

22 December 2023

Dear Shareholder,

General Meeting – Notice and Proxy Form

The general meeting of Latin Resources Limited (ASX: LRS) (**Company**) is scheduled to be held at 32 Harrogate Street, West Leederville, Perth on 30 January 2024 at 11:00 am (AWST) (**Meeting**).

In accordance with new provisions under the Corporations Act, the Company will not be sending hard copies of the Notice of Meeting to shareholders unless a shareholder has previously requested a hard copy. The Notice of Meeting can be viewed and downloaded from 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 January 2024;
- (b) submitting questions if possible in advance of the Meeting by emailing the questions to info@latinresources.com.au by 5:00 pm on 28 January 2024; and/or
- (c) hearing the Meeting through a teleconference, which will be available via the following Zoom link:

<https://us02web.zoom.us/j/81670183572?pwd=bit2QWIEY1h3K3VRL3A0anFZOUIaZz09>

You must 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 11:00 am (AWST) on 28 January 2024, 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.

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 GENERAL MEETING

TIME: 11:00 am (AWST)

DATE: 30 January 2024

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 11:00 am (AWST) on 28 January 2024.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

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 140,000,000 Placement Shares on the terms and conditions set out in the Explanatory Statement."

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

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF EMPLOYEE SHARES

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 1,204,108 Employee Shares on the terms and conditions set out in the Explanatory Statement."

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

3. RESOLUTION 3 – APPROVAL FOR ISSUE OF PERFORMANCE INCENTIVE RIGHTS TO MR 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) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 3,000,000 Performance Incentive Rights to Mr Pablo Tarantini (or his nominee) under the Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement."

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

4. RESOLUTION 4 – APPROVAL FOR ISSUE OF PERFORMANCE INCENTIVE RIGHTS TO MR DAVID VILENSKY

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 4,800,000 Performance Incentive Rights to Mr David Vilensky (or his nominee) under the Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement."

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

5. RESOLUTION 5 – APPROVAL FOR ISSUE OF PERFORMANCE INCENTIVE RIGHTS TO MR PETER OLIVER

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 9,600,000 Performance Incentive Rights to Mr Peter Oliver (or his nominee) under the Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement."

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

6. RESOLUTION 6 – APPROVAL FOR ISSUE OF PERFORMANCE INCENTIVE RIGHTS TO MR CHRIS GALE

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 13,000,000 Performance Incentive Rights to Mr Chris Gale (or his nominee) under the Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement."

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

7. RESOLUTION 7 – APPROVAL FOR ISSUE OF PERFORMANCE INCENTIVE RIGHTS TO MR BRENT JONES

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 3,000,000 Performance Incentive Rights to Mr Brent Jones (or his nominee) under the Securities Incentive Plan on the terms and conditions set out in the Explanatory Statement."

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

Dated: 22 December 2023

By order of the Board

Sarah Smith
Company Secretary
Latin Resources Limited

Voting Prohibition Statements

Resolutions 3 to 7 – Approval for the issue of Performance Incentive Rights to Related Parties	<p>In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolutions 3 to 7 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolutions 3 to 7 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>Provided the Chair is not a Resolutions 3 to 7 Excluded Party, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(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.</p>
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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 1 – Ratification of prior issue of Placement Shares	<p>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.</p>
Resolution 2 – Ratification of prior issue of Employee Shares	<p>A person who participated in the issue or is a counterparty to the agreement being approved (namely the Employees) or an associate of that person or those persons.</p>
Resolutions 3 to 7 – Approval for the issue of Performance Incentive Rights to Related Parties	<p>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, Mr David Vilensky, Mr Peter Oliver, Mr Chris Gale and Mr Brent Jones) or an associate of that person or those persons.</p>

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 on +61 8 6117 4798.

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. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

1.1 Background

As announced on 23 October 2023, the Company received binding commitments from institutional and sophisticated investors to raise \$35,000,000 (before costs) through the issue approximately 140,000,000 Shares (**Placement Shares**) at an issue price of \$0.25 per Share (**Placement**).

The Placement was completed within the Company's placement capacity under Listing Rule 7.1.

The Company engaged the services of Canaccord Genuity (Australia) Limited (**Lead Manager**) as lead manager and bookrunner to the Placement. PAC Partners Securities Pty Ltd acted as co-manager to the Placement (**Co-Manager**). The Company has agreed to pay the following fees to the Lead Manager and Co-Manager:

- (a) a management fee of 2% of the gross proceeds of the Placement; and
- (b) a capital raising fee of 4% of the gross proceeds of the Placement,

with the split between the Lead Manager and Co-Manager based on the funds raised.

