



LATAM AUTOS LIMITED
ABN 12 169 063 414

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Tuesday, 21 May 2019

Time of Meeting:
10.00AM (AEST)

Place of Meeting:
Collins Square
Level 22, Tower 5, 727 Collins Street, Melbourne VIC 3008

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay

LATAM AUTOS LIMITED

ABN 12 169 063 414

Registered office: Level 4, 100 Albert Road, South Melbourne, Victoria, 3205

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Members of LatAm Autos Limited (the "Company") will be held at Collins Square, Level 22, Tower 5, 727 Collins Street, Melbourne VIC 3008 at 10.00am (AEST) on Tuesday, 21 May 2019.

AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

Voting exclusions (where applicable) in respect of each of the Resolutions contained in this Notice are set out in the Explanatory Statement.

ORDINARY BUSINESS

Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 31 December 2018.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purpose of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 31 December 2018 be adopted."

Resolution 2: Re-election of Mr Timothy Handley as a Director of the Company

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, Mr Timothy Handley, who retires by rotation pursuant to the Constitution of the Company and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3: Re-election of Mr Colin Galbraith as a Director of the Company

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, Mr Colin Galbraith, who retires by rotation pursuant to the Constitution of the Company and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 4: Ratification of Prior Issue of Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 40,000,000 fully paid ordinary shares on or about 10 September 2018 at an issue price of \$0.20 (20 cents) per share to institutional and sophisticated investors as described in the Explanatory Statement which accompanies and forms part of this Notice."

Resolution 5: Ratification of Prior Issue of Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 342,857 fully paid ordinary shares on or about 19 October 2018 at a deemed issue price of \$0.14 (14 cents) per share to a Consultant of the Company as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 6: Ratification of Prior Issue of Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 82,191 fully paid ordinary shares on or about 19 October 2018 at a deemed issue price of \$0.1825 (18.25 cents) per share to a Consultant of the Company as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 7: Ratification of Prior Issue of Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 222,737 fully paid ordinary shares on or about 5 February 2019 at a deemed issue price of \$0.2155 (21.55 cents) per share to a Consultant of the Company as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 8: Ratification of Prior Issue of Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 390,000 fully paid ordinary shares on or about 5 February 2019 at a deemed issue price of \$0.20 (20 cents) per share to an Employee of the Company as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 9: Approval to issue Performance Rights to Mr Jorge Mejia Ribadeneira (or his nominee)

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rule 10.14, and for all other purposes, shareholders approve the grant to Mr Jorge Mejia Ribadeneira (a director of the Company), or his nominee, of 1,250,000 performance rights under the LAA Equity Incentive Plan, together with the allotment and issue of any ordinary shares upon vesting of any such performance rights, on the terms and conditions described in the Explanatory Notes.”

Resolution 10: Approval to issue Performance Rights to Mr Jorge Mejia Ribadeneira (or his nominee)

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rule 10.14, and for all other purposes, shareholders approve the grant to Mr Jorge Mejia Ribadeneira (a director of the Company), or his nominee, of 2,000,000 performance rights under the LAA Equity Incentive Plan, together with the allotment and issue of any ordinary shares upon vesting of any such performance rights, on the terms and conditions described in the Explanatory Notes.”

Resolution 11: Approval to issue 2018 STI shares to Alternate Director – Mr Gareth Bannan

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rule 10.14 and for all other purposes, shareholder approval is given for the Company to issue 241,290 fully paid ordinary shares under the LAA Equity Incentive Plan to Mr Gareth Bannan, an Alternate Director of the Company, on the terms and conditions summarised in the Explanatory Statement accompanying and forming part of this Notice of Meeting.”

Resolution 12: Approval to issue 2018 STI shares to Director – Mr Jorge Mejia Ribadeneira

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purposes of ASX Listing Rule 10.14 and for all other purposes, shareholder approval is given for the Company to issue 1,135,000 fully paid ordinary shares under the LAA Equity Incentive Plan to Mr Jorge Mejia Ribadeneira, a Director of the Company, on the terms and conditions summarised in the Explanatory Statement accompanying and forming part of this Notice of Meeting.”

SPECIAL BUSINESS:

Resolution 13: Approval of 10% Placement Facility

To consider and, if thought fit, pass the following resolution as a special resolution:

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

By the order of the Board



Melanie Leydin
Company Secretary

Dated: 15 April 2019

Notes

1. **Entire Notice:** The details of the resolution contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm AEST on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a shareholder of the Company.
 - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - h. To be effective, proxy forms must be received by the Company's share registry (Boardroom Pty Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 10:00am (AEST) on Sunday, 19 May 2019. Any proxy received after that time will not be valid for the scheduled meeting.

Completed Proxy Forms (and the powers of attorney or other instruments or authorities, if any, under which each Proxy Form is signed) or a copy of a facsimile which appears on its face is to be an authentic copy of the Proxy Form (and the power of attorney or other instrument or authority) can be submitted to the Share Registry:

By Mail – Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia

In Person – Boardroom Pty Limited, Level 12, 225 George Street NSW 2000 Australia

Online: <https://www.votingonline.com.au/latamagm2019>

Alternatively, these documents may be faxed to the Share Registry on + 61 2 9290 9655

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. How the Chairman will vote Undirected Proxies

The Chairman will vote undirected proxies in favour of all of the proposed resolutions.

6. Voting Exclusion Statement:

Resolution 1

The Company will disregard any votes cast in favour of the resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a Closely Related Party of such a member unless the vote cast as proxy for a person entitled to vote:

- (a) In accordance with a direction on the proxy form; or
- (b) By the Chairman of the meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 2 and 3

There are no voting exclusions on these resolutions.

Resolution 4, 5, 6, 7 and 8

The Company will disregard any votes cast in favour on Resolutions 4, 5, 6, 7 and 8 by or on behalf of any person who participated in the relevant issue and any associates of those persons.

However, the Company need not disregard a vote if it is cast:

- by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 9, 10, 11 and 12

The Company will disregard any votes cast in favour of Resolution 9, 10, 11 and 12 by:

- (a) Any Director of the Company who is eligible to participate in the Plan; or
- (b) an associate of such a Director.

However, the Company need not disregard a vote on Resolution 9, 10, 11 and 12 if:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (d) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 13

The Company will disregard any votes cast in favour of Resolution 13 by a person who may participate in a proposed issue of securities made under the 10% placement facility and a persons who may obtain a benefit thereunder, except a benefit solely in the capacity as a holder of ordinary securities if the resolution is passed, and any associate of that person. However the Company need not disregard a vote if:

- (a) It is cast, in accordance with the directions on the proxy form, by a person as proxy for a person who is entitled to vote; or
- (b) It is cast, in accordance with the direction on the proxy form to vote as the proxy decides, by the person chairing the meeting as proxy for a person who is entitled to vote.

7. Enquiries

Shareholders are invited to contact the Company Secretary, Melanie Leydin on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY MEMORANDUM

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 31 December 2018 which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Except for as set out in Resolution 1, no resolution is required on these reports.

Resolution 1: Adoption of Remuneration Report

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's December 2018 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act 2001, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the remuneration report at the Annual General Meeting.

The Corporations Act requires the Company to put a resolution to Shareholders that, in accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company's last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty five (25%) per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Board Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that shareholders vote in favour of Resolution 1 to adopt the Remuneration Report.

Resolution 2: Re-election of Mr Timothy Handley as a Director of the Company

Background

The Constitution of the Company requires that at every Annual General Meeting, at least two of the Directors shall retire from office and provides that such Directors are eligible for re-election at the meeting. Accordingly, Mr Timothy Handley retires by rotation and, being eligible, offers himself for re-election.

Mr Handley is a co-founder and Director of LatAm Autos. Prior to co-founding LatAm Autos in early 2014, Mr Handley worked for 11 years' in mergers & acquisitions, equity and debt capital markets experience (including 7 years in Latin America). Previously Mr Handley worked at Gresham Partners and UBS. Tim also founded and was managing director of Chestnut Partners, a São Paulo, Brazil based corporate finance advisory business where he advised several leading Australian organisations on acquisitions and investments in Latin America.

Directors Recommendations

The Board (with Mr Handley abstaining), recommends that shareholders vote in favour of the re-election of Mr Handley. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Handley's re-election.

Resolution 3: Re-election of Mr Colin Galbraith as a Director of the Company

Background

The Constitution of the Company requires that at every Annual General Meeting, at least two of the Directors shall retire from office and provides that such Directors are eligible for re-election at the meeting. Accordingly, Mr Colin Galbraith retires by rotation and, being eligible, offers himself for re-election.

Colin is a Special Advisor to Gresham Partners Limited. He joined Gresham in 2006 after 28 years as a partner of Allens Arthur Robinson. He is the Chair of CARE Australia (Chair), a Director of the Colonial Foundation and a Trustee of the Royal Melbourne Hospital Neuroscience Foundation.

Directors Recommendations

The Board (with Mr Galbraith abstaining), recommends that shareholders vote in favour of the re-election of Mr Galbraith. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Galbraith's re-election.

Resolution 4: Ratification of Prior Issue of Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 40,000,000 fully paid ordinary shares at an issue price of \$0.20 (20 cents) per share to institutional and sophisticated investors. The Appendix 3B relating to the issue was announced to ASX on 10 September 2018.

The 40,000,000 fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued was 40,000,000;
- (b) the shares were issued at an issue price of \$0.20 (20 cents) per share;
- (c) the shares allotted and issued are fully paid ordinary shares which have the same terms and rights as, and ranking equally with, the Company's existing shares;
- (d) the shares were allotted and issued to clients of Foster Stockbroking who are institutional and sophisticated investors;
- (e) the funds raised have been, or will be, used for partial redemption of the outstanding convertible notes, capital raising costs and general working capital requirements;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 4.

