

Announcement Summary

Entity name

LATIN RESOURCES LIMITED

Announcement Type

New announcement

Date of this announcement

Thursday June 25, 2020

The Proposed issue is:

- An offer of securities under a securities purchase plan
- A placement or other type of issue

Total number of +securities proposed to be issued for an offer of securities under a securities purchase plan

| ASX +Security Code | +Security Description | Maximum Number of +securities to be issued |
|---------------------------|------------------------------|---|
| LRSOC | OPTION EXPIRING 31-DEC-2022 | 125,458,592 |
| LRS | ORDINARY FULLY PAID | 125,458,592 |

+Record date

Wednesday June 24, 2020

Offer closing date

Wednesday July 15, 2020

+Issue date

Friday July 17, 2020

Total number of +securities proposed to be issued for a placement or other type of issue

| ASX +Security Code | +Security Description | Maximum Number of +securities to be issued |
|---------------------------|------------------------------|---|
| LRSOC | OPTION EXPIRING 31-DEC-2022 | 53,800,000 |
| LRS | ORDINARY FULLY PAID | 53,800,000 |

Proposed +issue date

Friday June 26, 2020



Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

LATIN RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

81131405144

1.3 ASX issuer code

LRS

1.4 The announcement is

New announcement

1.5 Date of this announcement

Thursday June 25, 2020

1.6 The Proposed issue is:

An offer of +securities under a +securities purchase plan

A placement or other type of issue



Part 4 - Details of proposed offer under securities purchase plan

Part 4A - Conditions

4A.1 - Are any of the following approvals required for the offer of +securities under the +securities purchase plan issue to be unconditional?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

Yes

4A.1a Conditions

| Approval/Condition | Date for determination | Is the date estimated or actual? | ** Approval received/condition met? |
|---------------------------|------------------------|---|-------------------------------------|
| +Security holder approval | Friday July 31, 2020 | <input checked="" type="checkbox"/> Estimated | No |

Comments

Director participation in Share Purchase Plan

Part 4B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +Security Code and Description

LRS : ORDINARY FULLY PAID

Will the proposed issue of this +security include an offer of attaching +securities?

Yes

Details of +securities proposed to be issued

ASX +Security Code and Description

LRS : ORDINARY FULLY PAID

Maximum Number of +securities proposed to be issued

125,458,592



| | |
|---|---|
| Minimum Number of +securities proposed to be offered to each individual +security holder | Maximum Number of +securities proposed to be offered to each individual +security holder |
| 200,000 | 3,000,000 |

| | |
|---|---|
| Minimum subscription \$ amount proposed to be offered to each individual security holder | Maximum subscription \$ amount proposed to be offered to each individual security holder |
| AUD 1,000 | AUD 15,000 |

Purpose of the issue

Share Purchase Plan to raise up to approximately \$627,293 through the issue of 125,458,592 shares at \$0.005 per share to allow eligible existing shareholders to subscribe for additional shares in the Company at a discount. For every 1 SPP share subscribed for, 1 free attaching listed option (LRSOC) will be issued, subject to shareholder approval.

Offer price details for retail security holders

| | | |
|-------------------------|----------------------------------|--|
| Issue Currency | Offer Price per +security | Estimated or Actual? |
| AUD - Australian Dollar | AUD 0.00500 | <input checked="" type="checkbox"/> Actual |

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
 Yes

Oversubscription & Scale back details

May a scale back be applied to this event?
 Yes

Provide the scale back details

The Company and Board reserves the right to scale back applications under the SPP at its absolute discretion. Any determination will be final.

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
 Existing class

Attaching +Security - Existing class (additional +securities in a class that is already quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ASX +Security Code and Description

LRSOC : OPTION EXPIRING 31-DEC-2022



Offer ratio (ratio of attaching securities at which the new +securities will be issued)

| The quantity of attaching +securities to be issued | For a given quantity of the new +securities issued |
|---|---|
|---|---|

| | |
|---|---|
| 1 | 1 |
|---|---|

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum Number of +securities proposed to be issued

125,458,592

Offer price details for retail security holders

Issue Currency

Offer Price per +security

Estimated or Actual?

Actual

If the Offer Price is not yet known, please provide details about how the Offer Price per +security will be determined?

The Listed Options will be free attaching to the SPP Shares.

Oversubscription & Scale back details

May a scale back be applied to this event?

No

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 4C - Timetable

4C.1 Date of announcement of +security purchase plan

Thursday June 25, 2020

4C.2 +Record date

Wednesday June 24, 2020

4C.3 Date on which offer documents will be made available to investors

Wednesday July 1, 2020



4C.4 Offer open date

Wednesday July 1, 2020

4C.5 Offer closing date

Wednesday July 15, 2020

4C.6 Announcement of results

Thursday July 16, 2020

4C.7 +Issue date

Friday July 17, 2020

Part 4D - Listing Rule requirements

4D.1 Does the offer under the +securities purchase plan meet the requirements of listing rule 7.2 exception 5 that:

- the number of +securities to be issued is not greater than 30% of the number of fully paid +ordinary securities already on issue; and
- the issue price of the +securities is at least 80% of the +volume weighted average market price for +securities in that +class, calculated over the last 5 days on which sales in the +securities were recorded, either before the day on which the issue was announced or before the day on which the issue was made?

Yes

Part 4E - Fees and expenses

4E.1 Will there be a lead manager or broker to the proposed offer?

No

4E.2 Is the proposed offer to be underwritten?

No

4E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

No

4E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

n/a



Part 4F - Further Information

4F.1 Will the entity be changing its dividend/distribution policy if the proposed offer is successful?

No

4F.2 Countries in which the entity has security holders who will not be eligible to accept the proposed offer

All countries outside of Australia, New Zealand and the UK

4F.3 URL on the entity's website where investors can download information about the proposed offer

<https://www.latinresources.com.au/asx-announcements>

4F.4 Any other information the entity wishes to provide about the proposed offer



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

Yes

Details of +securities proposed to be issued

ASX +Security Code and Description

LRS : ORDINARY FULLY PAID

Maximum Number of +securities proposed to be issued

53,800,000

Purpose of the issue

Placement to professional and sophisticated investors to raise up to \$215,200 (before costs) through placing 53,800,000 shares at an issue price of \$0.004 per Share, with 1 free attaching listed option (LRSOC) for every 1 share subscribed for (subject to shareholder approval).

Offer price details for retail security holders

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.00400



Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Oversubscription & Scale back details

May a scale back be applied to this event?

No

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

Existing class

Attaching +Security - Existing class (additional +securities in a class that is already quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ASX +Security Code and Description

LRSOC : OPTION EXPIRING 31-DEC-2022

Maximum Number of +securities proposed to be issued

53,800,000

Offer price details for retail security holders

In what currency is the cash consideration being paid? What is the issue price per +security?

Oversubscription & Scale back details

May a scale back be applied to this event?

No

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 7C - Timetable



7C.1 Proposed +issue date

Friday June 26, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

53,800,000 shares

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

No

7D.2 Is a party referred to in listing rule 10.11.1 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

No

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

6% commission on funds raised

Part 7F - Further Information



7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue