in the range of +10% to +25% (load sold in mid Dec for \$96.72 per bbl when WTI was \$69.56)

(2) Government Royalty on oil (based on API): Royalty = 20% for 30° API oil; royalty increases / decreases by 1% for each increase / decrease in API degree

(3) Excludes overhead

(4) Trucked to a Guatemala City industrial user with a capacity of approx 3,000 BOPD, Perenco pipeline nearby - approx \$7 per bbl transportation - but no WTI premium

Proposed Work Program in 2013/ 14

	2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Targeted Results
Drill and complete 2 development wells- Atzam #4 (Producing) and Atzam #5, with upgrade to Atzam tank facilities						Atzam #4 400 bopd Atzam #5 400 bopd
Re-enter and re-complete 2 wells						250 bopd per well
Upgrade Facilities						
Acquire, Process and Interpret 3D seismic on Tortugas and Atzam						Up to 12 additional locations on Atzam Up to 6 Additional locations on Tortugas Additional prospects within block
Exploratory well #1						Expl #1 400 bopd
Additional gravity survey						2013 exit rate target 800 bopd 2014 exit rate target 1,500 bopd



CITATION
RESOURCES

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