Resolution 5: Ratification of Prior Issue of Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 342,857 fully paid ordinary shares at a deemed issue price of \$0.14 (14 cents) per share to a consultant in consideration for services provided. The Appendix 3B relating to the issue was announced to ASX on 19 October 2018.

The 342,857 fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued was 342,857;
- (b) the shares were issued at a deemed issue price of \$0.14 (14 cents) per share;
- (c) the shares allotted and issued are fully paid ordinary shares which have the same terms and rights as, and ranking equally with, the Company's existing shares;
- (d) the shares were allotted and issued to RP Investment Management Pty Ltd;
- (e) there were no funds raised from this transaction;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 5.

Resolution 6: Ratification of Prior Issue of Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 82,191 fully paid ordinary shares at a deemed issue price of \$0.1825 (18.25 cents) per share to a consultant in consideration for services provided. The Appendix 3B relating to the issue was announced to ASX on 19 October 2018.

The 82,191 fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued was 82,191;
- (b) the shares were issued at a deemed issue price of \$0.1825 (18.25 cents) per share;
- (c) the shares allotted and issued are fully paid ordinary shares which have the same terms and rights as, and ranking equally with, the Company's existing shares;
- (d) the shares were allotted and issued to James Daniel McGee;
- (e) there were no funds raised from this transaction;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 6.

Resolution 7: Ratification of Prior Issue of Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 222,737 fully paid ordinary shares at a deemed issue price of \$0.2155 (21.55 cents) per share to a consultant in consideration for services provided. The Appendix 3B relating to the issue was announced to ASX on 5 February 2019.

The 222,737 fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued was 222,737;
- (b) the shares were issued at a deemed issue price of \$0.2155 (21.55 cents) per share;
- (c) the shares allotted and issued are fully paid ordinary shares which have the same terms and rights as, and ranking equally with, the Company's existing shares;
- (d) the shares were allotted and issued to VGHM Pty Ltd as Trustee for the VGHM Trust;
- (e) there were no funds raised from this transaction;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 7.

Resolution 8: Ratification of Prior Issue of Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 390,000 fully paid ordinary shares at a deemed issue price of \$0.20 (20 cents) per share to an employee of the Company (non-Director) in relation to their severance package. The Appendix 3B relating to the issue was announced to ASX on 5 February 2019.

The 390,000 fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued was 390,000;
- (b) the shares were issued at a deemed issue price of \$0.20 (20 cents) per share;
- (c) the shares allotted and issued are fully paid ordinary shares which have the same terms and rights as, and ranking equally with, the Company's existing shares;
- (d) the shares were allotted and issued to Jose Luis Checa;
- (e) there were no funds raised from this transaction;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 8.

Resolution 9: Approval to issue Performance Rights to Mr Jorge Mejia Ribadeneira (or his nominee)

Background

The Company proposes, subject to Shareholder approval, to grant Mr Jorge Mejia Ribadeneira 1,250,000 performance rights which upon vesting will result in the issue of 1,250,000 Fully Paid Ordinary Shares (the **Performance Rights**) under the LAA Equity Incentive Plan (**Plan**).

The remuneration arrangements for Mr Ribadeneira are based on the Company's 'Total Annual Reward' (**TAR**) framework. TAR seeks to provide fair and appropriate rewards, comprised of fixed and 'at risk' elements, designed to attract, retain and motivate employees. The provision of Performance Rights to Mr Ribadeneira under the Plan comprises the majority of his 'at risk' remuneration.

As with all other executives of the Company, the performance of Mr Ribadeneira has been reviewed under the Company's performance review process. That review process has led to a recommendation to seek shareholder approval to grant Performance Rights under the Company's Plan as outlined below. These Performance Rights are intended to reward the recipients for their contribution to the Group's long-term performance for the period commencing in the 2019 financial year and to incentivise the recipients accordingly.

The Non-executive Directors have concluded that the remuneration package for Mr Ribadeneira (including the proposed grant of Performance Rights) is reasonable and appropriate having regard to the circumstances of the Company and his respective duties and responsibilities.

ASX Listing Rules

ASX Listing Rule 10.14 prohibits a listed company from issuing equity securities under an employee incentive scheme to a Director without the approval of holders of the company's ordinary shares.

Accordingly, as Mr Ribadeneira is a Director of the Company, Resolution 9 seeks Shareholder approval for the purposes of ASX Listing Rule 10.14 for the issue of the Performance Rights to Mr Ribadeneira under the Plan.

ASX Listing Rule 10.15 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to ASX Listing Rule 10.14 for Resolution 9.

Maximum number of securities which may be acquired

Resolution 9 seeks Shareholder approval for the issue to Mr Ribadeneira of 1,250,000 Performance Rights, which upon vesting will entitle him to receive up to 1,250,000 Shares.

Price of the securities

The Performance Rights to be granted to Mr Ribadeneira under Resolution 9 (and any securities to be issued upon vesting of those rights) shall be issued for no consideration.

Issues of securities to Directors and their associates under the Plan since last approval of the Plan

The Plan was approved by Shareholders on 18 May 2018.

Directors who received securities under the Plan since the last approval of the Plan on 18 May 2018	Number of securities received	Acquisition price for each security
Tim Handley	300,000 Performance Rights	Nil
Tim Handley	940,000 Shares	Nil
Gareth Bannan	216,667 Performance Rights	Nil
Gareth Bannan	527,000 Shares	Nil
Jorge Mejia Ribadeneira	300,000 Performance Rights	Nil
Jorge Mejia Ribadeneira	1,300,000 Shares	Nil

Persons referred to under ASX Listing Rule 10.14 entitled to participate in the Plan

The Plan provides that a Director of a Group Company (being the Company and any related body corporate) who holds a salaried employment or salaried office in a Group Company is eligible to participate in the Plan (however, the Plan specifically excludes participation by a non-executive director of the Company).

Accordingly, Mr Jorge Mejia Ribadeneira is entitled to participate in the Plan.

The date by which the securities will be issued

The Performance Rights will be issued to Mr Ribadeneira, or his respective nominee, within one month of the date of Shareholder approval being received for Resolution 9.

Conditions and hurdles for Performance Rights

Performance Rights	
Vesting Date:	31 December 2022
Exercise Price:	Nil
Expiry Date:	31 January 2023, unless lapsed earlier in accordance with the terms of the Plan.
Vesting Conditions:	<p>The vesting of any of the Performance Rights is dependent on Mr Ribadeneira meeting his respective Service Vesting Condition and LatAm Autos meeting the Performance Vesting Conditions.</p> <p>Collectively these conditions are known as the Vesting Conditions.</p>
Service Vesting Condition:	Continuous employment by Mr Ribadeneira in his respective current position (or equivalent) from Grant Date to Vesting Date.

Performance Condition 1:	
<p>Up to 50% of the Performance Rights granted (Mr Ribadeneira: 625,000) will vest in the following proportions if the Total Shareholder Return for LatAm Autos Limited (LAA TSR) outperforms the TSR of the constituent companies of 2019 LTI Peer Group over the Measurement Period:</p>	
LAA TSR Result	% of Performance Rights subject to this Performance Condition that will vest
LAA TSR < 50 th percentile	0%
LAA TSR =/> 50 th percentile	50%
LAA TSR > 75 th percentile	100% (Straight line interpolation between 50 th and 75 th percentile)
<p>The 2018 LTI Peer Group consists of seven ASX listed companies that the Board consider to be the most comparable companies in Australia, by industry type and business model, to LatAm Autos.</p> <p>Any companies within the 2019 LTI Peer Group that are no longer listed (for any reason) at the end of the Measurement Period shall still be included in the final test with the TSR value as at delisting date used as the final TSR value.</p>	

Performance Condition 2:	
<p>Up to 50% of the Performance Rights granted (Mr Ribadeneira: 625,000) will vest in the following proportions if the Total Shareholder Return for LatAm Autos Limited (LAA TSR) outperforms the TSR of the constituent companies of 2019 LTI GICS Group (Software & Services) over the Measurement Period:</p>	
LAA TSR Result	% of Performance Rights subject to this Performance Condition that will vest
LAA TSR < 50 th percentile	0%
LAA TSR =/> 50 th percentile	50%
LAA TSR > 75 th percentile	100% (Straight line interpolation between 50 th and 75 th percentile)
<p>The 2019 LTI GICS Group consists of 26 ASX listed companies that share the same GICS (Global Industry Classification Standard) code as LatAm Autos, being 'Software and Services'. The 27 companies were chosen based on their market capitalisation relative to LatAm Autos on 1 January 2019. The 13 closest companies above and 13 closest companies below LatAm Autos' market capitalisation make up the group.</p> <p>Any companies within the 2019 LTI GICS Group (Software & Services) that are no longer listed (for any reason) at the end of the Measurement Period shall still be included in the final test with the TSR value as at delisting date used as the final TSR value.</p>	

- TSR is defined as the total return of a share to an investor (capital gain plus dividends reinvested as at the ex-dividend date).
- For the purposes of calculation of the **LAA 2019 TSR Hurdle**:
 - The measurement period will commence on 1 January 2019 and end on the Vesting Date, being 31 December 2022 (the Measurement Period); and
 - the Share price of LatAm Autos at the commencement of the Measurement Period will be deemed to be \$0.16.

- Any Performance Rights which fail to vest on or before the Vesting Date will immediately lapse. The Board's determination will be final.

Other information

- The Company will not apply to the ASX for official quotation of the Performance Rights granted under the Plan. Shares issued pursuant to the vesting of Performance Rights will rank equally with Shares then on issue.
- There is no loan scheme in relation to the Performance Rights or the Plan.
- Mr Ribadeneira is prohibited from hedging the share price exposure in respect of the Performance Rights during the vesting period applicable to those Performance Rights.
- Further detailed information on the Performance Rights granted to Mr Ribadeneira will be provided in the Remuneration Report.

Other required information: section 200E Corporations Act

In addition, Shareholder approval is sought under section 200E of the Corporations Act for the pro rata vesting of the Performance Rights to be issued to Mr Ribadeneira in the event of cessation of his employment in certain limited circumstances.

The value of the Performance Rights that may vest on cessation of employment cannot currently be ascertained.

The circumstances that may affect the calculation of this value include:

- The market price of LAA Shares at the time the employment ceases;
- the performance against the performance hurdles at the time the employment ceases;
- the part of the service period has elapsed at the time the employment ceases; and
- the number of Performance Rights that lapse on cessation of employment.

Directors Recommendation

The Non-Executive Directors recommend that shareholders vote in favour of Resolution 9.

Resolution 10: Approval to issue Performance Rights to Mr Jorge Mejia Ribadeneira (or his nominee)

Background

The Company proposes, subject to Shareholder approval, to grant Mr Jorge Mejia Ribadeneira 2,000,000 performance rights which upon vesting will result in the issue of 2,000,000 Fully Paid Ordinary Shares (the **Performance Rights**) under the LAA Equity Incentive Plan (**Plan**).

The performance of Mr Ribadeneira has been reviewed under the Company's performance review process. That review process has led to a recommendation to seek shareholder approval to grant an additional one-off issue of Performance Rights under the Company's Plan as outlined below. These Performance Rights are designed to align Mr Ribadeneira's interests with that of the long-term interests of the Company.

The Non-executive Directors have concluded that the remuneration package for Mr Ribadeneira (including the proposed grant of Performance Rights) is reasonable and appropriate having regard to the circumstances of the Company and his respective duties and responsibilities.

ASX Listing Rules

ASX Listing Rule 10.14 prohibits a listed company from issuing equity securities under an employee incentive scheme to a Director without the approval of holders of the company's ordinary shares.

Accordingly, as Mr Ribadeneira is a Director of the Company, Resolution 10 seeks Shareholder approval for the purposes of ASX Listing Rule 10.14 for the issue of the Performance Rights to Mr Ribadeneira under the Plan.

ASX Listing Rule 10.15 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to ASX Listing Rule 10.14 for Resolution 10.

Maximum number of securities which may be acquired

Resolution 10 seeks Shareholder approval for the issue to Mr Ribadeneira of 2,000,000 Performance Rights, which upon vesting will entitle him to receive up to 2,000,000 Shares.

Price of the securities

The Performance Rights to be granted to Mr Ribadeneira under Resolution 10 (and any securities to be issued upon vesting of those rights) shall be issued for no consideration.

Issues of securities to Directors and their associates under the Plan since last approval of the Plan

The Plan was approved by Shareholders on 18 May 2018.

Directors who received securities under the Plan since the last approval of the Plan on 18 May 2018	Number of securities received	Acquisition price for each security
Tim Handley	300,000 Performance Rights	Nil
Tim Handley	940,000 Shares	Nil
Gareth Bannan	216,667 Performance Rights	Nil
Gareth Bannan	527,000 Shares	Nil
Jorge Mejia Ribadeneira	300,000 Performance Rights	Nil
Jorge Mejia Ribadeneira	1,300,000 Shares	Nil

Persons referred to under ASX Listing Rule 10.14 entitled to participate in the Plan

The Plan provides that a Director of a Group Company (being the Company and any related body corporate) who holds a salaried employment or salaried office in a Group Company is eligible to participate in the Plan (however, the Plan specifically excludes participation by a non-executive director of the Company).

Accordingly, Mr Jorge Mejia Ribadeneira is entitled to participate in the Plan.

The date by which the securities will be issued

The Performance Rights will be issued to Mr Ribadeneira, or his respective nominee, within one month of the date of Shareholder approval being received for Resolution 10.

Conditions and hurdles for Performance Rights

Performance Rights	
Vesting Date:	31 December 2021
Exercise Price:	Nil
Expiry Date:	31 January 2022, unless lapsed earlier in accordance with the terms of the Plan.
Vesting Conditions:	The vesting of any of the Performance Rights is dependent on Mr Ribadeneira remaining employed with the Company until 31 December 2021. The Board has the right to determine to cancel the performance rights in its discretion at any time on payment of an amount per cancelled performance right calculated at the higher of \$0.17 (17 cents) and the 5-day Volume Weighted Average Price (VWAP) per LAA share preceding its determination.
Service Vesting Condition:	Continuous employment by Mr Ribadeneira in his respective current position (or equivalent) from Grant Date to Vesting Date.

