



LATIN RESOURCES LIMITED  
ACN: 131 405 144

Unit 3, 32 Harrogate Street  
West Leederville W.A. 6007  
P +61 8 6181 9798  
F +61 8 9380 9666  
E info@latinresources.com.au

30 June 2015

Dear Optionholder,

### **Entitlement Issue – Notification to Optionholders**

As announced on 30 June 2015, Latin Resources Limited (ACN 131 405 144) (**Company** or **LRS**) is undertaking a non-renounceable entitlement issue of one (1) new Share for every one (1) existing Share held by Shareholders registered at the Record Date at an issue price of \$0.008 per Share together with one (1) free attaching New Option, that will be exercisable at \$0.02 at any time up to 9 March 2017, for every two (2) Shares subscribed for and issued (**Offer**).

The Company lodged a Prospectus for the Offer with ASIC and ASX on 29 June 2015.

### **Details of the Offer**

Pursuant to the Offer, the Company will issue a maximum of 384,599,770 new Shares and 192,299,885 free attaching New Options to raise up to \$3,076,798 before costs of the Offer.

The Offer is being made to all shareholders of the Company named on its register of members at 5:00pm (WST) on 6 July 2015, whose registered address is in Australia, New Zealand, China, Hong Kong, Peru or the United Kingdom (**Eligible Shareholders**).

The Company will apply to the ASX for quotation of the new Shares and New Options. The full terms and conditions of the new Shares and New Options are disclosed in the Prospectus.

A copy of the Prospectus is available on ASX's and the Company's website. Eligible Shareholders will be mailed a Prospectus together with a personalised Entitlement and Acceptance Form no later than 9 July 2015.

Shareholders who choose not to take up their entitlement will receive no value in respect of their entitlement and their shareholding will become diluted.

### **Use of funds**

The Company intends to apply the proceeds from the Offer for the following purposes:

- (a) Maintain concessions in good standing;
- (b) Repayment of debt;
- (c) Expenses of the Offer; and
- (d) Working capital.

### **Effect on capital structure**

Following completion of the Offer (assuming all Entitlements are accepted and no Options are exercised), the Company will have a maximum of 769,199,540 Shares and 228,706,028 Options on issue.

### **Optionholders**

The terms and conditions of the Options you currently hold do not entitle you to participate in the Entitlement Issue unless you exercise your Options in time for new Shares to be allotted and to be entered on the Company's register of members on or before 5:00pm (WST) on 6 July 2015 (**Record Date**).

To exercise your Options and thereby participate in the Rights Issue, you will need to deliver the following to the Company office at Unit 3, 32 Harrogate Street, West Leederville, Western Australia 6007:

- (a) A notice of exercise of Options (attached to this letter);
- (b) An Option certificate (where the options are certificated) or a copy of a holding statement (where the Options are uncertificated) in respect of those Options to be exercised; and
- (c) Payment for the exercise price in respect of those Options to be exercised by way of a cheque made payable to "Latin Resources Limited" and crossed "Not negotiable".

To ensure that your new Shares are allotted prior to the Record Date, the above must be received by Latin Resources Limited **no later than 2 July 2015**. If received after this date, allotment of new shares prior to the Record Date cannot be assured.

Before deciding whether to exercise any or all of your options, you should read the Prospectus in its entirety.

If you have any queries concerning the Entitlement Issue, or the action you are required to take to subscribe under the Offer, please contact your financial adviser or Anthony Begovich, the Company Secretary, on +61 8 6181 9798.

Yours sincerely

**Anthony Begovich**  
Company secretary



**LATIN RESOURCES**  
LIMITED

ABN: 81 131 405 144

**OPTION EXERCISE NOTICE**

To exercise an Option, the Optionholder must complete the Exercise Notice set out below and forward it with payment of the Exercise Price for each Option exercised, to the Company. Cheques should be made payable to *Latin Resources Limited* and crossed "Not Negotiable".

Shares will be issued and allotted on the basis of the Exercise Notice within the time permitted by the Listing Rules of the Australian Stock Exchange Limited.

**EXERCISE NOTICE**

To: Latin Resources Limited (ACN 131 405 144) (the "Company")

I/We.....

Of.....

SRN/HIN.....

being the registered holder/s of ..... (number) Options each to acquire a Share in the Company at the Exercise price of \$.....per Share payable in full on exercise of the Options, HEREBY GIVE NOTICE OF THE EXERCISE of ..... (number) Options and attach my/our cheque in the sum of \$ .....

I/We authorise you to register me/us as the holders of the Shares to be allotted to me/us and agree to be bound by the Constitution of the Company.

DATED.....

Signed.....

This notice may be signed as follows:

- If the holding is held in the name of one person (individual holding), that person must sign.
- If the holding is held by more than one person (jointly) each joint holder must sign.
- If you are signing as an Attorney, then the Power of Attorney must have either been noted by the registry or be duly stamped and accompany this form.

**THIS NOTICE OF EXERCISE OF OPTIONS, WITH THE APPROPRIATE REMITTANCE, SHOULD BE  
LODGED WITH THE COMPANY:**

**Latin Resources Limited  
Unit 3, 32 Harrogate Street West Leederville W.A. 6007**