

29 April 2022

Dear Shareholder,

Annual General Meeting – Notice and Proxy Form

The annual general meeting of Latin Resources Limited (ASX:LRS) (**Company**) is scheduled to be held at 32 Harrogate Street, West Leederville, Perth on 30 May 2022 at 11:00 am (AWST) (**Meeting**).

The Board has made the decision that it will hold a physical meeting with the appropriate social gathering and physical distancing measures in place to comply with the Federal Government's and State Government's current restrictions for physical gatherings.

In accordance with the Treasury Laws Amendment (2021 Measures No. 1) Act 2021, the Company will not be dispatching physical copies of the Notice of Meeting (**NOM**). Instead, a copy of the NOM is available via the ASX platform at asx.com.au (ASX: LRS) and on the Company's website at www.latinresources.com.au.

All Shareholders who cannot physically attend the meeting are strongly encouraged to lodge a directed proxy form prior to the Meeting.

The Directors wish to advise that pursuant to section 249S of the Corporations Act, the Company is offering Shareholders the opportunity to participate in the Meeting by:

- (a) submitting your vote prior to the Meeting by lodging the attached proxy form attached to the Notice no later than 11:00 am on 28 May 2022;
- (b) submitting questions if possible in advance of the Meeting by emailing the questions to info@latinresources.com.au by 5:00 pm on 29 May 2022; and/or
- (c) hearing the Meeting through a teleconference, which will be available by calling:

Australia Toll Free: 1300 254 410

OR

Perth Local Number: +61 8 9460 0706

Access Code: Shareholder wishing to participate in the teleconference for the Meeting must call the Company to receive the teleconference access code. Please call the Company on +61 8 9460 0706 prior to the Meeting and supply your holding number for identification purposes.

Whilst the Company will provide an opportunity for Shareholders to ask questions at the Meeting, Shareholders are encouraged to submit questions in advance of the Meeting as this will provide management with the best opportunity to prepare answers.

Your proxy voting instruction must be received by 11:00am (AWST) on 28 May 2022, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

Circumstances relating to COVID-19 are changing rapidly. The Company will update shareholders if changing circumstances will impact planning or the arrangements for the

Meeting by way of announcement on ASX and the details will also be made available on our website at www.latinresources.com.au.

The NOM is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company's share registry, Computershare Investor Services Pty Ltd, 1800 783 447 (within Australia) or +61 3 9473 2555 (overseas).

Online Communications

Our Company is committed to promoting positive environmental outcomes. To that end, we are asking all our shareholders to provide an email address to receive their communications online. This ensures we are providing you with the information you need in the fastest, most cost-effective manner possible, while also significantly reducing our environmental impact. Shareholder communications available online include the Annual Report, Voting Forms, Notice of Meeting, Issuer Sponsored Holding Statements, Payment Advices and other company related information. You can view, download or print your shareholding information as you choose. To Provide Your Details Online

1. Go online to www.computershare.com.au/easyupdate/LRS
2. Follow the prompts to update your information, add your e-mail address and update your 'Communications' preferences.

This announcement is authorised for market release by the Board of Directors of the Company.

Sincerely,

Sarah Smith

Company Secretary

LATIN RESOURCES LIMITED

ACN 131 405 144

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11:00 am (WST)

DATE: 30 May 2022

PLACE: 32 Harrogate Street
WEST LEEDERVILLE WA 6007

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting. The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00 pm on 28 May 2022.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the year ended 31 December 2021 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the year ended 31 December 2021."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

A voting prohibition statement applies to this Resolution. Please see below.

3. RESOLUTION 2 – RE-ELECTION OF MR DAVID VILENSKY AS DIRECTOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Mr David Vilensky, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES TO STOCKS DIGITAL – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 8,000,000 Shares to Stocks Digital on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO LIND – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 35,000,000 unlisted Options to Lind on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

6. RESOLUTION 5 – APPROVAL FOR ISSUE OF DEFERRED RIGHTS TO MR DAVID VILENSKY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Company is authorised to issue up to 1,104,545 Deferred Rights to Mr David Vilensky (or his nominee) pursuant to the Non-Executive Director Deferred Rights Plan on the terms set out in the Explanatory Memorandum accompanying this Notice and in accordance with the terms and conditions of the Company's Deferred Rights Plan as approved by Shareholders on 31 July 2020”.

A voting exclusion statement and a voting prohibition statement apply to this Resolution. Please see below.

7. RESOLUTION 6 – APPROVAL FOR ISSUE OF DEFERRED RIGHTS TO MR BRENT JONES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Company is authorised to issue up to 852,273 Deferred Rights to Mr Brent Jones (or his nominee) pursuant to the Non-Executive Director Deferred Rights Plan on the terms set out in the Explanatory Memorandum accompanying this Notice and in accordance with the terms and conditions of the Company's Deferred Rights Plan as approved by Shareholders on 31 July 2020”.

A voting exclusion statement and a voting prohibition statement apply to this Resolution. Please see below.

8. RESOLUTION 7 – APPROVAL FOR ISSUE OF DEFERRED RIGHTS TO PABLO TARANTINI

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Company is authorised to issue up to 852,273 Deferred Rights to Mr Pablo Tarantini (or his nominee) pursuant to the Non-Executive Director Deferred Rights Plan on the terms set out in the Explanatory Memorandum accompanying this Notice and in accordance with the terms and conditions of the Company's Deferred Rights Plan as approved by Shareholders on 31 July 2020”.

A voting exclusion statement and a voting prohibition statement apply to this Resolution. Please see below.

9. RESOLUTION 8 – APPROVAL FOR ISSUE OF INCENTIVE RIGHTS TO MR CHRISTOPHER GALE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Company is authorised to issue up to 3,768,750 Performance Rights and 1,856,250 Retention Rights pursuant to

the Incentive Rights Plan to Mr Christopher Gale (or his nominee) on the terms set out in the Explanatory Memorandum accompanying this Notice and in accordance with the terms and conditions of the Company's Incentive Rights Plan as approved by Shareholders on 31 July 2020."

A voting exclusion statement and a voting prohibition statement apply to this Resolution. Please see below.

10. RESOLUTION 9 – APPROVAL TO ISSUE PLACEMENT OPTIONS TO WARATAH CAPITAL ADVISERS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 11,000,000 Placement Options to Waratah Capital Advisers on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

11. RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SECURITIES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 74,478,284 Shares and 109,375,000 Placement Options on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

12. RESOLUTION 11 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SECURITIES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 144,271,716 Shares on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

Dated: 29 April 2022

By order of the Board



**Sarah Smith
Company Secretary
Latin Resources Limited**

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or a Closely Related Party of such a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> does not specify the way the proxy is to vote on this Resolution; and expressly authorises the Chair to exercise the proxy even though this Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Resolution 5 – Resolution 7 – Approval for Issue of Deferred Rights Non-Executive Directors (Mr David Vilensky, Mr Brent Jones and Mr Pablo Tarantini)	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> the proxy is either: <ul style="list-style-type: none"> a member of the Key Management Personnel; or a Closely Related Party of such a member; and the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> the proxy is the Chair; and the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 8 – Approval for Issue of Incentive Rights to Mr Christopher Gale	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolutions set out below by or on behalf of the following persons:

Resolution 3 – Ratification of Prior Issue of Shares to	The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a
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Stocks Digital – Listing Rule 7.1	counterparty to the agreement being approved (namely Stocks Digital) or an associate of that person or those persons.
Resolution 4 – Ratification of Prior Issue of Options to Lind – Listing Rule 7.1	The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely Lind) or an associate of that person or those persons.
Resolution 5 – Approval for Issue of Deferred Rights to Mr David Vilensky	The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Mr David Vilensky) or an associate of that person or those persons.
Resolution 6 – Approval for Issue of Deferred Rights to Mr Brent Jones	The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Mr Brent Jones) or an associate of that person or those persons.
Resolution 7 – Approval for Issue of Deferred Rights to Pablo Tarantini	The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Mr Pablo Tarantini) or an associate of that person or those persons.
Resolution 8 – Approval for Issue of Incentive Rights to Mr Christopher Gale	The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Mr Christopher Gale) or an associate of that person or those persons.
Resolution 9– Approval to issue Placement Options to Waratah Capital Advisers	Waratah (or its nominees) or any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person.
Resolution 10 – Ratification of prior issue of Placement Securities	The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement Participants) or an associate of that person or those persons.
Resolution 11 – Ratification of prior issue of Placement Securities	The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement Participants) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- (a) each Shareholder has a right to appoint a proxy;
- (b) the proxy need not be a Shareholder of the Company; and
- (c) a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- (a) if proxy holders vote, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

The Directors strongly encourage all shareholders to lodge a directed proxy form prior to the Meeting.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

You may still attend the Meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the Meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting but representatives from Computershare Investor Services Pty Ltd will need to verify your identity. You can register on the day of the Meeting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9460 0706

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the year ended 31 December 2021 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.latinresources.com.au

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the Company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of votes are cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF MR DAVID VILENSKY AS DIRECTOR

ASX Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr David Vilensky, the Director longest in office since his last re-election on 31 July 2020, retires by rotation and seeks re-election.

3.1 Qualifications and other material directorships

Mr David Vilensky was appointed as a Non-Executive Director on 2 October 2008. Mr Vilensky is a practising corporate lawyer and the managing director of Perth law firm Bowen Buchbinder Vilensky. He has a particular focus on complex commercial transactions, mining and resources, corporate advisory and dispute resolution. He has more than 35 years experience in the areas of corporate and business law and in commercial and corporate management. Mr Vilensky advises on directors duties and corporate governance, capital raisings, joint ventures, due diligence, acquisitions and corporate transactions generally and acts for a number of listed and private companies. Mr Vilensky is also a Non- Executive Director of Vonex Limited, a telecommunications company about to list on the ASX.

3.2 Independence

If re-elected the Board considers Mr Vilensky will be an independent Director.

3.3 Board Recommendation

The Board has reviewed Mr Vilensky's performance since his appointment to the Board and considers that Mr Vilensky's skills and experience will continue to enhance the Board's ability to perform its role. The Board supports the re-election of Mr Vilensky and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES TO STOCKS DIGITAL – LISTING RULE 7.1

4.1 General

On 8 March 2022, the Company issued 8,000,000 Shares in consideration for digital advertising and marketing services provided by Stocks Digital, a business managed by S3 Consortium Pty Ltd.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The issue of the Shares to Stocks Digital does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Shares to Stocks Digital.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Shares to Stocks Digital.

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Shares to Stocks Digital.

4.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Shares issued to Stocks Digital will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares to Stocks Digital.

If Resolution 3 is not passed, the Shares issued to Stocks Digital will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares to Stocks Digital.

4.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) the Shares were issued to Stocks Digital;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 8,000,000 Shares were issued and were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) 8,000,000 Shares were issued pursuant to Listing Rule 7.1;

- (e) the Shares were issued on 8 March 2022;
- (f) the Shares were issued at a deemed issue price of \$0.03 per Share, in consideration for digital advertising and marketing services provided by Stocks Digital. The Company has not and will not receive any other consideration for the issue of the Shares;
- (g) the purpose of the issue of the Shares was to remunerate Stocks Digital for services rendered, without using the Company's cash resources.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO LIND – LISTING RULE 7.1

5.1 General

As announced on 28 February 2022, the Company entered into an Option Funding Agreement ("**OFA**") to receive funding of A\$2,500,000 (face value \$2,750,000) from Lind Asset Management XII, LLC, an entity managed by New York based The Lind Partners, LLC (together "**Lind**").

The funding provided a source of capital to enable the Company to fund its program of project development and exploration of its exciting portfolio of lithium projects in Brazil, whilst avoiding a dilutive equity capital raising.

5.2 Material terms of the OFA

The key terms of the OFA are set out below:

- (a) Immediate \$2,500,000 in cash paid to the Company (**Amount Outstanding**).
- (b) 14-month term with a face value of \$2,750,000.
- (c) When the Company receives any proceeds from the exercise of any of the LRSOC Options, except for proceeds received from options exercised by the Company's largest Shareholder and any director of the Company, the Company must immediately pay the LRSOC Proceeds to the Investor in immediately available funds in reduction of the Amount Outstanding.
- (d) If the Company has not paid Lind at least AU\$500,000 in LRSOC Proceeds prior to the date which is 180 days after closing, the Company must pay the Investor the amount by which the aggregate LRSOC Proceeds paid by the Company to the Investor prior to that date are less than AU\$500,000.
- (e) While there is any Amount Outstanding, if the Company receives aggregate proceeds from the issue of any equity interests in the Company it must pay 20% of the aggregate proceeds to Lind in immediately available funds in reduction of the amount outstanding.
- (f) On the closing date, the Company must grant and deliver to Lind or its nominee 35,000,000 unlisted options with an exercise price \$0.05 and expiry date of March 2026.
- (g) At the closing, the Company must pay a commitment fee of 3% of the funding amount (\$75,000) to the Investor, which will be deducted from the loan proceeds.

- (h) The Company may elect to pay back any outstanding amounts early without penalty.

The OFA was advanced to the Company, and the Company must use any funds received from exercise of options (exercisable at \$0.012 on or before 31 December 2022) to repay amounts owed, allowing OFA to be paid back progressively over the next 8 months until December 31, 2022.

In accordance with the OFA, on 8th March 2022, the Company issued 35,000,000 unlisted Options (**Options**) to Lind. The Terms and Conditions of the Options are set out in Schedule 1.

5.3 Listing Rules 7.1 and 7.4

As summarised in Section 4.1, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The issue of the Options to Lind does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Options to Lind.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options to Lind.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Options to Lind.

5.4 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Options issued to Lind will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Options to Lind.

If Resolution 4 is not passed, the Options issued to Lind will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Options to Lind.

5.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the Options were issued to Lind;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 35,000,000 unlisted Options were issued pursuant to Listing Rule 7.1.
- (d) The Options are Options to acquire fully paid ordinary shares in the capital of the Company and the full terms and conditions of the Options are set out in Schedule 1;
- (e) the Options were issued on 8 March 2022;
- (f) the Options were issued at a nil issue price, in accordance with the OFA with Lind. The Company has not and will not receive any other consideration for the issue of the Options;
- (g) the purpose of the issue of the Options was to satisfy the obligations under the OFA with Lind.

6. RESOLUTION 5 TO RESOLUTION 8 – APPROVAL FOR ISSUE OF INCENTIVE RIGHTS AND DEFERRED RIGHTS TO THE DIRECTORS

6.1 General

The Company has agreed, in accordance with the terms and conditions of the Company's Deferred Rights Plan and Incentive Rights Plan as approved by Shareholders on 31 July 2020 and subject to obtaining Shareholder approval, to issue:

- (a) 2,809,091 Deferred Rights, to Messrs David Vilensky, Brent Jones and Pablo Tarantini under the Non-Executive Director Deferred Rights Plan (Resolution 5, Resolution 6 and Resolution 7); and
- (b) 3,768,750 Performance Rights and 1,856,250 Retention Rights (collectively, the **Incentive Rights**) to Mr Christopher Gale under the Company's Incentive Rights Plan (Resolution 8).

The number of Incentive Rights to be issued to Mr Gale represents 60% of Mr Gale's 2021 fixed remuneration. Details of the Incentive Rights are set out below:

Tranche	%	No. of Performance Rights	No. of Retention Rights	Measurement Period	Vesting Date
1	100	3,768,750	1,856,250	6 months	1 July 2022
Totals		3,768,750	1,856,250		

The Incentive Rights will be issued under the terms and conditions of the Incentive Rights Plan, which is summarised in Schedule 3.

The full terms and conditions of the Performance Rights are outlined in Schedule 2.

The numbers of Deferred Rights to be issued the Non-Executive Directors have been calculated based on advice from an independent remuneration advisor who has indicated that the total remuneration packages including the Deferred Rights for the Non-Executive Director roles will be within the range of market practice for similar roles in comparable ASX listed companies.

The Deferred Rights will be issued to the Non-Executive Directors on the following basis:

- (a) 1,104,545 Deferred Rights to Mr David Vilensky pursuant to Resolution 5;
- (b) 852,273 Deferred Rights to Mr Brent Jones pursuant to Resolution 6; and
- (c) 852,273 Deferred Rights to Mr Pablo Tarantini pursuant to Resolution 7.

The Deferred Rights will vest in one tranche as follows:

Tranche	%	Number	Measurement Period	Vesting Date
1	100	2,809,091	6 months	1 July 2022

The Deferred Rights vest upon the Non-Executive Directors continued service to the Company as directors from 1 January 2022 to 1 July 2022.

The issue of the Deferred Rights is intended to cover the retention incentives of the Non-Executive Directors for their service from 1 January 2022 to 1 July 2022.

The Deferred Rights will be issued under the terms and conditions of the Non-Executive Director Deferred Rights Plan, which is summarised in Schedule 4.

The Company's remuneration policy for long term incentives is discussed in detail in the Company's 2021 annual report and the Incentive Rights and Deferred Rights will be issued in accordance with the terms and conditions of the Company's Incentive Rights Plan and Deferred Rights Plan respectively, both of which were approved by Shareholders on 31 July 2020.

Resolution 5, Resolution 6, Resolution 7 and Resolution 8 are being put to Shareholders to seek approval for the issue of the Incentive Rights and Deferred Rights pursuant to ASX Listing Rule 10.14.

6.2 ASX Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

10.14.1	a director of the entity;
10.14.2	an associate of a director of the entity; or
10.14.3	a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of the Incentive Rights and Deferred Rights involves the issue of securities to Directors which falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 5, Resolution 6, Resolution 7 and Resolution 8 seek the required Shareholder approval for the issue of the Incentive Rights and Deferred Rights under and for the purposes of section 195(4) of the Corporations Act and Listing Rule 10.14.

6.3 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Incentive Rights and Deferred Rights constitutes the giving of a financial benefit to the Directors of the Company.

With respect to Resolution 5 to Resolution 7, Mr Chris Gale (being the only Director who does not have a material personal interest in Resolution 5 to Resolution 7) has resolved that the reasonable remuneration exception provided by Section 211 of the Corporations Act is relevant in the circumstances and accordingly, the Company will not seek approval for the issue of the Deferred Rights pursuant to Section 208 of the Corporations Act.

With respect to Resolution 8, the Directors (other than Mr Chris Gale who has a material personal interest in Resolution 8) have resolved that the reasonable remuneration exception provided by Section 211 of the Corporations Act is relevant in the circumstances and accordingly, the Company will not seek approval for the issue of the Incentive Rights pursuant to Section 208 of the Corporations Act.

6.4 Section 195(4) of the Corporations Act

Section 195 of the Corporations Act provides that a Director of a public company may not vote or be present during meetings of Directors when matters in which

that Director holds a "material personal interest" are being considered, except in certain limited circumstances. Section 195(4) provides that if there are not enough Directors to form a quorum for a Directors meeting because of this restriction, one or more of the Directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

It might be argued (although the Board does not believe it to be the case) that each of the Directors comprising the Board have a material personal interest in the outcome of Resolution 5, Resolution 6, Resolution 7 and Resolution 8 as an issue of Incentive Rights and Deferred Rights is proposed for each Director (as applicable). If each does have such an interest, then in accordance with section 195(4) a quorum could not be formed to consider the matters contemplated by Resolution 5, Resolution 6, Resolution 7 and Resolution 8 at Board level.

Accordingly, for the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Company also seeks Shareholder approval for the purposes of section 195(4) of the Corporations Act for the issue of Deferred Rights and Incentive Rights proposed under Resolution 5, Resolution 6, Resolution 7 and Resolution 8 and in respect of the Board decision to apply the reasonable remuneration exception under section 211 of the Corporations Act to these issues.