- Any Performance Rights which fail to vest on or before the Vesting Date will immediately lapse. The Board's determination will be final.

Other information

- The Company will not apply to the ASX for official quotation of the Performance Rights granted under the Plan. Shares issued pursuant to the vesting of Performance Rights will rank equally with Shares then on issue.
- There is no loan scheme in relation to the Performance Rights or the Plan.
- Mr Ribadeneira is prohibited from hedging the share price exposure in respect of the Performance Rights during the vesting period applicable to those Performance Rights.
- Further detailed information on the Performance Rights granted to Mr Ribadeneira will be provided in the Remuneration Report.

Other required information: section 200E Corporations Act

In addition, Shareholder approval is sought under section 200E of the Corporations Act for the pro rata vesting of the Performance Rights to be issued to Mr Ribadeneira in the event of cessation of his employment in certain limited circumstances.

The value of the Performance Rights that may vest on cessation of employment cannot currently be ascertained.

The circumstances that may affect the calculation of this value include:

- The market price of LAA Shares at the time the employment ceases;
- the part of the service period has elapsed at the time the employment ceases; and
- the number of Performance Rights that lapse on cessation of employment.

Directors Recommendation

The Non-Executive Directors recommend that shareholders vote in favour of Resolution 10.

Resolution 11: Approval to issue 2018 STI shares to Alternate Director – Mr Gareth Bannan

Intended purpose of issuing Shares to Mr Bannan

The issue of the Shares is proposed to be made in accordance with the Plan as a Short Term Incentive (**STI**) in the form of bonus shares in recognition of Mr Bannan's achievement of agreed performance objectives during 2018 financial year. The Board has determined the amount of shares proposed to be issued to Mr Bannan in accordance with his achievement of previously-agreed performance criteria during the 2018 financial year and seeks the required shareholder approval for the share issue.

Requirement for Shareholder approval – ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval prior to the issue of equity securities under an employee incentive scheme to a director of the company.

The Company seeks approval under Listing Rule 10.14 to issue shares under the Company's Equity Incentive Plan (**Plan**) to Mr Gareth Bannan, who is a director of the Company by virtue of the fact that he is an Alternate Director for Mr Timothy Handley.

ASX Listing Rule 10.15 sets out a number of matters which must be included in a notice of meeting for a proposed approval under ASX Listing Rule 10.14. The following information is provided to Shareholders for the purposes of ASX Listing Rule 10.15:

- the maximum number of shares (being the Directors Shares) to be issued is 241,290;
- the Directors Shares to be issued are fully paid ordinary shares and will rank equally in all respects with the Company's existing shares on issue;

- The Directors Shares will be issued for no consideration;
- The information required by Listing Rule 10.15.4 is as follows:

Directors who received securities under the Plan since the last approval of the Plan on 18 May 2018	Number of securities received	Acquisition price for each security
Tim Handley	300,000 Performance Rights	Nil
Tim Handley	940,000 Shares	Nil
Gareth Bannan	216,667 Performance Rights	Nil
Gareth Bannan	527,000 Shares	Nil
Jorge Mejia Ribadeneira	300,000 Performance Rights	Nil
Jorge Mejia Ribadeneira	1,300,000 Shares	Nil

- All persons referred to in Listing Rule 10.14 entitled to participate in the Plan, being directors holding salaried employment within the Group, are Mr Tim Handley, Mr Gareth Bannan and Mr Jorge Mejia Ribadeneira;
- Date by which the securities will be issued: expected to be within one month of the date of the Meeting.

Recommendation

The Board recommends that shareholders vote in favour of Resolution 11. The Chairman of the meeting intends to vote undirected proxies in favour of the Resolution. Mr Bannan makes no recommendation regarding Resolution 11.

Resolution 12: Approval to issue 2018 STI shares to Director – Mr Jorge Mejia Ribadeneira

Intended purpose of issuing Shares to Mr Ribadeneira

The issue of the Shares is proposed to be made in accordance with the Plan as a Short Term Incentive (**STI**) in the form of bonus shares in recognition of Mr Ribadeneira's achievement of agreed performance objectives during 2018 financial year. The Board has determined the amount of shares proposed to be issued to Mr Handley in accordance with his achievement of previously-agreed performance criteria during the 2018 financial year and seeks the required shareholder approval for the share issue.

Requirement for Shareholder approval – ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval prior to the issue of equity securities under an employee incentive scheme to a director of the company.

The Company seeks approval under Listing Rule 10.14 to issue shares under the Company's Equity Incentive Plan (**Plan**) to Mr Jorge Mejia Ribadeneira, who is a director of the Company.