Use of funds raised under the Placement

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

- (a) an expanded exploration drilling program through 2024;
- (b) completing additional Geotech and Hydrogeology works to support the DFS;
- (c) providing additional funding to facilitate the Company's expanding land acquisition budget; and
- (d) general working capital.

1.2 General

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 Placement Shares 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 Placement Shares.

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 Shares.

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

1.3 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Placement Shares 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 Placement Shares.

If Resolution 1 is not passed, the Placement Shares 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 Placement Shares.

1.4 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 1:

- (a) the Placement Shares were issued to professional and sophisticated investors who are clients of the Lead Manager and Co-Manager (**Placement Participants**). The Placement Participants were identified through a book build process, which involved the Lead Manager 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 Shares were issued under the Company's Listing Rule 7.1 placement capacity;
- (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 Shares were issued on 30 October 2023;

- (f) the issue price was \$0.25 per Share. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (g) the purpose of the issue of the Placement Shares was to raise approximately \$35 million which will be applied as set out in Section 2.1; and
- (h) the Placement Shares were issued under firm commitment letters entered into by each of the Placement Participants on standard terms and conditions.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF EMPLOYEE SHARES

2.1 Background

The Company issued a total of 1,204,108 Shares at a deemed issue price of \$0.37 per Share to employees between 28 July 2023 and 29 September 2023 as follows:

- (a) 555,322 shares were issued on 28 July 2023;
- (b) 300,000 shares were issued on 15 August 2023; and
- (c) 348,786 shares were issued on 29 September 2023,

(together, the **Employee Shares**).

The issue of the Employee Shares did not breach Listing Rule 7.1 at the time of the issue.

The Employee Shares were issued to the following employees in accordance with their respective service contracts with the Company, in consideration for services provided:

- (a) 202,054 Shares were issued to Regina Cele Cossetti Prates;
- (b) 151,541 Shares were issued to Carlos Andre Orneles;
- (c) 50,514 Shares were issued to Daniel Nepomuceno Bastos;
- (d) 500,000 Shares were issued to Leandro Oliveira Gobbo; and
- (e) 300,000 Shares were issued to Leandro Rocco Nunes,

(together, the **Employees**).

The Employee Shares were issued under the Company's Listing Rule 7.1 placement capacity.

As summarised in Section 1.2 above, 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 Employee Shares 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 Employee Shares.

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 Employee Shares.

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Employee Shares.

2.2 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the Employee Shares 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 Employee Shares.

If Resolution 2 is not passed, the Employee Shares 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 Employee Shares.

2.3 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 2:

- (a) the Employee Shares were issued to the Employees;
- (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 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 Employee Shares were issued under the Company's Listing Rule 7.1 placement capacity;
- (d) the Employee Shares 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 Employee Shares were issued as follows:
 - (i) 555,322 Shares were issued on 28 July 2023;

- (ii) 300,000 Shares were issued on 15 August 2023; and
- (iii) 348,786 Shares were issued on 29 September 2023;
- (iv) the Employee Shares were issued at a nil issue price, in consideration for services provided by the Employees. The Company has not and will not receive any other consideration for the issue of the Employee Shares;
- (v) the purpose of the issue of the Employee Shares was to provide equity-based bonuses as part of the remuneration package for the Employees; and
- (f) the Employee Shares Regina Cele Cossetti Prates, Carlos Andre Orneles and Daniel Nepomuceno Bastos were not issued under an agreement. The Employee Shares issued to Leandro Nunes and Leandro Gobbo were issued under employment contracts with the Company. A summary of the material terms of the employment contracts is set out in Schedule 1.

3. RESOLUTION 3 TO 7 - APROVAL FOR ISSUE OF PERFORMANCE INCENTIVE RIGHTS TO DIRECTORS - MR PABLO TARANTINI, MR DAVID VILENSKY, MR PETER OLIVER, MR CHRIS GALE AND MR BRENT JONES

3.1 General

The Company has agreed, subject to Shareholder approval to issue 3,000,000 performance incentive rights to Pablo Tarantini, 4,800,000 performance incentive rights to Mr David Vilensky, 3,000,000 performance incentive rights to Mr Brent Jones, 9,600,000 performance incentive rights to Mr Peter Oliver and 13,000,000 performance incentive rights to Mr Chris Gale (or their nominees) (**Related Parties**) pursuant to the Securities Incentive Plan (**Plan**) on the terms and conditions set out below (**Performance Incentive Rights**).