6.5 Technical information required by Listing Rule 14.1A

If Resolution 5, Resolution 6, Resolution 7 and/or Resolution 8 are passed, the Company will be able to proceed with the issue of the Deferred Rights and Incentive Rights to Messrs Vilensky, Jones, Tarantini and Gale (as applicable) under the Deferred Rights Plan and Incentive Rights Plan respectively, within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Rights and Deferred Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Rights and Deferred Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 5, Resolution 6, Resolution 7 and/or Resolution 8 are not passed, the Company will not be able to proceed with the issue of the Incentive Rights and Deferred Rights to Messrs Vilensky, Jones, Tarantini and Gale under the Deferred Rights Plan and/or Incentive Rights Plan (as applicable).

6.6 Technical information required ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided in relation to Resolution 5, Resolution 6, Resolution 7 and Resolution 8:

- (a) the related parties are, David Vilensky, Brent Jones, Pablo Tarantini and Christopher Gale, who are related parties by virtue of being Directors pursuant to Listing Rule 10.14.1;
- (b) the maximum number of Deferred Rights and Incentive Rights to be issued to the Directors (being the nature of the financial benefit proposed to be given) is as follows:
 - (i) Mr David Vilensky – 1,104,545 Deferred Rights;
 - (ii) Mr Brent Jones – 852,273 Deferred Rights;

- (iii) Mr Pablo Tarantini – 852,273 Deferred Rights and
 - (iv) Mr Christopher Gale – 5,625,000 Incentive Rights (comprising 3,768,750 Performance Rights and 1,856,250 Retention Rights);
- (c) the Deferred Rights Plan and Incentive Rights Plan were adopted by Shareholders on 31 July 2020;
- (d) the following Incentive Rights and Deferred Rights have been issued under the Incentive Rights Plan and Deferred Rights Plan (as applicable):
 - (i) 5,802,985 Deferred Rights have been issued to Mr Vilensky; and
 - (ii) 4,477,612 Deferred Rights have been issued to Brent Jones, related to the period from 1 January 2020 to 31 December 2022. The Deferred Rights were issued for nil cash consideration on 2 March 2021. On 02 March 2021, the total of 4,112,239 Deferred Rights vested and converted into 4,045,573 Shares in accordance with the formula prescribed in the Deferred Rights Plan. On 8 March 2022, a further 3,084,179 Deferred Rights vested into 3,015,687 Shares in accordance with the formula prescribed in the Deferred Rights Plan;
 - (iii) 26,417,910 Incentive Rights have been issued to Christopher Gale (comprising of 17,700,000 Retention Rights and 8,717,910 Performance Rights) since the last approval. These Incentive Rights were issued for nil cash consideration on 02 March 2021 and related to the period from 1 January 2020 to 31 December 2022. On 02 March 2021, a total of 10,567,164 Incentive Rights (comprising 7,080,000 Performance Rights and 3,487,164 Retention Rights) vested into 10,500,498 Shares in accordance with the formula prescribed in the Incentive Rights Plan. On 8 March 2022, a further of 7,925,373 Incentive Rights (comprising 5,310,000 Performance Rights and 2,615,373 Retention Rights) vested into 7,856,881 Shares in accordance with the formula prescribed in the Incentive Rights Plan;
- (e) a summary of the material terms and conditions of:
 - (i) the Incentive Rights is set out in Schedule 2;
 - (ii) the Non-Executive Director Deferred Rights Plan and Deferred Rights is set out in Schedule 4 and Section 6.1 and Schedule 5, respectively; and
 - (iii) the Incentive Rights Plan is set out in Schedule 3;
- (f) the Company proposes granting Deferred Rights and Incentive Rights to the Directors, under the respective Plans, to align the interests of the Directors with those of Shareholders by creating a stronger link between performance resulting in increased Shareholder value and reward to the Directors;
- (g) the number of Deferred Rights and Incentive Rights to be issued to Messrs Vilensky, Jones, Tarantini and Gale (as applicable) has been determined based upon a consideration of:

- (i) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
 - (ii) advice from an independent remuneration adviser;
 - (iii) the remuneration of the Directors; and
 - (iv) incentives to attract and ensure continuity of service of the Directors while maintaining the Company's cash reserves,
- (h) the Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Deferred Rights and Incentive Rights upon the terms proposed;
- (i) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year 2022 ¹	Previous Financial Year 2021
David Vilensky	\$64,800	\$154,166 ²
Brent Jones	\$50,000	\$118,955 ³
Pablo Tarantini	\$50,000	\$50,000
Christopher Gale	\$352,000	\$740,746 ⁴

Notes:

1. This does not include the value of any future Securities which may be issued to the Director, including pursuant to this Notice.
 2. Comprising of cash and salary fees of \$64,800 and equity-settled payments of \$89,366 comprising of deferred share rights approved for issue by shareholders in prior years.
 3. Comprising of cash and salary fees of \$50,000 and equity-settled payments of \$68,955 comprising of deferred share rights approved for issue by shareholders in prior years.
 4. Comprising of cash and salary fees of \$359,000, cash bonus of \$15,000 and equity-settled payments of \$366,746 comprising of incentive share rights approved for issue by shareholders in prior years.
- (j) the value of the Deferred Rights and Incentive Rights is set out in Schedule 5;
- (k) the Deferred Rights and Incentive Rights will be issued to the Related Parties no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Deferred Rights and Incentive Rights will be issued on one date;
- (l) the Incentive Rights and Deferred Rights are being issued for nil cash consideration as part of each Director's remuneration, as such no funds will be raised from the issue of the Deferred Rights and Incentive Rights;

- (m) no loans have been provided in relation to the issue of the Incentive Rights and Deferred Rights;
- (n) details of any Deferred Rights and Performance Rights issued under the Deferred Rights and Incentive Rights Plans will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (o) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Incentive Rights or Deferred Rights under the Incentive Rights Plan or the Non-Executive Deferred Rights Plan after Resolution 5, Resolution 6, Resolution 7 and Resolution 8 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14;
- (p) the relevant interests of the Directors in the securities of the Company as at the date of this Notice is set out below:

Director	Shares	Options ¹	Deferred Rights/(Incentive Rights) ²	Performance Rights
David Vilensky	16,557,908 ³	Nil	1,740,895	Nil
Brent Jones	30,288,854 ⁴	15,833,250	1,343,283	Nil
Pablo Tarantini	Nil	Nil	Nil	Nil
Christopher Gale	18,901,062 ⁵	40,000	7,925,373	Nil

Notes:

- Listed Options (ASX:LRSOC) exercisable at \$0.012 each, expiring on 31 December 2022.
 - Refer to the Companys notice of general meeting for the general meeting held on 10 February 2021 for the terms of the deferred rights and incentive rights.
 - 1,706,649 of these Shares are restricted Shares. In addition, Mr Dilensky holds 1,000,000 restricted unquoted loan funded shares.
 - 1,000,000 of these Shares are restricted shares. In addition, Mr Jones also holds 1,000,000 unquoted restricted loan fund shares.
 - 7,856,880 of these Shares are restricted shares. In addition, Mr Gale also holds 2,000,000 unquoted restricted loan funded shares
- (q) if the vesting conditions and milestones (as applicable) attaching to the Deferred Rights and Incentive Rights issued to Directors are met and the securities are converted, a total of 8,434,091 Shares would be issued. This will increase the number of Shares on issue from 1,901,374,493 (being the total number of Shares on issue as at the date of this Notice) to 1,909,808,584 (assuming that no Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 0.44%;
- (r) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.2275	7 April 2022
Lowest	\$0.027	24 December 2021
Last	\$0.15	27 April 2022

- (s) the Directors have chosen not to make a recommendation to Shareholders on how to vote on Resolution 5 to Resolution 8;
- (t) a voting exclusion statement has been included for each of Resolution 5, Resolution 6, Resolution 7 and Resolution 8;
- (u) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolution 5 to Resolution 8.