ASX Listing Rule 10.15 sets out a number of matters which must be included in a notice of meeting for a proposed approval under ASX Listing Rule 10.14. The following information is provided to Shareholders for the purposes of ASX Listing Rule 10.15:

- the maximum number of shares (being the Directors Shares) to be issued is 1,135,000;
- the Directors Shares to be issued are fully paid ordinary shares and will rank equally in all respects with the Company's existing shares on issue;
- The Directors Shares will be issued for no consideration;

- The information required by Listing Rule 10.15.4 is as follows:

Directors who received securities under the Plan since the last approval of the Plan on 18 May 2018	Number of securities received	Acquisition price for each security
Tim Handley	300,000 Performance Rights	Nil
Tim Handley	940,000 Shares	Nil
Gareth Bannan	216,667 Performance Rights	Nil
Gareth Bannan	527,000 Shares	Nil
Jorge Mejia Ribadeneira	300,000 Performance Rights	Nil
Jorge Mejia Ribadeneira	1,300,000 Shares	Nil

- All persons referred to in Listing Rule 10.14 entitled to participate in the Plan, being directors holding salaried employment within the Group, are Mr Tim Handley, Mr Gareth Bannan and Mr Jorge Mejia Ribadeneira;
- Date by which the securities will be issued: expected to be within one month of the date of the Meeting.

Recommendation

The Board recommends that shareholders vote in favour of Resolution 12. The Chairman of the meeting intends to vote undirected proxies in favour of the Resolution. Mr Ribadeneira makes no recommendation regarding Resolution 12.

SPECIAL BUSINESS

Resolution 13: Approval of 10% Placement Facility

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the Annual General Meeting ("10% Placement Facility"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The effect of Resolution 13 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve Resolution 13, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A2 (see below).

Resolution 13 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. This means it requires approval of 75% of the votes

cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of this Notice, has on issue the following classes of Equity Securities: Fully paid ordinary shares, unquoted performance rights, unquoted options and unquoted convertible notes. As the Shares are the only existing quoted class of equity securities of the Company, only Shares can be issued under the 10% Placement Facility.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A2.

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX (**10% Placement Period**).

Listing Rule 7.1A

The effect of Resolution 13 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 13 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 trading days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 13 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options, only if the Options are exercised). Shareholders may be exposed to economic risk and voting dilution, including the following:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice, subject to the assumptions listed below.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.055 50% decrease in Issue Price	\$0.110 Issue Price	\$0.220 100% increase in Issue Price
Current Variable A 418,354,416 Shares	10% Voting Dilution	41,835,442 Shares		
	Funds raised	\$2,300,949	\$4,601,899	\$9,203,797
50% increase in current Variable A 627,531,624 Shares	10% Voting Dilution	62,753,162 Shares		
	Funds raised	\$3,451,424	\$6,902,848	\$13,805,696
100% increase in current Variable A 836,708,832 Shares	10% Voting Dilution	83,670,883 Shares		
	Funds raised	\$4,601,899	\$9,203,797	\$18,407,594

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
 - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
 - The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - The shares amounts shown in the table do not include any shares proposed to be issued pursuant to proposed resolutions to be put to the Meeting.
 - The Current Share Price is **\$0.11**, being the closing price of the Shares on ASX on **11 April 2019**.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 13 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of the new assets / investments or the pursuit of new business opportunities. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration for similar opportunities (in such circumstances, the Company would use the funds raised to pay the cash consideration for the acquisition and/or expenses associated with such acquisition), continued improvements to its existing businesses and/or general working capital.
- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

- (f) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, allottees under the 10% Placement Facility may be the vendors of the new assets or investments.

- (g) A voting exclusion statement is included in the Notice. At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Equity Issues over the Last 12 Months – Listing Rule 7.3A.6

For the purposes of Listing Rule 7.3A.6(a), the Company advises as follows:

Number of equity securities on issue at commencement of 12 month period	431,106,412
Equity securities issued in the prior 12 month period*	56,229,755
Percentage of share issues represent of total number of equity securities on issue at commencement of 12 month period	13.04%

* For full details of the issues of equity securities made by the Company since the date of the last Annual General Meeting, see Annexure A.

Directors Recommendations

The Directors of the Company believe that Resolution 13 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 31 December 2018;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEST**” means Australian Eastern Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Closely Related Party**” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means LatAm Autos Limited ABN 12 169 063 414;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Explanatory Memorandum**” means the explanatory memorandum which forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Key Management Personnel**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of LatAm Autos Limited for the financial year ended 31 December 2018 and which is set out in the 2018 Annual Report.

“**Resolution**” means a resolution referred to in the Notice;

“**Section**” means a section of the Explanatory Memorandum;

“**Share**” means a fully paid ordinary share in the capital of the Company; and

“**Shareholder**” means shareholder of the Company.

Annexure A

CASH ISSUES

Date	Number of Securities	Security Type	Terms	Description	Party or Basis	Price	Discount	Total Consideration	Use of Consideration
21 Aug 2018	1,293,810	FPO	FPO	Exercise of Options	Option holder of the Company	\$0.17	N/A	\$219,948	General working capital.
31 Aug 2018	17,857	FPO	FPO	Exercise of Options	Option holder of the Company	\$0.17	N/A	\$3,036	General working capital.
10 Sep 2018	40,000,000	FPO	FPO	Placement	Institutional and sophisticated investors	\$0.20	N/A	\$8,000,000	Issue of Placement shares to institutional and sophisticated investors with proceeds to go towards partial redemption of the outstanding convertible notes, working capital and capital raising costs pursuant to the ASX announced dated 3 September 2018
Total								\$8,222,984	

NON-CASH ISSUES

Date	Number of Securities	Security Type	Terms	Description	Party or Basis	Price	Discount	Total Consideration	Use of Consideration
14 Jun 2018	2,767,000	FPO	FPO	Share Issue	STI bonus shares to the Executive Chairman, Executive Director & Chief Executive Officer and Alternate Director/CFO	Nil	N/A	N/A	Issue of Short-Term Incentive bonus shares to the Executive Chairman, Executive Director & Chief Executive Officer and Alternate Director/CFO in recognition of achievement of agreed performance objectives during the 2017 financial year, as approved by shareholders at the Company's Annual General Meeting held on 18 May 2018.
14 Jun 2018	3,612,498	FPO	FPO	Share Issue	STI bonus shares to Employees of the Company	Nil	N/A	N/A	Issue of Short-Term Incentive bonus shares to employees, in recognition of achievement of agreed performance objectives during the 2017 financial year
14 Jun 2018	207,056	FPO	FPO	Share Issue	Consultant	Deemed issue price \$0.1328	N/A	N/A	Issue of shares to a consultant in consideration for services provided.
14 Jun 2018	816,667	PR	PR	Performance Rights	Issue of performance rights to Executive Chairman, Executive Director & Chief Executive Officer and Alternate Director/CFO	Nil	N/A	N/A	Issue of employee performance rights to Executive Chairman, Executive Director & Chief Executive Officer and Alternate Director/CFO, as approved by shareholders at the Company's Annual General Meeting held on 18 May 2018 and pursuant to the LAA Equity Incentive Plan, to incentivise employees and align their interest with those of the shareholders.
14 Jun 2018	1,133,332	PR	PR	Performance Rights	Employees of the Company	Nil	N/A	N/A	Issue of employee performance rights to employees, pursuant to the LAA Equity Incentive Plan, to incentivise employees and align their interest with those of the shareholders.
19 Oct 2018	5,343,750	FPO	FPO	Share Issue	Conversion of Convertible Notes	Deemed issue price \$0.16	N/A	N/A	Issue of fully paid ordinary shares upon conversion of Convertible Notes by various Noteholders at a conversion price of \$0.16 (16 cents) per share.
19 Oct 2018	342,857	FPO	FPO	Share Issue	Consultant	Deemed issue price \$0.14	N/A	N/A	Issue of shares to a consultant in consideration for services provided.
19 Oct 2018	82,191	FPO	FPO	Share Issue	Consultant	Deemed issue price \$0.1825	N/A	N/A	Issue of shares to a consultant in consideration for services provided.
5 Feb 2019	222,737	FPO	FPO	Share Issue	Consultant	Deemed issue price \$0.2155	N/A	N/A	Issue of shares to a consultant in consideration for services provided.
5 Feb 2019	390,000	FPO	FPO	Share Issue	Employee of the Company	Deemed issue price \$0.20	N/A	N/A	Issue of shares to an employee of the Company (non-Director) in relation to their severance package.

Glossary

FPO

Fully Paid Ordinary Shares

PR

Unquoted Performance Rights



All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (AEST) on Sunday, 19 May 2019.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/latamagm2019>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (AEST) on Sunday, 19 May 2019.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** <https://www.votingonline.com.au/latamagm2019>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **LatAm Autos Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Collins Square, Level 22, Tower 5, 727 Collins Street, Melbourne VIC 3008 on Tuesday, 21 May 2019 at 10:00am (AEST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1,9,10,11 and 12, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1,9,10,11 and 12 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1,9,10,11 and 12). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		FOR	AGAINST	ABSTAIN*			FOR	AGAINST	ABSTAIN*
Res 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 9	Approval to issue Performance Rights to Mr Jorge Mejia Ribadeneira (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 2	Re-election of Mr Timothy Handley as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 10	Approval to issue Performance Rights to Mr Jorge Mejia Ribadeneira (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3	Re-election of Mr Colin Galbraith as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 11	Approval to issue 2018 STI shares to Alternate Director – Mr Gareth Bannan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 4	Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 12	Approval to issue 2018 STI shares to Director – Mr Jorge Mejia Ribadeneira	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 5	Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 13	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 6	Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Res 7	Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Res 8	Ratification of Prior Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2019