The Performance Incentive Rights will vest in tranches upon the completion of Milestone as follows:

Related Party	Number of Performance Incentive Rights	Milestone
Pablo Tarantini	1,000,000	Performance Incentive Rights vest upon the lodgement of the Company's Development Application for its Salinas Lithium Project in Brazil (Brazil Lithium Project).
David Vilensky	1,500,000	
Peter Oliver	3,000,000	
Chris Gale	4,000,000	
Brent Jones	1,000,000	
Pablo Tarantini	1,000,000	Performance Incentive Rights vest upon the formal granting of the Company's Development Application for the Brazil Lithium Project.
David Vilensky	1,500,000	
Peter Oliver	3,000,000	

Chris Gale	4,000,000	Performance Incentive Rights vest upon the Board Company making the final investment decision to commence the construction of the Brazil Lithium Project, including having all required approvals and funding in place to complete the construction of the Brazil Lithium Project.
Brent Jones	1,000,000	
Pablo Tarantini	1,000,000	
David Vilensky	1,800,000	
Peter Oliver	3,600,000	
Chris Gale	5,000,000	
Brent Jones	1,000,000	

3.2 Director Recommendation

Each Director has a material personal interest in the outcome of Resolutions 3 to 7 on the basis that all of the Directors (or their nominees) are to be issued Performance Incentive Rights should Resolutions 3 to 7 be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 3 to 7 of this Notice.

3.3 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 the Performance Incentive Rights to the Related Parties constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

As the Performance Incentive Rights are proposed to be issued to all of the Directors, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Incentive Performance Rights. Accordingly, Shareholder approval for the issue of Incentive Performance Rights to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

3.4 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 Performance Incentive Rights to the Related Parties falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 3 to 7 seeks the required Shareholder approval for the issue of the Performance Incentive Rights under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.14.

3.5 Technical information required by Listing Rule 14.1A

If Resolutions 3 to 7 are passed, the Company will be able to proceed with the issue of the Performance Incentive Rights to the Related Parties under the Plan, 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 Performance Incentive Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Performance Incentive Rights will not use up any of the Company's 15% annual placement capacity.

If Resolutions 3 to 7 are not passed, the Company will not be able to proceed with the issue of the Performance Incentive Rights to the Related Parties under the Plan and may be required to consider alternative ways to remunerate and incentivise the Related Parties.

3.6 Technical information required ASX Listing Rule 10.15 and section 219 of the Corporations Act

Pursuant to and in accordance with ASX Listing Rule 10.15 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 3 to 7:

- (a) the related parties are Mr Pablo Tarantini, Mr David Vilensky, Mr Peter Oliver, Mr Chris Gale and Mr Brent Jones who are related parties by virtue of being Directors pursuant to Listing Rule 10.14.1;
- (b) the maximum number of Performance Incentive Rights to be issued to the Related Parties is 33,400,000, comprising:
 - (i) 3,000,000 Performance Incentive Rights to Mr Pablo Tarantini (or his nominee/s) pursuant to Resolution 3;
 - (ii) 4,800,000 Performance Incentive Rights to Mr David Vilensky (or his nominee/s) pursuant to Resolution 4;

- (iii) 9,600,000 Performance Incentive Rights to Mr Peter Oliver (or his nominee/s) pursuant to Resolution 5;
 - (iv) 13,000,000 Performance Incentive Rights to Mr Chris Gale (or his nominee/s) pursuant to Resolution 6; and
 - (v) 3,000,000 Performance Incentive Rights to Mr Brent Jones (or his nominee/s) pursuant to Resolution 7;
- (c) the Securities Incentive Plan was adopted by Shareholders on 19 December 2022;
- (d) the following Performance Incentive Rights have been previously issued to Directors for nil consideration under the Plan since it was adopted on 19 December 2022:
 - (i) 7,500,000 Performance Incentive Rights were issued on 13 January 2023 and 37,000,000 Performance Incentive Rights on 3 July 2023 to Mr Chris Gale;
 - (ii) 12,000,000 Performance Incentive Rights were issued on 23 December 2022 and 9,000,000 Performance Incentive Rights on 3 July 2023 to Mr Peter Oliver;
 - (iii) 9,000,000 Performance Incentive Rights were issued to Mr David Vilensky on 3 July 2023;
 - (iv) 9,000,000 Performance Incentive Rights were issued to Mr Brent Jones on 3 July 2023; and
 - (v) 9,000,000 Performance Incentive Rights were issued to Mr Pablo Tarantini on 3 July 2023;
- (e) a summary of the material terms and conditions of the Performance Incentive Rights is set out in Schedule 3;
- (f) the Performance Incentive Rights are unquoted securities. The Company proposes granting the Performance Incentive Rights to the Directors, under the Plan, 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 Performance Incentive Rights to be issued to the Directors 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 Performance Incentive Rights upon the terms proposed;
- (i) the total remuneration package for the Related Parties for the current financial year is set out below:

Related Party	Current Financial Year 2024
Pablo Tarantini	\$360,523 ¹
David Vilensky	\$390,909 ²
Peter Oliver	\$583,522 ³
Chris Gale	\$1,751,018 ⁴
Brent Jones	\$360,523 ⁵

Notes:

1. Comprising of cash and salary fees of \$96,000 and equity-settled payments of \$222,608, comprising of incentive share rights approved for issue by shareholders and an increase of \$41,915 being the value of the Performance Incentive Rights the subject of this notice.
 2. Comprising of cash and salary fees of \$102,000 and equity-settled payments of \$222,608, comprising of incentive share rights approved for issue by shareholders and an increase of \$66,301 being the value of the Performance Incentive Rights the subject of this notice.
 3. Comprising of cash and salary fees of \$96,000 and equity-settled payments of \$354,920, comprising of incentive share rights approved for issue by shareholders and an increase of \$132,602 being the value of the Performance Incentive Rights the subject of this notice.
 4. Comprising of cash and salary fees of \$500,000 and equity-settled payments of \$1,071,929 comprising of incentive share rights approved for issue by shareholders and an increase of \$179,089 being the value of the Performance Incentive Rights the subject of this notice.
 5. Comprising of cash and salary fees of \$96,000 and equity-settled payments of \$222,608, comprising of incentive share rights approved for issue by shareholders and an increase of \$41,915 being the value of the Performance Incentive Rights the subject of this notice.
- (j) the value of the Performance Incentive Rights and the pricing methodology is set out in Schedule 4;
- (k) the Performance Incentive Rights will be issued to the Related Party no later than 3 years 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 Performance Incentive Rights will be issued on one date;
- (l) the Performance Incentive Rights are being issued for nil cash consideration, as such no funds will be raised from the issue of the Performance Incentive Rights;
- (m) the purpose of the issue of the Performance Incentive Rights is to provide a performance linked incentive component in the remuneration package for the Related Parties to align the interests of the Related Parties with those of Shareholders, to motivate and reward the performance of the Related Parties in their roles as Directors and to provide a cost effective way from the Company to remunerate the Related Parties, which will allow the Company to spend a greater

proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties;

- (n) a summary of the material terms and conditions of the Performance Rights Plan is set out in Schedule 2;
- (o) no loans have been provided in relation to the issue of the Performance Incentive Rights;
- (p) details of any Performance Incentive Rights issued under the Securities Incentive Plan 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;
- (q) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Incentive Rights under the Securities Incentive Plan after Resolutions 3 to 7, is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14;
- (r) the relevant interests of the Directors in the Securities of the Company as at the date of this Notice is set out below:

As at the date of this Notice

Director	Shares	Options	Incentive Performance Rights) ¹	Unquoted Loan Funded Shares
Pablo Tarantini	3,836,648	Nil	6,000,000	Nil
David Vilensky	21,375,015	Nil	6,000,000	1,000,000
Peter Oliver	8,000,000	Nil	13,000,000	Nil
Chris Gale	29,900,768	Nil	31,000,000	2,000,000
Brent Jones	49,069,792	Nil	6,000,000	1,000,000

Notes:

1. Refer to the Company's notice of general meeting for the general meeting held on 19 December 2022 for the terms of the incentive performance rights.

Post issue of Incentive Performance Rights to Related Parties

Director	Shares	Options	Incentive Performance Rights) ¹	Unquoted Loan Funded Shares
Pablo Tarantini	3,836,648	Nil	9,000,000	Nil
David Vilensky	21,375,015	Nil	10,800,000	1,000,000
Peter Oliver	8,000,000	Nil	22,600,000	Nil
Chris Gale	29,900,768	Nil	44,000,000	2,000,000
Brent Jones	49,069,792	Nil	9,000,000	1,000,000

Notes:

1. Refer to the Company's notice of general meeting for the general meeting held on 19 December 2022 for the terms of the incentive performance rights.
- (s) if the vesting conditions and milestone (as applicable) attaching to the Performance Incentive Rights issued to Director are met and the securities are converted, a total of 33,400,000 Shares would be issued. This will increase the number of Shares on issue from 2,772,506,200 (being the total number of Shares on issue as at the date of this Notice) to 2,805,906,200 (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 1.20% comprising 0.11% by each of Pablo Tarantini and Brent Jones, 0.17% by David Vilensky, 0.35% by Peter Oliver and 0.47% by Chris Gale;
- (t) 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	\$0.4275	21 July 2023
Lowest	\$0.089	29 December 2022
Last	\$0.19	6 December 2023

- (u) a voting exclusion statement has been included on Resolutions 3 to 7; and
- (v) 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 Resolutions 3 to 7.

3.7 Performance Incentive Rights to Key Management Personnel

Key Management Personnel who are not directors of the Company will also be issued Performance Incentive Rights by the Company under the Securities Incentive Plan based on the completion of the same milestones as set out in clause 3.1 of this Explanatory Statement. However, shareholder approval is not required for the issue of Performance Incentive Rights to Key Management Personnel who are not directors of the Company.

GLOSSARY

\$ means Australian dollars.

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.

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

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).

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

Constitution means the Company's constitution.

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

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.

Performance Incentive Rights means the Performance Incentive Rights proposed to be issued to Mr Pablo Tarantini, Mr David Vilensky, Mr Peter Oliver Mr Chris Gale and Mr Brent Jones pursuant to Resolutions 3 to 7.

Securities Incentive Plan means the Company's Securities Incentive Plan approved by Shareholders on 19 December 2022.

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.

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.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement means the capital raising completed by the Company on 30 October 2023 and announced by the Company on 23 October 2023.

Placement Participants mean investors in the Placement.

Proxy Form means the proxy form accompanying the Notice.

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

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.

SCHEDULE 1 – EMPLOYMENT CONTRACTS

Leandro Oliveira Gobbo

Salary	US\$10,000 per annum
Term of Employment	Director of Brazilian subsidiary company
Termination	30 days notice in writing

Leandro Nunes

Salary	BRL\$35,000 per annum
Term of Employment	Project Coordinator
Termination	30 days notice in writing

The employment contracts otherwise contain standard terms for agreements of this nature.

SCHEDULE 2 – TERMS AND CONDITIONS OF THE COMPANY'S SECURITIES INCENTIVE PLAN

A summary of the material terms of the Company's Company Securities Incentive Plan (**Plan**) is set out below.

Eligible Participant	<p>Eligible Participant means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.</p> <p>Participant means an Eligible Participant who has been granted any Security under the Plan.</p>
Purpose	<p>The purpose of the Plan is to:</p> <ul style="list-style-type: none"> (a) assist in the reward, retention and motivation of Eligible Participants; (b) link the reward of Eligible Participants to Shareholder value creation; and (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of securities.
Plan administration	<p>The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.</p>
Eligibility, invitation and application	<p>The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination of) Options and Performance Rights provided under the Plan on such terms and conditions as the Board decides.</p> <p>On receipt of an invitation, an Eligible Participant may apply for the securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.</p> <p>If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.</p>
Grant of securities	<p>The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.</p>

Rights attaching to securities	<p>Prior to an Option or Performance Right being exercised, the holder:</p> <ul style="list-style-type: none"> (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the convertible security other than as expressly set out in the Plan; (b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company; (c) is not entitled to receive any dividends declared by the Company; and (d) is not entitled to participate in any new issue of Shares (see Adjustment of convertible securities section below).
Vesting of convertible securities	<p>Any vesting conditions applicable to the Options or Performance Rights will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant securities have vested. Unless and until the vesting notice is issued by the Company, the securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to an Option or Performance Right are not satisfied and/or otherwise waived by the Board, that security will lapse.</p>
Exercise of convertible securities and cashless exercise	<p>To exercise a security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Option or Performance Right (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.</p> <p>An invitation to apply for Options may specify that at the time of exercise of the Options, the Participant may elect not to be required to provide payment of the exercise price for the number of Options specified in a notice of exercise, but that on exercise of those Options the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Options.</p> <p>Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.</p> <p>An Option or a Performance Right may not be exercised unless and until that security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.</p>
Timing of issue of Shares and quotation of Shares on exercise	<p>As soon as practicable after the valid exercise of an Option or a Performance Right by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised securities held by that Participant.</p>

Restrictions on dealing with securities		<p>A holder may not sell, assign, transfer, grant a security interest over or otherwise deal with an Option or a Performance Right that has been granted to them unless otherwise determined by the Board. A holder must not enter into any arrangement for the purpose of hedging their economic exposure to an Option or a Performance Right that has been granted to them.</p> <p>However, in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the Participant) a Participant may deal with convertible securities granted to them under the Plan with the consent of the Board.</p>
Listing of convertible securities		<p>An Option or a Performance Right granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of an Option granted under the Plan on the ASX or any other recognised exchange.</p>
Forfeiture of convertible securities	of	<p>Options and Performance Rights will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> (a) where a Participant who holds Options or Performance Rights ceases to be an Eligible Participant (e.g. is no longer employed or their office or engagement is discontinued with the Group), all unvested convertible securities will automatically be forfeited by the Participant; (b) where a Participant acts fraudulently or dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group; (c) where there is a failure to satisfy the vesting conditions in accordance with the Plan; (d) on the date the Participant becomes insolvent; or (e) on the expiry date of the Options or Performance Rights.
Change of control		<p>If a change of control event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the holder's Options or Performance Rights will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from or in connection with the change of control event.</p>
Adjustment of convertible securities	of	<p>If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Options or Performance Rights will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.</p> <p>If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Options or Performance Rights is entitled, upon exercise of those securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Options or Performance Rights are exercised.</p>

	Unless otherwise determined by the Board, a holder of Options or Performance Rights does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.
Rights attaching to Shares	All Shares issued or transferred under the Plan or issued or transferred to a Participant upon the valid exercise of an Option or a Performance Right, will rank equally in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Shares. A Participant will be entitled to any dividends declared and distributed by the Company on the Shares issued upon exercise of an Option or a Performance Right and may participate in any dividend reinvestment plan operated by the Company in respect of Shares. A Participant may exercise any voting rights attaching to Shares issued under the Plan.
Disposal restrictions on Shares	<p>If the invitation provides that any Shares issued upon the valid exercise of an Option or a Performance Right are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.</p> <p>For so long as a Share is subject to any disposal restrictions under the Plan, the Participant will not:</p> <ul style="list-style-type: none"> (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Share; or (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
General Restrictions on Transfer of Shares	<p>If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of an Option or a Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Act.</p> <p>Restrictions are imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available. These laws may restrict the acquisition or disposal of Shares by you during the time the holder has such information.</p> <p>Any Shares issued to a holder upon exercise of an Option or a Performance Right shall be subject to the terms of the Company's Securities Trading Policy.</p>
Buy-Back	Subject to applicable law, the Company may at any time buy-back Options or Performance Rights and Shares issued upon exercise of Options or Performance Rights in accordance with the terms of the Plan.
Employee Share Trust	The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Options or Performance Rights.

Maximum number of securities	The Company will not make an invitation under the Plan which involves monetary consideration if the number of Shares that may be issued, or acquired upon exercise of Options or Performance Rights offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b))
Amendment of Plan	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.</p> <p>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.</p>
Plan duration	<p>The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.</p> <p>If a Participant and the Company (acting by the Board) agree in writing that some or all of the securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those securities may be cancelled in the manner agreed between the Company and the Participant.</p>
Income Tax Assessment Act	The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.

SCHEDULE 3 – TERMS AND CONDITIONS OF PERFORMANCE INCENTIVE RIGHTS

The terms and conditions attaching to the Performance Rights are set out below:

1.	Entitlement	Each Performance Right entitles the holder to subscribe for one Share upon exercise of the Performance Right.																																				
2.	Plan	<p>The Performance Rights are issued under the Company's Securities Incentive Plan (Plan).</p> <p>Defined terms in these terms and conditions have the same meaning as in the Plan. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.</p>																																				
3.	Consideration	Nil consideration is payable for the grant of the Performance Right.																																				
4.	Vesting Conditions / Milestones	<p>The Performance Rights will vest as follows:</p> <table> <tr> <th>Related Party</th><th>Number of Performance Incentive Rights</th><th>Milestone</th></tr> <tr> <td>Pablo Tarantini</td><td>1,000,000</td><td rowspan="5">Performance Incentive Rights vest upon the lodgement of the Company's Development Application for its Salinas Lithium Project in Brazil (Brazil Lithium Project).</td></tr> <tr> <td>David Vilensky</td><td>1,500,000</td></tr> <tr> <td>Peter Oliver</td><td>3,000,000</td></tr> <tr> <td>Chris Gale</td><td>4,000,000</td></tr> <tr> <td>Brent Jones</td><td>1,000,000</td></tr> <tr> <td>Pablo Tarantini</td><td>1,000,000</td><td rowspan="5">Performance Incentive Rights vest upon the formal granting of the Company's Development Application for the Brazil Lithium Project.</td></tr> <tr> <td>David Vilensky</td><td>1,500,000</td></tr> <tr> <td>Peter Oliver</td><td>3,000,000</td></tr> <tr> <td>Chris Gale</td><td>4,000,000</td></tr> <tr> <td>Brent Jones</td><td>1,000,000</td></tr> <tr> <td>Pablo Tarantini</td><td>1,000,000</td><td rowspan="5">Performance Incentive Rights vest upon the Board Company making the final investment decision to commence the construction of the Brazil Lithium Project, including having all required approvals and funding in place to complete the construction of the Brazil Lithium Project.</td></tr> <tr> <td>David Vilensky</td><td>1,800,000</td></tr> <tr> <td>Peter Oliver</td><td>3,600,000</td></tr> <tr> <td>Chris Gale</td><td>5,000,000</td></tr> <tr> <td>Brent Jones</td><td>1,000,000</td></tr> </table>	Related Party	Number of Performance Incentive Rights	Milestone	Pablo Tarantini	1,000,000	Performance Incentive Rights vest upon the lodgement of the Company's Development Application for its Salinas Lithium Project in Brazil (Brazil Lithium Project).	David Vilensky	1,500,000	Peter Oliver	3,000,000	Chris Gale	4,000,000	Brent Jones	1,000,000	Pablo Tarantini	1,000,000	Performance Incentive Rights vest upon the formal granting of the Company's Development Application for the Brazil Lithium Project.	David Vilensky	1,500,000	Peter Oliver	3,000,000	Chris Gale	4,000,000	Brent Jones	1,000,000	Pablo Tarantini	1,000,000	Performance Incentive Rights vest upon the Board Company making the final investment decision to commence the construction of the Brazil Lithium Project, including having all required approvals and funding in place to complete the construction of the Brazil Lithium Project.	David Vilensky	1,800,000	Peter Oliver	3,600,000	Chris Gale	5,000,000	Brent Jones	1,000,000
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		<p>A Performance Right will vest when a vesting notice is given to the holder.</p> <p>All of the Performance Rights issued to Pablo Tarantini, David Vilensky, Peter Oliver, Chris Gale and Brent Jones that have not yet vested will vest automatically on a sale of the LRS Brazil Lithium Project, or should there be a change of control of those assets or a change of control of the Company which would include a takeover of the Company whether by way of scheme of arrangement or otherwise.</p>
5.	Expiry Date	<p>Each Performance Right will expire on the earlier to occur of:</p> <ul style="list-style-type: none"> (a) 5 years; or (b) the Performance Rights lapsing and being forfeited under the Plan or these terms and conditions, (Expiry Date). <p>A Performance Right not exercised before the Expiry Date will automatically lapse on the Expiry Date.</p>
6.	Rights attaching to Performance Rights	<p>Prior to a Performance Right being exercised, the holder:</p> <ul style="list-style-type: none"> (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Performance Right other than as expressly set out in the Plan; (b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company; (c) is not entitled to receive any dividends declared by the Company; and (d) is not entitled to participate in any new issue of Shares .
7.	Restrictions on dealing with Performance Rights	<p>The Performance Rights cannot be sold, assigned, transferred, have a security interest granted over or otherwise dealt with unless in Special Circumstances under the Plan (including in the case of death or total or permanent disability of the holder) with the consent of the Board in which case the Performance Rights may be exercisable on terms determined by the Board.</p> <p>A holder must not enter into any arrangement for the purpose of hedging their economic exposure to an Option that has been granted to them.</p>
8.	Restriction period	<p>The Performance Rights (including any Shares issued on exercise of the Performance Rights) may be subject to ASX imposed escrow restrictions on disposal in accordance with the ASX Listing Rules.</p>
9.	Forfeiture Conditions	<p>Performance Rights will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> (a) where the holder ceases to be an Eligible Participant (e.g. is no longer employed or their office or engagement is discontinued with the Group); (b) where the holder acts fraudulently or dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group; (c) where there is a failure to satisfy the vesting conditions in accordance with the Plan;

		<p>(d) on the date the holder or their Nominated Party (if applicable) becomes insolvent; or</p> <p>(e) on the Expiry Date.</p>
10.	Exercise	<p>The holder may exercise their Performance Rights by lodging with the Company, on or prior to the Expiry Date:</p> <p>(a) in whole or in part; and</p> <p>(b) a written notice of exercise of Performance Rights specifying the number of Performance Rights being exercised (Exercise Notice).</p>
11.	Timing of issue of Shares and quotation of Shares on exercise	<p>Within five business days after the issue of a Notice of Exercise by the holder, the Company will:</p> <p>(a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;</p> <p>(b) if required, issue a substitute certificate for any remaining unexercised Performance Rights held by the holder;</p> <p>(c) if required and subject to paragraph 13(a), give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and</p> <p>(d) in the event the Company is admitted to the official list of ASX, do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the ASX Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the ASX Listing Rules.</p>
12.	Restrictions on transfer of Shares on exercise	<p>Shares issued on exercise of the Performance Rights are subject to the following restrictions:</p> <p>(a) if the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Act;</p> <p>(b) all Shares issued on exercise of the Performance Rights are subject to restrictions imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available; and</p> <p>(c) all Shares issued on exercise of the Performance Rights are subject to the terms of the Company's Securities Trading Policy.</p>
13.	Rights attaching to Shares on exercise	<p>All Shares issued upon exercise of the Performance Right will rank equally in all respects with the then Shares of the Company.</p>

14.	Change of Control	If a Change of Control Event (being an event which results in any person (either alone or together with associates) owning more than 50% of the Company's issued capital) occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the holder's Performance Rights will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.
15.	Participation entitlements in bonus issues and	Subject always to the rights under the Plan, holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
16.	Adjustment for bonus issue	If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Performance Rights is entitled, upon exercise of the Performance Rights, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Performance Rights are exercised.
17.	Reorganisation	If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Performance Rights will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.
18.	Buy-Back	Subject to applicable law, the Company may at any time buy-back the Performance Rights in accordance with the terms of the Plan.

SCHEDULE 4 – VALUATION OF PERFORMANCE INCENTIVE RIGHTS

The Performance Incentive Rights to be issued to the Directors pursuant to Resolutions 3 to 7 have been independently valued by Hall Chadwick.

Using the Hoadleys Hybrid ESO1 Model to value the Performance Incentive Rights and the share price as at the assumed grant date of the Performance Incentive Rights, together with the probability estimate of achieving the vesting conditions, the Performance Incentive Rights were ascribed value as follows:

Recipient	Value per security (\$)	Number of securities	Probability %	Total value (\$)
Pablo Tarantini	\$0.19	Tranche 1 – 1,000,000	50%	\$95,000
		Tranche 2 – 1,000,000	30%	\$57,000
		Tranche 3 – 1,000,000	30%	\$57,000
Peter Oliver	\$0.19	Tranche 1 – 3,000,000	50%	\$285,000
		Tranche 2 – 3,000,000	30%	\$171,000
		Tranche 3 – 3,600,000	30%	\$205,200
David Vilensky	\$0.19	Tranche 1 – 1,500,000	50%	\$142,500
		Tranche 2 – 1,500,000	30%	\$85,500
		Tranche 3 – 1,800,000	30%	\$102,600
Chris Gale	\$0.19	Tranche 1 – 4,000,000	50%	\$380,000
		Tranche 2 – 4,000,000	30%	\$228,000
		Tranche 3 – 5,000,000	30%	\$285,000
Brent Jones		Tranche 1 – 1,000,000	50%	\$95,000

Recipient	Value per security (\$)	Number of securities	Probability %	Total value (\$)
	\$0.19	Tranche 2 – 1,000,000	30%	\$57,000
		Tranche 3 – 1,000,000	30%	\$57,000
Total		33,400,000		\$2,302,800

Please note that the Performance Incentive Rights as set out above have been valued based on an assumed grant date of 23 January 2024 and will be re-valued on the date of shareholder approval. The above is provided as a guide only.

Need assistance?



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



Online:
www.investorcentre.com/contact

LRSRM

MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SUBURB
SAMPLETOWN VIC 3030



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AWST) on Sunday, 28 January 2024.**

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

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.



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.



IND

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 General Meeting of Latin Resources Limited to be held at 32 Harrogate Street, West Leederville, WA 6007 on Tuesday, 30 January 2024 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 3, 4, 5, 6 and 7 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 3, 4, 5, 6 and 7 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 3, 4, 5, 6 and 7 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
Resolution 1	Ratification of prior issue of Placement Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of prior issue of Employee Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval for issue of Performance Incentive Rights to Mr Pablo Tarantini	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval for issue of Performance Incentive Rights to Mr David Vilensky	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval for issue of Performance Incentive Rights to Mr Peter Oliver	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval for issue of Performance Incentive Rights to Mr Chris Gale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval for issue of Performance Incentive 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