7. BACKGROUND TO RESOLUTION 9 TO RESOLUTION 11

7.1 Placement

As announced on 14 April 2022, the Company received binding commitments from institutional and sophisticated investors to raise \$35,000,000 (before costs) through the issue of approximately 218,750,000 Shares at an issue price of \$0.16 per Share (**Placement**).

Participants in the Placement have also received one (1) free attaching unlisted Option for every two (2) Shares subscribed for, exercisable at \$0.22 per Option and expiring five (5) years from the date of issue (**Placement Options**).

The Placement was cornerstoned with a \$15,000,000 investment from Electrification and Decarbonisation AIE LP Fund, a 100% owned subsidiary of Toronto based Waratah Capital Advisers (**Waratah**). In consideration for Waratah's support, the Company is proposing to issue 11,000,000 Placement Options to Waratah in addition to the 46,875,000 free attaching Placement Options it has received based on its \$15,000,000 cornerstone investment, approval of which is sought under Resolution 9.

The Placement was completed within the Company's placement capacity under Listing Rules 7.1 and 7.1A, comprising:

- (a) 74,478,284 Shares and 109,375,000 Placement Options under Listing Rule 7.1, ratification of which is sought under Resolution 10; and
- (b) 144,271,716 Shares under Listing Rule 7.1A, ratification of which is sought under Resolution 11.

The Company engaged the services of Euroz Hartleys Limited and PAC Partners Securities Pty Ltd as joint lead managers to the Placement (**Joint Lead Managers**), with Jett Capital Advisers being co-manager to the Placement in North America (**Co Manager**). The Company has agreed to pay the following fees to the Joint Lead Managers and Co Manager:

- (a) a management fee of 1% of the gross proceeds of the Placement to Euroz Hartleys only;
- (b) a distribution fee of 5% of the gross proceeds of the Placement (excluding the investment by Waratah) to the Joint Lead Managers; and

- (c) issue 4,000,000 Options, on the same terms as the Placement Options (**Lead Manager Options**) to the Joint Lead Managers and Co Manager.

7.2 Use of funds raised under the Placement

The proceeds raised under the Placement are intended to be applied towards:

- (a) an aggressive resource definition drilling program for the Bananal Valley prospect within the Salinas Lithium Project in Brazil;
- (b) exploration drilling at the Monte Alto and Salinas South lithium prospects in Brazil;
- (c) a Pre-Feasibility Study, Direct Shipping Ore Study and metallurgical test work in respect of the Cloud Nine Halloysite-Kaolin deposit in Western Australia, as well as regional exploration at the broader Noombenberry Project area;
- (d) initial exploration drilling at the MT-03 Copper Project in Peru; and
- (e) general working capital.

8. RESOLUTION 9 – APPROVAL TO ISSUE PLACEMENT OPTIONS TO WARATAH CAPITAL ADVISERS

8.1 General

Resolution 9 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of 11,000,000 Placement Options to Waratah. Further information in relation to the issue of the Placement Options to Waratah is set out in Section 7.1.

8.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 4.1 above.

The proposed issue of the 11,000,000 Placement Options to Waratah falls within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1.

8.3 Technical information required by Listing Rule 14.1A

If Resolution 9 is passed, the Company will be able to proceed with the issue of the 11,000,000 Placement Options to Waratah. In addition, the issue of the Placement Options to Waratah will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the Placement Options to Waratah. In the event this occurs, the Company will be unable to provide consideration for the support of Waratah for its cornerstone investment in the Placement.

8.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 9:

- (a) the Placement Options will be issued to Waratah (or its nominees);

- (b) the maximum number of Placement Options to be issued is 11,000,000;
- (c) the Placement Options are Options to acquire fully paid ordinary Shares in the capital of the Company, the terms and conditions of which are set out in Schedule 6;
- (d) the Placement Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Placement Options will occur on the same date;
- (e) the Placement Options will be issued at a nil issue price, in consideration for Waratah's cornerstone investment in the Placement;
- (f) the purpose of the issue of the Placement Options is to provide consideration to Waratah for its cornerstone investment in the Placement;
- (g) the Placement Options are being issued to Waratah under a letter agreement between the Company and Waratah dated 13 April 2022; and
- (h) the Placement Options are not being issued under, or to fund, a reverse takeover.

9. RESOLUTION 10 AND RESOLUTION 11 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SECURITIES

9.1 General

Resolution 10 and Resolution 11 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 218,750,000 Shares and 109,375,000 Placement Options under the Placement (**Placement Securities**). Further information in relation to the Placement is set out in Section 7.1 above.

74,478,284 Shares and 109,375,000 Placement Options were issued pursuant to the Company's capacity under Listing Rule 7.1 (being, the subject of Resolution 10) and 144,271,716 Shares were issued pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 31 May 2021 (**AGM**).

9.2 Listing Rules 7.1 and 7.1A

A summary of Listing Rule 7.1 is set out in Section 4.1 above. Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase the 15% limit under Listing Rule 7.1 by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the AGM.

The issue of the Placement Securities does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Securities.

9.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Securities.

9.4 Technical information required by Listing Rule 14.1A

If Resolution 10 and Resolution 11 are passed, the Placement Securities will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Securities.

If Resolution 10 and Resolution 11 are not passed, the Placement Securities will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Securities.

It is noted that the Company no longer has the ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting as the Company no longer qualifies as an 'eligible entity' for the purposes of Listing Rule 7.1A given its market capitalisation currently exceeds \$300 million. Accordingly, the Company will not seek approval for a 7.1A mandate at this Meeting.

9.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 10 and Resolution 11:

- (a) the Placement Securities were issued to professional and sophisticated investors who are clients of the Joint Lead Managers and Co Manager to the Placement (**Placement Participants**). The Placement Participants were identified through a book build process, which involved the Joint Lead Managers and Co Manager seeking expressions of interest to participate in the Placement from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the Placement Participants were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial shareholders of the Company, advisers to the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) the Placement Securities were issued on the following basis:

- (i) 74,478,284 Shares and 109,375,000 Placement Options issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 10); and
 - (ii) 144,271,716 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 11),
- (d) the Shares issued under the Placement were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Placement Options are Options to acquire fully paid ordinary Shares in the capital of the Company, the terms and conditions of which are set out in Schedule 6;
- (f) the Placement Securities were issued on 26 April 2022;
- (g) the issue price was \$0.16 per Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A and the Placement Options were issued as free attaching unlisted Options on the basis of 1 Placement Option for every 2 Shares subscribed for under the Placement. The Company has not and will not receive any other consideration for the issue of the Placement Securities;
- (h) the purpose of the issue of the Placement Securities was to raise approximately \$35 million which will be applied as set out in Section 7.2; and
- (i) the Placement Securities were issued under firm commitment letters entered into by each of the Placement Participants on standard terms and conditions.

GLOSSARY

\$ means Australian dollars.

AGM means the Company's 2021 annual general meeting held on 31 May 2021.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Co-Manager means Jett Capital Advisors.

Company means Latin Resources Limited (ACN 131 405 144).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Deferred Rights means the 2,809,091 deferred rights proposed to be issued to Messrs Vilensky, Jones and Tarantini pursuant to Resolution 5 to Resolution 7.

Deferred Rights Plan means the Company's deferred rights plan approved by Shareholders on 31 July 2020.

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Incentive Rights means the Retention Rights and Performance Rights proposed to be issued to Mr Christopher Gale pursuant to Resolution 8.

Incentive Rights Plan means the Company's incentive rights plan approved by Shareholders on 31 July 2020.

Joint Lead Managers means Euroz Hartleys Limited and PAC Partner Securities Pty Ltd.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Lead Manager Options means the 4,000,000 Options issued to the Joint Lead Managers and Co Manager.

Lind means Lind Asset Management XII, LLC, an entity managed by New York the Lind Partners, LLC.

Meeting means the meeting convened by the Notice.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

OFA means the option funding agreement entered into between the Company and Lind.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Performance Rights means the 3,768,750 performance rights proposed to be issued to Mr Christopher Gale pursuant to Resolution 8.

Placement means the capital raising completed by the Company on 26 April 2022 and announced by the Company on 14 April 2022.

Placement Options means the Options issued pursuant to the Placement, including the 11,000,000 Options to be issued to Waratah Capital Advisers under the Placement pursuant to Resolution 9.

Placement Participants mean investors in the Placement.

Placement Securities means the 218,750,000 Shares and 109,375,000 Placement Options issued under the Placement.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 31 December 2021.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Retention Rights mean the 1,856,250 retention rights proposed to be issued to Mr Christopher Gale pursuant to Resolution 8.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

VWAP means the volume weighted average price.

Waratah means Waratah Capital Advisers.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF LIND OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.05 (**Exercise Price**).

(c) **Expiry Date**

Each Option expires at 5:00 pm (WST) on 31 March 2026 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the

Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) **Quotation**

The Company will not apply for quotation of the Options on ASX.

SCHEDULE 2 – TERMS AND CONDITIONS OF INCENTIVE RIGHTS

A summary of the terms and conditions of the Incentive Rights to be issued under Resolution 8 is as follows:

- (a) Subject to the vesting conditions being satisfied, the Performance Rights and Retention Rights will be exercisable into part cash and part Shares.
- (b) The Retention Rights will vest if Mr Christopher Gale has not ceased to be an employee of the Company due to resignation from 1 January 2022 to 1 July 2022 (**Measurement Period**).
- (c) The vesting conditions attaching to the Performance Rights are based on the absolute total Shareholder return (**TSR**) over the Measurement Period. TSR is the percentage gain from an investment in Shares over the Measurement Period assuming that dividends, if any, are reinvested back into Shares.

TSR will be calculated using the Share VWAP over the 10 trading days prior to the commencement of the Measurement Period (1 January 2022), and up to and including the last day of the Measurement Period (1 July 2022).

- (d) The following vesting scale will apply to the Performance Rights:

Performance Level	Absolute TSR over the Measurement Period	Vesting %
Below Threshold	<33% TSR (<10% CAGR)	0%
Threshold/Target	33% TSR (10% CAGR)	25%
Between Threshold/Target	>33% & <52% TSR	Pro-rata
Target	52% TSR (15% CAGR)	50%
Between Target & Stretch	>52% & <73% TSR	Pro-rata
Stretch	≥73% TSR (≥20% CAGR)	100%

Notes: CAGR = compound annual growth rate

- (e) The total value of the vesting Incentive Rights that vest, multiplied by the VWAP of Shares over the 10 trading days immediately prior to and including the final day of the Measurement Period (**Vested Rights Value**) will be paid in cash and Shares as follows:
 - (i) \$1,000 per tranche that vests; and
 - (ii) the remainder in Restricted Shares.
- (f) All Shares issued upon vesting and exercise of the Incentive Rights may not be sold or otherwise disposed of until first advised by the Company, which the Company will do immediately upon Shares being capable of being sold without breaching the insider trading provisions of the Corporations Act or the Company's share trading policy. All Shares issued will otherwise rank equally in all respects with the other fully paid ordinary shares on issue.

The Incentive Rights will otherwise be issued on the terms and conditions set out under the Company's Incentive Rights Plan, a summary of which is included in Schedule 3.

SCHEDULE 3 – SUMMARY OF INCENTIVE RIGHTS PLAN

The key terms of the Incentive Rights Plan are as follows:

- (a) **Eligibility:** Participants in the Plan may be full-time and permanent part-time employees of the Company or any of its subsidiaries (**Participants**).
- (b) **Administration of Plan:** The Board is responsible for the operation of the Plan and has a broad discretion to determine which Participants will be offered Incentive Rights under the Plan.
- (c) **Offer:** The Board may issue an offer to a Participant to participate in the Plan. The offer will specify (unless otherwise determined by the Board):
 - (i) the name and address of the Participant to whom the offer is made;
 - (ii) the number and types of tranches of Incentive Rights being offered;
 - (iii) in respect of each tranche:
 - (A) the number of Incentive Rights being offered;
 - (B) the vesting conditions, if any, of each tranche of Incentive Rights; and
 - (C) the Measurement Period (as defined below) during which each tranche of Incentive Rights must vest and be exercised; and
 - (iv) any other matters required by either the Corporations Act or the ASX Listing Rules.
- (d) **Measurement Period:** In relation to the offer of Incentive Rights means the period for determining whether service vesting conditions are satisfied. Unless otherwise determined by the Board, such period will be for three financial years commencing on 1 July of the year of grant and finishing on 30 June three years later (**Measurement Period**).
- (e) **Incentive Rights:** Incentive Rights may be offered to Participant, being:
 - (i) retention rights, being rights that vest and may be exercised into Restricted Shares, based on completion of a period of service; or
 - (ii) performance rights, being rights that vest and may be exercised into Restricted Shares, based on achievement of specified performance objectives.
- (f) **Restriction on Transfer:** An Incentive Right may not be transferred or otherwise dealt with (including being disposed of, encumbered, made subject to any interest in favour of any other person) and lapses immediately on purported transfer or dealing unless the Board, in its absolute discretion, approves the transfer or the dealing or transfer is effected by operation of law on death or legal incapacity to the Participant's legal personal representative.
- (g) **Vesting:** Where a tranche of Incentive Rights vest, the total value of those Incentive Rights will be paid in cash and Shares as follows:
 - (i) \$1,000 per tranche that vests; and

- (ii) the remainder in Restricted Shares.
- (h) **Vesting and Exercise – Issue of Restricted Shares:** Upon vesting and exercise of the Incentive Rights, the Company will issue voluntarily restricted Shares that may not be sold or otherwise disposed of by Participants until first advised by the Company, which the Company shall do at the first opportunity to do so, when Shares may be sold without breaching the insider trading provisions of the Corporations Act or the Company's share trading policy (**Restricted Shares**). The Company will issue Restricted Shares to Participants or arrange for them to be acquired for the Participant's benefit by the trustee of the Plan.
- (i) **Rights attaching to Shares:** Each Restricted Share shall be issued on the same terms and conditions as the Company's issued Shares (other than in respect of transfer restrictions imposed by the Plan) and it will rank equally with all other issued Shares from the issue date except for entitlements which have a record date before the issue date.
- (j) **Quotation on ASX:** The Company will apply for each Restricted Share to be admitted to trading on ASX. Quotation will be subject to the restrictions on trading placed on them by the Company, the ASX Listing Rules and any holding lock applying to the Shares.
- (k) **Bonus Issues:** Subject to any requirements of the Corporations Act and the ASX Listing Rules, in cases of bonus issues, the number of Incentive Rights held by a Participant shall be increased by the same number as the number of bonus shares that would have been received by the Participants had the Incentive Rights been fully paid ordinary shares in the Company.
- (l) **Rights Issues:** Subject to any requirements of the Corporations Act and the ASX Listing Rules, in the case of general rights issues to the Company's shareholders, there will be no adjustment to the Incentive Rights. However, the Board may consider issuing options:
 - (i) of a number up to the number of shares to which the Participant would have been entitled had the Incentive Rights been fully paid ordinary shares in the Company, and
 - (ii) the exercise price of such options will be equal to the amount payable by the Company's shareholders to exercise a right to acquire a Share.
- (m) **Capital Reconstructions:** Subject to any requirements of the Corporations Act and the ASX Listing Rules, in the case of other capital reconstructions the Board may make such adjustments to the Incentive Rights as it considers appropriate with a view to ensuring that holders of Incentive Rights are neither advantaged nor disadvantaged.
- (n) **Forfeiture:** The Incentive Rights will be forfeited in the event that the Participant is dismissed for cause, resigns (unless otherwise determined by the Board) or where the Board forms the opinion that a Participant has committed an act of fraud, defalcation or gross misconduct in relation to the Company.
- (o) **Other Termination:** In the event that the Participant's employment is terminated due to death, total permanent disablement, retirement with the approval of the Board or Company initiated termination without cause, Incentive Rights granted in the financial year of termination of employment are forfeited in the same proportion as the remainder of the financial year bears to the full financial year. Incentive Rights that do not lapse at the termination of employment will continue

to be held by Participants with a view to testing for vesting at the end of the Measurement Period. If the Share price at the date of testing is:

- (i) less than the Share price at the date of termination of employment, then all unvested Incentive Rights lapse, in which case the Board may, in its absolute discretion, determine to pay a cash bonus through payroll with PAYG tax deducted; or
 - (ii) not less than the Share price at the date of termination of employment, then retention rights that have not been forfeited will vest and performance rights will be tested once for vesting at the end of the Measurement Period. If they do not vest at that time then they will be forfeited.
- (p) **Change in Control Including Takeover:** In the event of a change in control including a takeover, the vesting conditions attached to the Incentive Rights will cease to apply and unvested Incentive Rights will vest in the proportion that the Share price has grown since the date of grant of the Incentive Rights or as determined by the Board, up to 100%. The Board will have discretion to vest some or all of the remaining unvested Incentive Rights with any Incentive Rights that do not vest lapsing.
- (q) **Distribution of Capital to Shareholders:** In the event that the board decides to declare a special dividend or undertake a return of capital to shareholders, the Board may in its discretion determine that some or all of the unvested Incentive Rights held by Participants shall vest and may also determine that any remaining unvested Incentive Rights shall lapse.
- (r) **Plan limit:** The Company must take reasonable steps to ensure that the number of Shares offered by the Company under the Plan when aggregated with:
 - (i) the number of Shares issued during the previous 5 years under the Plan (or any other employee share plan extended only to eligible employees); and
 - (ii) the number of Shares that would be issued if each outstanding offer for Shares (including options to acquire unissued Shares) under any employee incentive scheme of the Company were to be exercised or accepted,

does not exceed 5% of the total number of Shares on issue at the time of an offer (but disregarding any offer of Shares or option to acquire Shares that can be disregarded in accordance with relevant ASIC Class Orders).

SCHEDULE 4 – SUMMARY OF DEFERRED RIGHTS PLAN

The key terms of the Deferred Rights Plan (**Plan**) are as follows:

(a) **Participants in the Plan**

Participants in the plan may be Non-Executive Directors of the Company (**Participants**).

(b) **Limitations of Offers**

The Company must take reasonable steps to ensure that the number of Shares issued upon vesting and exercise of any Deferred Rights offered under the Non-Executive Director Deferred Rights Plan, when aggregated with:

- (i) the number of Shares which would be issued if each outstanding offer of Deferred Rights, Shares, Options or rights to acquire Shares under an employee incentive scheme is accepted or exercised; and
- (ii) the number of Shares issued during the previous 5 years pursuant an employee incentive scheme extended only to employees or Directors,

must not exceed 5% of the total number of Shares on issue at the time of an offer. In calculating this number, the Company will disregard any issues of Shares, Options or rights to acquire Shares made to persons outside Australia, made under a disclosure document or product disclosure statement, or made under one of the disclosure exceptions set out in Section 708 or 1012D of the Corporations Act.

(c) **Measurement Period**

The measurement period for determining whether service vesting conditions are satisfied will be three financial years commencing on 1 January of the year of grant and finishing on 31 December three years later, unless otherwise determined by the Board (**Measurement Period**).

(d) **Deferred Rights**

Vesting of Deferred Rights will be based on completion of a certain period of service with the Company.

Where a tranche of Deferred Rights vest, the total value of the vesting Deferred Rights (**Total Value**) will be paid in cash (\$1,000 per tranche that vests) and the remaining balance in Shares based on the VWAP of the Shares over the 10 trading days immediately prior to end of the Measurement Period (**Vesting Share Price**).

The Total Value is determined by multiplying the relevant number of vested Deferred Rights by the relevant Vesting Share Price.

If Deferred Rights have not vested and there is no opportunity for those Deferred Rights to vest at a later date then they lapse. Typically, this will be at the end of the Measurement Period for Deferred Rights, if they fail to vest.

There are no performance related vesting conditions as Guideline 8 in the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations" indicates that Non-Executive Directors should not participate in incentive schemes designed for executives. Executive incentive schemes generally involve performance vesting conditions, as is the case under the

Company's current Incentive Rights Plan. Also, ASX Listing Rule 10.17.2 prescribes that Non-Executive Director remuneration should be a fixed sum.

(e) **Withdrawal of Offers**

The Board may withdraw an offer of Deferred Rights at any time including after it has been accepted provided that the Company has not already granted the Deferred Rights.

(f) **Restriction on Transfer**

A Deferred Right may not be transferred or otherwise dealt with and lapses immediately on a purported transfer or dealing unless the Board approves the transfer or the dealing, or the transfer is effected by operation of law on death or legal incapacity of the participant's legal personal representative.

(g) **Shares**

All Shares issued upon vesting and exercise of the Deferred Rights may not be sold or otherwise disposed of until first advised by the Company, which the Company will do immediately upon Shares being capable of being sold without breaching the insider trading provisions of the Corporations Act or the Company's share trading policy. All Shares issued will otherwise rank equally in all respects with the other fully paid ordinary shares on issue.

(h) **Bonus Issue and Pro-Rata Issues**

In the event of a bonus issue of Shares, the number of Deferred Rights held by a participant shall increase by the number of bonus Shares that the participant would have received if the Deferred Rights were Shares.

Subject to any requirements of the Corporations Act and the ASX Listing Rules, in the case of a pro-rata issue of Shares, there will be no adjustment to the Deferred Rights. However, the Board may consider issuing Options of a number up to the number of Shares to which the Participant would have been entitled under the pro-rata issue, had the Deferred Rights been Shares. The exercise price of such Options will be equal to the amount payable by Shareholders to acquire a Share pursuant to that pro-rata issue.

(i) **Capital Reconstructions**

Subject to any requirements of the Corporations Act and the ASX Listing Rules, in the case of other capital reconstructions the Board may make such adjustments to the Deferred Rights as it considers appropriate with a view to ensuring that holders of Incentive Rights are neither advantaged nor disadvantaged.

(j) **Termination of Employment**

Upon the termination of employment, the Deferred Rights will be treated as follows:

- (i) **(Dismissal with cause)**: in the event that the participant is dismissed with cause, all Deferred Rights are forfeited;
- (ii) **(Resignation other than retirement)**: if the participant resigns, all Deferred Rights are forfeited (unless otherwise determined by the Board);

- (iii) **(Death, Disablement or Retirement):** Upon death, total permanent disablement or permanent retirement, all unvested Deferred Rights will lapse unless otherwise determined by the Board. In exercising this discretion the Board shall have regard to the remuneration period to which the grant of Deferred Rights relates and the portion of such period that remains.

Deferred Rights not forfeited cannot vest if the former Non-Executive Director has engaged in any communication, conduct or activities that have or may injure the reputation or business interests or operations of the Company.

If the Share price at the date of testing is more than the Share price at the date of termination then all unvested Deferred Rights will vest. In the event that Deferred Rights forfeit because the Share Price at the testing date is less than the Share price at the date of termination, then the Board may determine to pay a cash bonus (not to exceed the value that would otherwise have been received if the Deferred Rights vested).

(k) **Change in Control Including Takeover**

In the event of a change in control of the Company, including a takeover, unvested Deferred Rights will vest.

(l) **Distribution of Capital to Shareholders**

In the event that the Board decides to declare a special dividend or undertake a return of capital to Shareholders, the Board may determine that some or all of the unvested Deferred Rights shall vest or lapse.

SCHEDULE 5 – VALUATION OF DEFERRED RIGHTS AND INCENTIVE RIGHTS

The Deferred Rights and Incentive Rights to be issued to the Directors pursuant to Resolution 5 to Resolution 8 have been independently valued by Nexia Perth Corporate Finance Pty Ltd.

Using the Parisian ESO2 Model to value the Performance Rights and the share price as at the assumed grant date of the Deferred and Retention Rights, together with the probability estimate of achieving the vesting conditions, the Deferred Rights, Retention Rights and Performance Rights were ascribed value as follows:

Security	Recipient	Value per security (\$)	Number of securities	Probability %	Number of securities likely to vest	Total value (\$)
Deferred Rights	David Vilensky	0.0500	1,104,545	100.0%	1,104,545	55,227
	Brent Jones	0.0500	852,273	100.0%	852,273	42,614
	Pablo Tarantini	0.0500	852,273	100.0%	852,273	42,614
Performance Rights	Christopher Gale	0.0303	3,768,750	N/A	3,768,750	114,193
Retention Rights	Christopher Gale	0.0500	1,856,250	100.0%	1,856,250	92,813
Total			8,434,091			347,460

Please note that the Deferred Rights and Incentive Rights as set out above have been valued based on an assumed grant date of 16 March 2022 and will be re-valued on the date of shareholder approval. The above is provided as a guide only.

SCHEDULE 6 – TERMS AND CONDITIONS OF PLACEMENT OPTIONS AND LEAD MANAGER OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.22 (**Exercise Price**).

(c) **Expiry Date**

Each Option expires at 5:00 pm (WST) on the date that is five (5) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(m) **Quotation**

The Company will not apply for quotation of the Options on ASX.

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact

LRS

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AWST) on Saturday, 28 May 2022.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1

Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Latin Resources Limited hereby appoint

☐ the Chairman of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Latin Resources Limited to be held at 32 Harrogate Street, West Leederville WA 6007 on Monday, 30 May 2022 at 11:00am (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 5, 6, 7 and 8 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 5, 6, 7 and 8 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 5, 6, 7 and 8 by marking the appropriate box in step 2.

Step 2

Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain			For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 7	Approval for Issue of Deferred Rights to Mr Pablo Tarantini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr David Vilensky as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 8	Approval for Issue of Incentive Rights to Mr Christopher Gale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Prior Issue of Shares to Stocks Digital – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9	Approval to issue Placement Options to Waratah Capital Advisers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Prior Issue of Options to Lind – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10	Ratification of prior issue of Placement Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval for Issue of Deferred Rights to Mr David Vilensky	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 11	Ratification of prior issue of Placement Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval for Issue of Deferred Rights to Mr Brent Jones	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3

Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/

/

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically